

Last updated: March 30, 2026

Olympus Corporation

Director, Representative Executive Officer, President and Chief Executive Officer, Bob White
Contact for inquiries: Investor Relations, Vice President, Takaaki Sakurai

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 2025, hold 0.5 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, 2025 (from April 1, 2024 to March 31, 2025)
https://www.olympus.co.jp/ir/data/pdf/annual_fy2025_jp.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 different perspectives in the promotion to core human resources]

<Policies and voluntary and measurable goals for ensuring different perspectives and their status>

At the Olympus Group, our employees and organization must be able to rapidly respond to our dramatically changing world and the needs of our patients, based on a foundation of connecting diverse employees through shared values, sincerely fostering personal growth at both the employee and company levels, and continuously growing together. We have defined a policy for achieving these aims.



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

Inclusion

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

Annual Securities Report for the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

https://www.olympus.co.jp/ir/data/pdf/annual_fy2025_jp.pdf

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

[Initiatives for employee development and internal environment development]

As part of our corporate reforms, the Olympus Group is working to realize a healthy organizational culture. Healthy Organization holds true to Olympus' ambition to create a culture that empowers employees to realize Our Purpose. Five key enablers drive our employee promise: Growth & Development, Authentic Leadership, Inclusion, Reward & Recognition, and Work Environment.

“Growth & Development”--- In order to create a culture in which all employees can grow, acquire appropriate skills, and embody the “Our Core Values” of the Corporate Philosophy, we encourage autonomous learning by offering a wide range of skill development opportunities, including a common global online study platform, and workshops on cross-cultural understanding.

“Authentic Leadership”--- To practice the building of teams that allow each and every individual to reach their potential, we offer opportunities for education in the competencies set out in our Global Leadership Competency Model, and for diligent study by leaders themselves through the mechanism of Global 360 feedback.

“Inclusion”--- To foster a culture that is inclusive of all employees, we provide equal opportunities, educational activities and communication such as training and workshops, and provide support for balancing work with family life.

“Reward & Recognition”--- To encourage employees' achievements and contributions, we have established a globally consistent award system (global and regional) to recognize the accomplishments of employees, as well as competitive compensation systems based on the results of external surveys.

“Work Environment”--- We promote hybrid working styles that combine face-to-face communication and remote work, build optimal office environments, and are moving to put in place rules and regulations based on new working styles

[Initiatives to ensure human resources who have different perspectives]

The Olympus Group works to provide employees with opportunities to reach their full potential. Olympus Corporation's initiatives to promote equality in the workplace between men and women have been highly rated, and in 2019 we received Eruboshi Grade 3 certification. By proactively recruiting and supporting people at all levels of ability, including those with physical, mental, and cognitive disabilities, we work to create workplaces that incorporate different perspectives. These employees play active roles in a wide range of fields, including general clerical positions, as well as in specialist roles in production engineering or IT development. In 2009, we established a special-purpose company to expand employment opportunities for people with disabilities. We work to maintain an environment conducive to continuous employment through such measures as tailoring work processes to the characteristics of people with disabilities and assigning staff to guide them in active roles.

Please refer to our website for specific initiatives and achievements.

Inclusion

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

Employment

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

[Initiatives for KENKO Investment for Health]

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 “2025 White 500 KENKO Investment for Health Outstanding Organization” for nine 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 its commitment to patient safety as its highest priority, and to transform it into a global MedTech company, the Olympus Group will pursue greater success and sustainable growth as a leading global MedTech company with “Our Core Values” of “Patient Focus,” “Integrity,” “Innovation,” “Impact,” and “Empathy” and based on the company strategy announced in May 2023.

• Corporate Strategy

In the company strategy announced in May 2023, the Olympus Group set three priorities as guiding principles to achieve “Making people’s lives healthier, safer, and more fulfilling,” as stated in our Corporate Philosophy: “Patient safety and sustainability,” “Innovation for growth,” and “Productivity.” We drive our efforts based on these guiding principles.

Company Strategy (Guiding Principles) and Progress by FY2025

Patient safety and sustainability	Innovation for growth	Productivity
 <ul style="list-style-type: none"> ▪ Drove Elevate program and stabilized customer supply ▪ Implemented ESG strategy and fostered our culture 	 <ul style="list-style-type: none"> ▪ Optimized internal and external innovation and on time delivery ▪ Drove global business expansion and HCP engagement 	 <ul style="list-style-type: none"> ▪ Optimized global operating model ▪ Improved productivity

Our corporate strategy has been published in integrated report available for reference.

Integrated Report For the Fiscal Year Ended March 31, 2025

<https://www.olympus-global.com/ir/data/integratedreport/2025.html>

(2) Basic concepts concerning corporate governance of Olympus Corporation

• As set out in the above section 1 “Basic Views,” 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, 2025 (from April 1, 2024 to March 31, 2025)

https://www.olympus-global.com/ir/stock/pdf/meetingFY2025_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 corporate strategy, 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, 2025 (from April 1, 2024 to March 31, 2025)

https://www.olympus.co.jp/ir/data/pdf/annual_fy2025_jp.pdf

<Investments in human capital>

The Olympus Group believes that its employees are its most important management resource, and aims to create innovation by bringing together the limitless possibilities of employees around the globe, thus fulfilling Our Purpose of “Making people’s lives healthier, safer and more fulfilling,” as set out in the Corporate Philosophy.

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, 2025 (from April 1, 2024 to March 31, 2025)

https://www.olympus.co.jp/ir/data/pdf/annual_fy2025_jp.pdf

<Investments in intellectual properties>

The regional Intellectual Property (IP) teams manage the IP generated from projects in their respective regions. Meanwhile, the Olympus Group is currently expanding its global product development system in which people from different regions are involved in the development of a single product. This has created an increasing need to globally standardize the IP decision-making processes. To respond to this changing environment, we appointed a dedicated leader within our IP organization to collect best practices from each region and promote the standardization of IP management on a global basis. In 2023, we formulated and began operations of a decision-making process relating to patent maintenance management that was coordinated between Japan, the U.S., and Europe. By introducing this decision-making process, we are now able to promptly review the status of each patent application, which changes during the development phase and patent examination progress, and select and maintain patents that can effectively contribute to business protection. We are also jointly promoting the building of a patent management system to support the operation of this decision-making process, with the aim in the years to come of linking patent management data with data held by other departments to realize data-driven IP investments. We continue our efforts to establish a patent portfolio that contributes to the Olympus Group’s sustainable growth.

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

Integrated Report For the Fiscal Year Ended March 31, 2025

<https://www.olympus-global.com/ir/data/integratedreport/2025.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 is estimated to be relatively small. 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 have published our Group’s climate change-related initiatives on our website and in integrated reports.

Environmental Policy and Strategy

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

Sustainability

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

Integrated Report For the Fiscal Year Ended March 31, 2025

<https://www.olympus-global.com/ir/data/integratedreport/2025.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 Independence standards and qualification for 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, composition 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 composition 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 (9) of this report.

As for the composition of the Board of Directors, of 11 directors, eight are independent outside directors. In addition, of 11 directors, five 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 ensuring a range of viewpoints 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").

Notice Regarding the Convocation of the General Meeting of Shareholders For the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

https://www.olympus-global.com/ir/stock/pdf/meetingFY2025_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, 2025 (from April 1, 2024 to March 31, 2025)

https://www.olympus-global.com/ir/stock/pdf/meetingFY2025_01.pdf

Annual Securities Report For the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

https://www.olympus.co.jp/ir/data/pdf/annual_fy2025_jp.pdf

[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, the Chairperson of the Board of Directors and the Board of Directors Secretariat held a series of discussions to address challenges and issues to further improve the effectiveness of the Board of Directors based on which the Board of Directors ultimately reviewed and concluded a summary of the Board of Directors' evaluation including future initiatives. 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. A summary 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.

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

Contents	Disclosure of Initiatives (Updates)
English disclosure	Yes
Update date	June 26, 2025

Explanation of relevant items Updated

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, 2025 (from April 1, 2024 to March 31, 2025)

https://www.olympus.co.jp/ir/data/pdf/annual_fy2025_jp.pdf

Integrated Report For the Fiscal Year Ended March 31, 2025

<https://www.olympus-global.com/ir/data/integratedreport/2025.html>

2. Capital Structure

Foreign shareholding ratio	30% or more
----------------------------	-------------

[Status of Major Shareholders]

Name	Number of shares held (shares)	Ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	224,631,200	19.92
Custody Bank of Japan, Ltd. (trust account)	83,612,200	7.41
STATE STREET BANK AND TRUST COMPANY 505001	54,845,380	4.86
SMBC Trust Bank Ltd. (Olympus shares in Sumitomo Mitsui Banking Corporation’s retirement benefit trust account)	39,509,300	3.50
Morgan Stanley MUFG Securities Co., Ltd.	32,396,222	2.87
JP MORGAN CHASE BANK 385632	29,113,283	2.58
STATE STREET BANK WEST CLIENT - TREATY 505234	23,049,412	2.04
Nippon Life Insurance Company	21,258,572	1.88
STATE STREET BANK AND TRUST COMPANY 505223	21,150,778	1.88
STATE STREET BANK AND TRUST COMPANY 505103	19,606,319	1.74

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

Supplementary explanation

1. The status of major shareholders listed is current as of March 31, 2025.

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 March 31, 2025, 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 March 31, 2025, these holders have not been included in the above status of major shareholders.
4. 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 March 31, 2025, these holders have not been included in the above status of major shareholders.
5. 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 March 31, 2025, these holders have not been included in the above status of major shareholders.
6. The Change Report for the Large-Volume Holding Report dated January 7, 2025 and available for public inspection shows that BlackRock Japan Co., Ltd. and seven other joint holders hold 85,403,225 shares (7.25% holding ratio of share certificates, etc.) as of December 31, 2024, but as Olympus Corporation could not confirm the actual number of shares held as of March 31, 2025, 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.
-----------------------------	---

[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	11

[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	
Masato Iwasaki	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												
Hiroshi Ishino	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			
Masato Iwasaki	○			○	There is no fact that falls under attribute information.	<p>Dr. Masato Iwasaki provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his extensive experience as a business manager at a global company in the healthcare industry and his global and extensive knowledge cultivated through his experience as an outside director at another company. In addition, he has participated in decisions on the contents of proposals regarding the election of directors and in deliberations on matters related to the appointment of executive officers from a broad perspective as a member of the Nominating Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of corporate value of the Olympus Group over medium to long term. From the above, Olympus Corporation has nominated him as an outside director again.</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>
David Robert Hale		○		○	There is no fact that falls under attribute information.	<p>Mr. David Robert Hale provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his diverse knowledge in global management cultivated through his extensive experience as a business manager at an investment company. In addition, he has participated in decisions on the compensation of directors and executive officers from a broad perspective as a member of the Compensation Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term. From the above, Olympus Corporation has nominated him as an outside director again.</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>

Name	Membership of committee			Designation as independent officer	Supplementary explanation of the relationship	Reasons for appointment
	Nominating Committee	Compensation Committee	Audit Committee			
Jimmy C. Beasley		○		○	There is no fact that falls under attribute information.	Mr. Jimmy C. Beasley provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his expert knowledge of the global healthcare business cultivated through his extensive management experience in the world's leading companies in the healthcare industry. In addition, he has facilitated discussions regarding the contents of compensation for directors and executive officers from a broad perspective as the Chairperson of the Compensation Committee. Furthermore, he has advised and monitored the development of the Olympus Group's QA & RA system as a member of the Quality Assurance and Regulatory Affairs (QA&RA) Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of corporate value of the Olympus Group over the medium to long term. From the above, Olympus Corporation has nominated him as an outside director again. 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.
Sachiko Ichikawa			○	○	There is no fact that falls under attribute information.	Ms. Sachiko Ichikawa provides advice and monitors the management of the Olympus Group from a position independent and objective and based on her global and highly specialized expertise cultivated through her extensive experience as an attorney (in Japan and New York, U.S.A.) and a certified public accountant in the U.S., as well as her experience as an outside director and an outside auditor at several other companies. In addition, she has promoted the audit of the execution of duties by directors and executive officers from a broad perspective as a member of the Audit Committee. Olympus Corporation has determined that she possesses a high level of insight, expertise and capabilities, and that she will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of corporate value of the Olympus Group over the medium to long term. From the above, Olympus Corporation has nominated her as an outside director again. She has not been involved in company management in any way other than as an outside director or 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.

Name	Membership of committee			Designation as independent officer	Supplementary explanation of the relationship	Reasons for appointment
	Nominating Committee	Compensation Committee	Audit Committee			
						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.
Kohei Kan			○	○	There is no fact that falls under attribute information.	<p>Mr. Kohei Kan provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his global and highly specialized expertise cultivated through his extensive experience as a certified public accountant, experience working abroad, experience as person in charge of auditing and assurance business overseas and as a Chief Executive Officer at an auditing firm. In addition, he has facilitated the audit of the execution of duties by directors and executive officers from a broad perspective as the Chairperson of the Audit Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term. From the above, Olympus Corporation has nominated him as an outside director again. He has not been involved in company management in any way other than as an outside director or 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	○			○	There is no fact that falls under attribute information.	<p>Mr. Gary John Pruden provides advice and monitors the management of the Olympus Group from a position independent and objective and based on his diverse knowledge in global management cultivated through his extensive experience as a business manager in the world’s leading companies in the healthcare industry and his experience as an outside director at several other companies. In addition, he has participated in decisions on the contents of proposals regarding the election of directors and in deliberations on matters related to the appointment of executive officers from a broad perspective as a member of the Nominating Committee. Furthermore, he has advised and monitored the development of the Olympus Group’s QA & RA system and facilitated deliberations as the Chairperson of the Quality Assurance and Regulatory Affairs (QA&RA)</p>

Name	Membership of committee			Designation as independent officer	Supplementary explanation of the relationship	Reasons for appointment
	Nominating Committee	Compensation Committee	Audit Committee			
						Committee. Olympus Corporation has determined that he possesses a high level of insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of corporate value of the Olympus Group over the medium to long term. From the above, Olympus Corporation has nominated him as an outside director again. 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 provides advice and monitors the management of the Olympus Group from a position independent and objective and based on her global and highly specialized expertise cultivated through her extensive experience in the areas of Quality Assurance and Regulatory Affairs (QA&RA) at the world’s leading companies in the healthcare industry and at several other companies, as well as her experience on quality-related committees. In addition, she has participated in decisions on the compensation of directors and executive officers from a broad perspective as a member of the Compensation Committee. Furthermore, she has advised and monitored the development of the Olympus Group’s QA & RA system as a member of the Quality Assurance and Regulatory Affairs (QA&RA) Committee. Olympus Corporation has determined that she possesses a high level of insight, expertise and capabilities, and that she will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term. From the above, Olympus Corporation has nominated her as an outside director again. 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.
Hiroshi Ishino		○		○	There is no fact that falls under attribute information.	Mr. Hiroshi Ishino has global and extensive knowledge cultivated through his experience in overseas business at a major trading company and as a business manager at a major manufacturer, where he promoted globalization and worked on reforming the mindset of employees, as well as through his experience as an outside director at another company. Olympus Corporation has determined that he possesses a high level of

Name	Membership of committee			Designation as independent officer	Supplementary explanation of the relationship	Reasons for appointment
	Nominating Committee	Compensation Committee	Audit Committee			
						<p>insight, expertise and capabilities, and that he will contribute to strengthening of the monitoring and decision-making functions of the Board of Directors effectively from the perspective of sustainable growth and enhancing of the corporate value of the Olympus Group over the medium to long term. From the above, Olympus Corporation has nominated him as a new 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	3	0	0	3	Outside director
Audit Committee	3	1	1	2	Outside director

[Executive Officers]

Number of Executive Officers 12

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
Bob White*	Yes	Yes	×	×	No
John Manfred 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
Syed Mukarram Naveed	No	No	×	×	No
Shigeto Ohtsuki	No	No	×	×	No
Boris Shkolnik	No	No	×	×	No
Neil Boyden Tanner	No	No	×	×	No

* Mr. Bob White's legal name is Robert John White.

[Auditing Structure]

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

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

Olympus Corporation shall allocate a dedicated employee who assists with the Audit Committee's duties and have a concurrent employee as needed. In accordance with the provisions of the internal regulations, those employees who assist with the Audit Committee's duties shall perform their duties under the commands and instructions of the Audit Committee. In addition, by deciding the appointment, dismissal, transfer, wage or personnel evaluation of the dedicated employee who assists the Audit Committee with their duties only after obtaining the approval of the Audit Committee, Olympus Corporation shall ensure effectiveness of directions from the Audit Committee and independence of those employees from executives.

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 function 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 function, confirms that these reports align with its key points to emphasize, 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 global grip with respect to network firms, and determines the appropriateness of the accounting audits.

The internal audit function 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 Updated	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 Directors]

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

(Criteria for Independence of Outside Directors)

1. The Outside Director has not directly received, on average over the past three fiscal years, more than 10 million yen in remuneration or other assets (excluding remuneration from the Group as an officer) from Olympus Corporation and its subsidiaries (hereinafter collectively referred to as the “Group”). If the person is a consultant, accounting expert, or legal expert, the amount of remuneration or similar payments from the Group to the organization to which the person belongs is not more than 2% of the organization’s annual consolidated revenue.
2. The Outside Director has not, at present or during the past three years, served as an Executive Director, Executive Officer, Corporate Officer, or employee of a company that falls under any of the following categories:
 - (i) The amount of transactions with the Group is more than 2% of the consolidated revenue of either party
 - (ii) A major shareholder of Olympus Corporation (meaning a shareholder that directly or indirectly holds more than 10% of the total voting rights; the same shall apply hereinafter)
 - (iii) The Group is a major shareholder of the relevant company
 - (iv) The Group and the relevant company have a relationship in which they mutually dispatch and appoint directors
3. The Outside Director is not financially dependent on a person who falls under the categories of 1. or 2. above.
4. At present or at the time when the Board of Directors determines the content of the proposal for the General Meeting of Shareholders to appoint the candidate as an Outside Director, the Outside Director is not a spouse of, or a relative within the second degree of kinship of, a Director, Executive Director, Executive Officer, or employee of the Group.
5. The Outside Officer does not belong to an auditing firm that conducts statutory audits of the Group.
6. In addition to each of the above items, the Outside Director 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
--	--

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	-----
------------------------------------	-------

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
---	--

Supplementary explanation of relevant items

We have disclosed the following compensation results for directors and executive officers for the fiscal year ended March 2025 in its business report and annual securities report.

<Remuneration for the fiscal year ended March 2025>

- (1) Total amount of remuneration by officer classification, total amount by type of remuneration, and the number of subject officers

Officer classification		Total amount of remuneration (in millions of yen)	Total remuneration by type (in millions of yen)			No. of subject officers (Persons)
			Base salary	Performance-linked monetary compensation	Non-monetary compensation	
Director	Inside	742	522	191	29	4
	Outside	248	203	–	45	11
	Sub-Total	990	725	191	74	15
Executive Officer		2,605	1,013	665	927	14

Notes:

1. Base salary includes the amount paid in the fiscal year ended March 2025. Performance-linked monetary compensation, which is short-term incentive (STI: Short-Term Incentive), and non-monetary compensation (subsequent grant-type restricted stock compensation (RSU: Restricted Stock Unit) and performance-based stock compensation (PSU: Performance Share Unit), which is long-term incentive), include the amounts to be recorded as expenses for the fiscal year ended March 2025.
2. There are two other Executive Officers who are classified as both an Executive Officer and Inside Director which is in addition to the 14 Executive Officers mentioned above. Total remuneration by type is reported for these two individuals in the Inside Director's row. The two other Executive Officers who are classified as both an Executive Officer and Insider Director include one Inside Director who ended contract due to resignation on October 28, 2024. The 14 Executive Officers identified include four Executive Officers who ended contract on March 31, 2022 and March 31, 2024 and two Executive Officers who assumed office on October 1, 2024.
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 and three Outside Directors who retired at the close of FY2024 General Meeting of Shareholders held on June 26, 2024.
5. One Outside Director 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 remuneration for each officer whose total amount of remuneration is 100 million yen or more

Name	Officer classification	Total amount of remuneration (in millions of yen)	Total remuneration by type (in millions of yen)		
			Base salary	Performance-linked monetary compensation	Non-monetary compensation
Yasuo Takeuchi	Director, Executive Officer	379	92	90	197
Tetsuo Kobayashi	Executive Officer	125	34	37	54
Frank Drewalowski	Executive Officer	522	272	123	127
Andre Heribert Roggan	Executive Officer	621	302	96	223
Gabriela Castillo Kaynor	Executive Officer	300	111	92	97
Boris Shkolnik	Executive Officer	274	93	83	98
John Manfred de Csepel	Executive Officer	156	56	70	30
Neil Boyden Tanner	Executive Officer	175	56	70	49
Stefan Kaufmann	Director, Executive Officer	330	330	0	0
Jose Ignacio Abia Buenache (Common name: Nacho Abia)	Executive Officer	182	0	0	182

Notes:

1. The "Base salary" in the table above includes the amount paid in the fiscal year ended March 2025. "Performance-linked monetary compensation" includes the amount of short-term incentive compensation with the fiscal year ended March 2025 as the evaluation period, and "Non-monetary compensation" includes the amount of long-term incentive compensation with the

fiscal year ended March 2025 as a part of the evaluation period (subsequent grant-type restricted stock compensation (RSU) and performance-based stock compensation (PSU)), both of which are to be recorded as expenses in the fiscal year ended March 2025.

2. Frank Drewalowski, Andre Heribert Roggan, Gabriela Castillo Kaynor, Boris Shkolnik, John Manfred de Csepel, Neil Boyden Tanner and Stefan Kaufmann had employment agreements 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. Frank Drewalowski, Andre Heribert Roggan and Stefan Kaufmann served as Executive Officers of Olympus Corporation having office for execution in Japan and their principal place of residence in 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 home 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.
4. Base salary for Stefan Kaufmann reflects adjustment of accruals due to resignation in October 2024. The amount of non-monetary compensation for Jose Ignacio Abia Buenache is the amount to be recorded as expense in the fiscal year ended March 2025, which is a shortfall amount to the accrual recorded in the fiscal year ended March 2024.

(3) Performance-linked compensations evaluation index, calculation method, and evaluation results

<<Short-term incentive compensation, for which the evaluation period was the fiscal year ended March 2025 (FY2025-STI)>>

The standard amount of short-term incentive compensation (STI) for the fiscal year ended March 2025 is determined as base salary (BS) multiplied by a factor of 1.15 for executive officers and 1.25 for representative executive officers, and after the closing of the applicable period, the Compensation Committee evaluates the performance of each indicator and decides the payout rate and amount.

The evaluation index and calculation methods are as follows.

Evaluation index	Ratio	Reasons for selecting	Target value and calculation method
Revenue	25%	To assess growth	(Note 3)
Operating profit margin	25%	To assess growth and efficiency	(Note 4)
Quality target	30%	Since it is important to steadily implement long-term and strategic efforts within each fiscal year	(Note 5)
EO individual target	20%	To reward contributions to our new refreshed Core Values, especially “Impact” and facilitate the cultural change towards more impact and personal accountability of Executive Officers	(Note 6)

Notes:

1. 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.
2. Upper and lower limits on the evaluation table and adjustment items
 - (i) Upper and lower limits are set for each evaluation index.
 - (ii) Adjustment items
 - Revenue: The exchange rate used for FY2025 earnings forecasts (USD = ¥151, EUR = ¥163, CNY = ¥21) is applied to FY2025 sales revenue results and FY2024 sales revenue results to exclude the foreign currency exchange impact from the performance valuation.
 - Operating profit: Other income/other expenses are deducted from the operating profits on the consolidated financial statement.
3. Revenue

Initially, we set the target of revenue according to the “next term outlook” of the financial statements for the fiscal year ended March 2024, however, pursuant to the decision to transfer the Orthopedic Business and discontinue these operations, the Compensation Committee has made a resolution to define the target of revenue of continued operations on September 25, 2024. 100% payment is provided when the achievement rate of target is 100% and the evaluation table is set from a lower limit of 0% to an upper limit of 200%.

 - Payout rate 200%: $FY2025 \text{ revenue forecast} + \{(FY2025 \text{ revenue forecast} - FY2024 \text{ actual revenue}) * 70\}$
= 10,090 + $\{(10,090 - 9,593) * 70\}$ = 10,438 Oku-yen
 - Payout rate 100% to 200%: $100 + (X - 10,090) * 100/348$
 - Payout ratio 100%: “revenue forecast for FY2025” = 10,090 Oku-yen
 - Payout rate 50%: $FY2024 \text{ actual revenue (after FX adjustment)} = 9,593 \text{ Oku-yen}$
 - Payout rate 0% to 100%: $50 + (X - 9,593) * 50/497$
 - Payout rate 0%: $9,593 - (10,090 - 9,593) = 9,096 \text{ Oku-yen}$

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)
4. Operating profit margin

Initially, we set the target of revenue according to the “next term outlook” of the financial statements for the fiscal year ended March 2024, however, pursuant to the decision to transfer the Orthopedic Business and discontinue these operations, the

Compensation Committee has made a resolution to define the target of operating profit margin as reflecting continuing operations on September 25, 2024. 100% payment is provided when the achievement of operating margin is within ± 0.5 points from target and the evaluation table is set from a lower limit of 0% to an upper limit of 200%.

- Payout rate 200%: FY2025 operating profit margin forecast (19.6%) + 5.5% or more = 25.1% or more
- Payout rate 100% to 200%: FY2025 operating profit margin 20.1% or more, less than 25.1% = $100 + 20 * (Y - 20.1)$
- Payout rate 100%: FY2025 operating profit margin forecast +/- 0.5% = 19.1% or more, less than 20.1%
- Payout rate 50% to 100%: FY2025 operating profit margin 16.6% or more, less than 19.1% = $100 - 20 * (19.1 - Y)$
- Payout rate 50%: FY2025 operating profit margin forecast - 3% = 16.6%
- Payout rate 0%: less than 16.6%

Notes: 1. Y represents FY2025 actual operating profit margin (after adjustment).

2. Upper limit is set as 200% and lower limit 0%.

3. Adjustments: Other income/other expenses are deducted from the operating profits on the consolidated financial statement.

5. Quality target

- The goals for the STI reward are the short-term goals of major initiatives to improve the root causes (vulnerabilities) that may exist with our Quality Assurance and Regulatory Affairs (QA&RA) organizational structure, manufacturing processes, quality management systems and the quality culture.
- 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.

6. Executive Officer individual target

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

Evaluation results are as follows.

Evaluation index	Ratio	Target value	Actual value	Payout rate
Revenue	25%	1,009.0 billion yen	990.5 billion yen	81.4%
Operating profit margin	25%	19.6% (19.1–20.1%)	18.9%	96.0%
Quality target	30%	Progress in remediations, implementation of management review structure, and achievement of Elevate workstream deliverables	Exceeded target level	150.0%
EO individual target	20%	(Individual)	Achievement rate 70.5%–113.8%	94.6% (on average)

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 March 2025 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 overall payout rate was 112.5% for Executive Chairperson, and 108.3% on average for Executive Officers. The payment amount is determined by multiplying this payout rate by the standard amount of short-term incentive compensation (STI).

<<Long-term incentive compensation (FY2023-PSU), for which the fiscal year ended March 2025 was set as the final year of the evaluation period>>

The following are evaluation index and calculation methods of the performance-based stock compensation (PSU), for which the evaluation period begins in the fiscal year ended March 2023 and ends in the fiscal year ended March 2025.

Evaluation index	Ratio	Reasons for selecting	Calculation method
Operating profit margin	20%	As it was judged appropriate that operating profit margin continues to be evaluated as Olympus continues to promote the reforms seeking for improvement of the corporate value.	(Note 1)
Relative TSR	60%	As relative-TSR was judged appropriate as an indicator for evaluating the corporate value and shareholders value.	(Note 2)
ESG	20%	As ESG is a basis of business management, and is announced to be reinforced in the corporate strategy	(Note 3)

Notes:

1. Operating profit margin

Operating profit margin value is after adjustment by deducting other income and expenses. Payout rate of operating profit margin is a simple average of payout rate of each year.

2. Relative TSR

(Relative TSR payout rate % for 25%ile to 50%ile) = 2 * (Relative TSR result %ile)

3. ESG

Payout rate of ESG index is determined by DJSI-Index (Dow Jones Sustainability Index) of each year in the evaluation period.

Evaluation results are as follows.

Evaluation index	Ratio	Target (100% Payout)	Result	Payout rate
Operating profit margin	20%	Setting 100% payout target for each year	(Note 1)	32.0%
Relative TSR	60%	50%ile (Peer group)	35.3%ile	70.6%
ESG	20%	DJSI-index	(Note 2)	200.0%

Notes:

1. Operating profit margin: 100% payout target and the results for each year were as follows.

	100% payout target	Result
FY2023	21.4%	20.0%
FY2024	18.9%–20.9%	16.2%
FY2025	19.1%–20.1%	18.9%

2. Results of DJSI-Index in each year were as follows.

	Result
FY2023	World
FY2024	World
FY2025	World

Based on the above results, the Compensation Committee determines the total payout rate. The overall payout was 88.8%. The number of shares vested is determined by multiplying this payout rate and the number of PSU units granted to each Executive Officer.

(4) Stock compensation with units granted for the fiscal year ended March 2025

Stock compensations with units granted for the fiscal year ended March 2025 were as follows:

Type	Name	Eligible person	Date of granting unit	Total number of units granted
Subsequent grant-type restricted stock compensation	FY2025-RSU	Non-executive Directors	June 26, 2024	24,808
		Executive Officers	April 1, 2024	318,506
Performance-based stock compensation	FY2025-PSU	Executive Officers	April 1, 2024	477,759

Policy for determining compensation amounts and the calculation methods

Yes

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 remuneration for directors and executive officers for the fiscal year ending March 2026.

[Support Systems for Outside Directors]

To support the effective execution of the roles and duties of directors, we work proactively to provide 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)

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	Masato Iwasaki	◎	◎		
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	Hiroshi Ishino	○		○	
Director	Yasuo Takeuchi	○			
Director	Bob White*	○			
Director	Toshihiko Okubo	○			○

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

* Mr. Bob White's legal name is Robert John White.

The status of activities of the Board of Directors and each committee for the fiscal year ended March 2025 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, 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, evaluation of the effectiveness of the Board of Directors (including consideration on improving the efficiency of Board of Directors' operation), executive structure for the next term (including selecting a CEO candidate), establishment of an Innovation and Safety (I&S) Committee, 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 Nominating Committee and 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	16
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 the executive side, its duties to be fulfilled are (i) improving recognition and insight into the management environment and management issues through constructive discussion with the executive side, (ii) effectively monitoring management decision making and execution from a strategic and broad perspective, and (iii) supporting the promotion of measures

	<p>to help Olympus grow as a truly global MedTech company, creating innovative value for patients worldwide and contributing to a wide range of stakeholders, and it will exercise effective monitoring capabilities.</p> <ul style="list-style-type: none"> - 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 side. - 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. One of these initiatives has involved ensuring sufficient time for meetings of the Board of Directors, which it enables livelier discussions to be conducted face-to-face.
--	---

[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 is 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. - In the case of candidates for Chief Executive Officer, in addition to engaging external consultants, we took into account the opinions of outside directors and management when considering the selection of the most suitable candidate for CEO. - 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 is 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) Remuneration for Officers (i) Remuneration for the fiscal year ended March 2025 e. Compensation Committee Activities”). Annual Securities Report For the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025) https://www.olympus.co.jp/ir/data/pdf/annual_fy2025_jp.pdf
Number of meetings held	10

[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 (i) Audit Committee Audits b. Status of the Audit Committee’s activities”). Annual Securities Report For the Fiscal Year Ended March 31, 2025 (from April 1, 2024 to March 31, 2025) https://www.olympus.co.jp/ir/data/pdf/annual_fy2025_jp.pdf
Number of meetings held	22

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, 2025 (from April 1, 2024 to March 31, 2025)
https://www.olympus.co.jp/ir/data/pdf/annual_fy2025_jp.pdf

[Executive Officers]

Executive officers are comprised of the following 12 persons: Executive Chairperson, President and Chief Executive Officer (CEO), Chief Medical Officer (CMO), Executive Officer Gastrointestinal Solutions, Chief Financial Officer (CFO), Chief Strategy Officer (CSO), Chief Manufacturing and Supply Officer (CMSO), Executive Officer Surgical and Interventional Solutions, Chief Technology Officer (CTO), Chief Human Resources Officer (CHRO), 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.

[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 after general meetings of shareholders. 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 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, a Shareholders’ Report explaining performance in the first half of the fiscal year has also been made available. 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.	Yes

	Moreover, individual meetings are held by the Chief Executive Officer (CEO), Chief Financial Officer (CFO), and IR officers as needed, 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>	Yes
Publication of IR materials on the Company website	<p>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 semi-annual 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.</p> <p>https://www.olympus-global.com/ir/</p>	
IR Department (Officer)	<p>Officer in charge: Executive Officer, Chief Financial Officer Tatsuya Izumi Department in charge: IR Department.</p>	
Other matters	<p>[Providing IR Materials in English] In addition to financial information (financial results, presentation materials, and numerical reference materials) and relevant disclosure, integrated reports, convocation notices for general meetings of shareholders, and medical fact books in English are disclosed simultaneously with the Japanese version. 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 2025] Number of interviews: 971 Officers (Executive Chairperson, CEO, CFO, CSO, etc.): 77 IR Department: 894 (Number of interviews in the past three years for reference) Fiscal year ended March 2024: 1,075 Fiscal year ended March 2023: 779 Fiscal year ended March 2022: 992 *CSO: Chief Strategy 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. The following shows the main concerns of analysts and institutional investors for the fiscal year ended March 2025. - Resignation and succession of the former CEO - Content of Warning Letter given by the U.S. Food and Drug Administration and Olympus Corporation's response</p>	

- The current status and outlook of the Chinese business
- The state of progress of our management strategy
- Capital allocation and shareholder return policy

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

Supplementary explanations	
<p>Regulations on the integration of stakeholder viewpoints based on internal regulations, etc.</p>	<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] 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.” Furthermore, in April 2025, we further strengthened Diversity, Equity & Inclusion initiatives aimed at ensuring that all employees have access to equal opportunities by redefining them to incorporate “Inclusion,” which led to a partial review of related materiality topics. As a result, the “25 Materiality Topics” have been reorganized into “24 Materiality Topics.” These “6 Focus Areas” and “24 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
<p>Implementation of environmental protection activities, CSR activities, etc.</p>	<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 fourth year in a row and “DJSI Asia Pacific” for the sixth year in a row.</p> <p>[Environmental Conservation Activities] 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.</p>

Formulation of policies concerning the provision of information to stakeholders

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 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.

Initiatives related to sustainability 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_2025_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) Olympus Corporation established the Innovation and Safety (I&S) Committee, composed of independent outside directors, as a voluntary committee in addition to the statutory committees (Nominating Committee, Compensation Committee and Audit Committee). The Innovation & Safety (I&S) Committee provides ongoing oversight and governance on patient safety management, quality and product regulatory compliance, and the research and development process.
- (4) The CEO, as the person in charge of execution, supervises other Executive Officers and assumes full responsibility for the execution of duties.
- (5) 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.
- (6) 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 the internal 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 internal regulations. 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 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 the internal regulations 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 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 the internal 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 internal 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 subsidiaries in each region of the Olympus Group. The officers responsible for the regional headquarters shall report to the CEO on the management situation of the subsidiaries and other matters, in accordance with the internal regulations.

In addition, regarding important management matters of subsidiaries, Olympus Corporation requires them to obtain our approval or report to us in accordance with the internal 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 assists with the Audit Committee's duties and have a concurrent employee as needed. In accordance with the provisions of the internal regulations, those employees who assist with the Audit Committee's duties shall perform their duties under the commands and instructions of the Audit Committee. In addition, by deciding the appointment, dismissal, transfer, wage or personnel evaluation of the dedicated employee who assists the Audit Committee with their duties only after obtaining the approval of the Audit Committee, Olympus Corporation shall ensure effectiveness of directions from the Audit Committee and independence of those employees from executives.

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 fact in material 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 the internal regulations, 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, in accordance with the internal regulations, 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 the internal 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 access to the materials and the minutes of Group Executive Committee, and they have opportunities to attend important meetings at the request of the Audit Committee.
- (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 for collaboration between the Audit Committee and Audit Committees 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

The Olympus Group has defined policies on eliminating 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 and verifying business partners.

V Other

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

Adoption of a response policy for takeovers	None
---	------

Supplementary explanation of relevant items

2. Other Matters Concerning the Corporate Governance System Updated

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.

In addition, to ensure the consistency of statutory disclosure documents, we have established the “Statutory Disclosure Advisory Council,” chaired by the CFO and composed of heads of relevant departments. The council promotes consistency of statutory disclosure documents by considering relevant facts and reviewing disclosures and helps the company speak with one consistent, reliable voice to the public to enhance investor trust.

Basic Policy on Corporate Governance

Basic Idea Regarding 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.

Our corporate governance is designed to balance general principles such as equality, cooperation, transparency, responsibility, and dialogue, and to provide a structure for transparent, fair, timely, and decisive decision-making, based on our fiduciary responsibility to shareholders and our responsibility to stakeholders including patients, clients, employees and local communities, etc., as well as the above corporate philosophy. We established this policy and strive for the continuous enhancement of 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

(1) Formulate and Implement the Corporate Philosophy and the Code of Conduct

We have formulated the “Corporate Philosophy” 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 Human Resources Who Have Different Perspectives

The Olympus group envisions a workplace where inclusion is seamlessly woven into our culture and business, empowering every individual to thrive. The Olympus group is committed to fostering an environment where all people, regardless of background, identity, or experience, are respected, valued, and given the opportunity to reach their full potential.

(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

We will disclose corporate information, such as management policy, financial condition, status of business activities and non-financial matters in a fair, timely, appropriate and proactive manner for the purpose of obtaining all stakeholders’ correct understanding and trust.

(2) External Accounting Auditor

Our Audit Committee established 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 and other important matters, and supervises directors and executive officers, in the execution of their duties. In addition, the Board of Directors supports appropriate risk-taking and timely and decisive decision-making by Executive Officers by delegating appropriate authority to them.

(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 on matters in order to fulfill their own obligations and responsibilities as members of the Board of Directors.

(3) Composition of the Board of Directors

We examine the composition of the Board of Directors to ensure a range of viewpoints.

(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

We shall set up statutory committees: 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 matters.

(8) Voluntary Committee

We established the Innovation & Safety (I&S) Committee, composed of independent outside directors, as a voluntary committee. The Innovation & Safety (I&S) Committee provides ongoing oversight and governance on patient safety management, quality and product regulatory compliance, and the research and development process.

(9) Appointment Process of the Directors

The Nominating Committee shall deliberate on whether director candidates have the experience and knowledge required to be a director, taking into account the composition of the Board of Directors, and shall determine the content of proposals submitted to the General Meeting of Shareholders in relation to the appointment and dismissal of directors after conducting interviews.

(10) 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 role, and provides opinions and advice to the Board of Directors. Thereafter, the successor is decided by the Board of Directors.

(11) Compensation System

Our policy regarding officers' compensation (directors and executive officers) is to design, oversee and set compensation and incentives such that they are aligned with corporate strategy, performance, and shareholder interests, 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.

(12) 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.

(13) 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 regularly. 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.

(14) 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.

(15) 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 as necessary and regularly setting opportunities for debate about corporate strategy.
- 4) We established 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.

(16) Training for Directors

The directors endeavor to improve themselves by acquiring and updating their knowledge in order to fulfill their roles and duties. We provide support to directors as necessary to ensure they have access to opportunities for acquiring and updating knowledge related to corporate governance. We provide various programs for directors to acquire 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 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 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 CEO and CFO 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 the 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 regularly implement IR events, such as briefing sessions for individual investors and facility tours. Moreover, we 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 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 are discussed.

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

In accordance with the Internal Regulations, insider information is strictly managed. Training is provided to officers and employees related to the management of insider information. When dialogue with shareholders, etc., the IR function issues a reminder to those involved in 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 skills of the directors						
			Common Skills	Specialty Skills					
			Overseas Management	Corporate Management	Healthcare Industry	Quality Assurance	Legal/Risk Management	Finance/Accounting	ESG
Masato Iwasaki	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	Nominating Committee	●		●	●			
Hiroshi Ishino	Outside Director	Compensation Committee	●	●					
Yasuo Takeuchi	Director, Representative Executive Officer, Executive Chairperson and ESG Officer		●	●	●			●	●
Bob White	Director, Representative Executive Officer, President and Chief Executive Officer (CEO)		●	●	●				
Toshihiko Okubo	Director	Audit Committee	●		●				

☆ : Committee Chairperson

Notes: 1. Mr. Bob White's legal name is Robert John White.

2. The above table does not indicate all the skills the directors have.

The "Common Skills" are, in principle, the experience and expertise commonly required of directors. The "Specialty Skills" are the experience and expertise that each director has particular strengths in.

Attachment 3

Policy to determine individual remuneration for directors and executive officers for the fiscal year ended March 2026

Matters relating to the policy to determine the amount of our officer remuneration including 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 are independent Outside Directors. The Compensation Committee is chaired by an independent Outside Director to ensure transparency and to determine fair and appropriate remuneration.

Our fundamental policy regarding the officer remuneration structure is to ensure officers maximize corporate value and meet expectations of various stakeholders, allowing Olympus to reward their responsibilities with suitable and appropriate remuneration. The Compensation Committee, in accordance with the fundamental policy mentioned above, approves the remuneration policy for individual Directors and Executive Officers. In accordance with this policy, the Compensation Committee determines the amount of remuneration for individual Directors and Executive Officers and reports them to the Board of Directors.

[Compensation structure for Board of Directors (“Directors,” excluding those who are also Executive Officers)]

a. Compensation level for Directors

- In order to set the Director’s compensation level at competitive level that enables securement/retention of talent and encourages positive participation as a Director of Olympus Corporation, the compensation level shall be targeted at a competitive market level based on each Director’s region of residence.
- If a Director requests to decline compensation, the Compensation Committee will evaluate and decide on the response.

b. Compensation composition of Directors

- With importance placed on the concept that Directors shall share interests between Directors and investors, in addition to base salary (BS), non-performance-based stock compensation (non-monetary compensation) is granted.
- The non-performance-based stock compensation consists of a restricted stock unit (“RSU”). For Directors residing in Japan, restrictions regarding RSUs lapse upon retirement. The lapse of restrictions for RSUs 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.
- The RSU for the fiscal year ending March 2026 was set at 8 million yen for residents in Japan and non-residents in Japan (excluding residents in the U.S.). To further promote the Company’s shareholding guideline, the ratio of BS and RSU was reviewed and starting in the fiscal year ending March 2026 will be updated from 83:17 to 75:25, to \$79,809, for residents in the U.S. Note, the overall compensation amount was not revised.
- The number of RSUs to be granted is calculated based on the share price on the business day prior to the date of appointment as a director, and the corresponding number of shares will be provided after vesting.
- The following shareholding guidelines are established.
 1. Residents in Japan: RSUs vest at the time of retirement, therefore, that shareholding guidelines have not been established.
 2. Residents in the U.S.: One time the amount 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 account for the impact of stock disposal by use of “sell plan before knowledge” for tax payment purposes.
- The Chairperson of the Board of Directors receives a Chairperson allowance in addition to the base salary.
- The Chairpersons of the Nominating Committee, the Compensation Committee, the Audit Committee and the Innovation and Safety (I&S) Committee receive a Chairperson allowance in addition to the base salary.
- With the exception of full-time members, the Audit Committee members receive an Audit Committee allowance in addition to the base salary. 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.
- Innovation and Safety (I&S) Committee members receive an Innovation and Safety (I&S) Committee allowance in addition to the base salary.
- For Directors who are also Executive Officers, monetary compensation for the monitoring functions as Directors shall be paid separately from Executive Officer 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.

[Compensation structure for Executive Officers (including those who are also Directors)]

In order to achieve our corporate strategy and to create corporate value, it is essential that we have a compensation system that ensures that we retain and motivate highly qualified leaders. To this end, we have decided on a compensation structure based on the following concepts.

1. Establish an enhanced incentive program to compete with global med-tech companies
2. Establish an incentive program which aligns with our corporate strategy
3. Establish a program focused 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. Establish sound management of incentives through the Company’s clawback and shareholding guideline policies.
6. Enhance the motivation of Executive Officers by setting challenging and achievable targets.

a. Compensation level for Executive Officers

· Thoughts on compensation amount

1. We assign weights to performance-linked monetary compensation and stock compensation and adjust these weights based on our compensation philosophy, which takes into account Olympus' 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 third-party vendors.

Note:

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 systems, including providing of stock compensation to some employees (including non-residents in Japan).

b. Compensation composition of Executive Officers

· 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.

· 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 home country.

· Focusing on achieving our corporate strategy to enhance medium- to long-term corporate value and shareholder value and considering the compensation amounts of other global med-tech companies, the ratio was set as follows:

Chief Executive Officers	BS : STI : LTI = 1 (15%) : 1.5 (23%) : 4 (62%)
Executive Chairperson	BS : STI : LTI = 1 (19%) : 1.25 (24%) : 3 (57%)
Executive Officers	BS : STI : LTI = 1 (24%) : 1.15 (28%) : 2 (48%)

· Long-Term Incentive compensation (LTI) consists of subsequent grant-type restricted stock compensation (RSU) and performance-based stock compensation (PSU).

c. Short-term incentive compensation, which is performance-linked monetary compensation (FY2026-STI)

The evaluation index and calculation methods for Short-term incentive compensation (FY2026-STI) for the fiscal year ending March 2026 (FY2026) are as follows. The payment amount is determined by multiplying the overall payout rate of performance indicators by the standard amount of short-term incentive compensation (STI).

Evaluation index	Ratio	Reasons for selecting	Target value and calculation method
Revenue	25%	To assess growth	(Note 3)
Operating profit margin	25%	To assess growth and efficiency	(Note 4)
Quality target	30%	Since it is important to steadily implement long-term and strategic efforts within each fiscal year	(Note 5)
EO individual target	20%	To reward contributions to our new refreshed Core Values, especially "Impact" and facilitate the cultural change towards more impact and personal accountability of Executive Officers	(Note 6)

Notes:

1. 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.

2. Upper and lower limits on the evaluation table and adjustment items

(i) Upper and lower limits are set for each evaluation index.

(ii) Adjustment items

- Revenue: The exchange rate used for FY2026 earnings forecasts (USD = ¥145, EUR = ¥161, CNY = ¥19.9) is applied to FY 2026 sales revenue results and FY2025 sales revenue results to exclude the foreign currency exchange impact from the performance valuation.
- Operating profit: Other income/other expenses are deducted from the operating profits on the consolidated financial statement.

3. Revenue

- Payout rate 200%: $FY2026 \text{ revenue forecast} + \{(FY2026 \text{ revenue forecast} - FY2025 \text{ actual revenue}) * 70\%\}$
= 9,990 + $\{(9,990 - 9,604) * 70\%\}$ = 10,260 Oku-yen
- Payout rate 100% to 200%: $100 + (X - 9,990) * 100/270$
- Payout rate 100%: "revenue forecast for FY2026" = 9,990 Oku-yen
- Payout rate 50% to 100%: $50 + (X - 9,604) * 50/386$
- Payout rate 50%: FY2025 actual revenue (after FX adjustment) = 9,604 Oku-yen
- Payout rate 0%: less than 9,604 Oku-yen

- Notes: 1. X represents FY2026 actual revenue (after FX adjustment)
 2. Upper limit is set as 200% and lower limit 0%.
 3. Adjustment: Exchange rate (USD = ¥145, EUR = ¥161, CNY = ¥19.9)

4. Operating profit margin

- Payout rate 200%: Corporate strategy mid-term financial guidance operating profit margin + 1.0% or more = 21.0% or more
- Payout rate 120% to 200%: FY2026 operating profit margin 20.0% or more, less than 21.0% = $120 + 80 * (Y - 20.0)/1.0$
- Payout rate 100% to 120%: FY2026 operating profit margin 17.5% or more, less than 20.0% = $120 - 20 * (20.0 - Y)/2.5$
- Payout rate 100%: FY2026 operating profit margin forecast = 17.5%
- Payout rate 50% to 100%: FY2026 operating profit margin 16.3% or more, less than 17.5% = $100 - 50 * (17.5 - Y)/1.2$
- Payout rate 50%: Lowest operating profit margin result during the corporate strategy mid-term financial guidance period = FY2024 operating profit margin result = 16.3%
- Payout rate 0%: FY2026 operating profit margin less than 16.3%

- Notes: 1. Y represents FY2026 actual operating profit margin (after adjustment).
 2. Upper limit is set as 200% and lower limit 0%.
 3. Adjustments: Other income/other expenses are deducted.

5. Quality target

- The goals for the STI reward evaluation are the short-term goals of major initiatives to improve the root causes (vulnerabilities) that may exist with our QA&RA organizational structure, manufacturing processes, quality management systems and the quality culture.
- The Compensation Committee and the Innovation and Safety (I&S) 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 System improvement work streams

6. Executive Officer individual target

- Individual targets of specific results or outcomes that an Executive Officer must deliver in FY2026.

d. Long-term incentive compensation, which is non-monetary compensation (FY2026-LTI)

The following section describes long-term incentive compensation (FY2026-LTI) covering the three-year period from the fiscal year ending March 2026 to the fiscal year ending March 2028.

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. The Compensation Committee has determined the LTI mix as 40% for RSUs and 60% for PSUs in order to promote our objective of rewarding Executive Officers for their contribution on achieving our long-term performance goals and creating share ownership.

«Subsequent grant-type restricted stock compensation (FY2026-RSU)»

(Grant date and number of units granted)

- The grant date shall be April 1, 2025.
- The stock price used in the calculation shall be the closing price of Olympus's common shares on the business day preceding the grant date.
- For foreign exchange, apply average TTM (Telegraphic Transfer Middle Rate) for the fiscal year before the grant date.
- The total base salary of Executive Officers, which is the basis for granting, is 754,129,894 yen, and the total number of RSU granted is 325,675 units.

(Vesting)

- 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.
- 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 regulations, 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.
- 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.
- If an agreement with an Executive Officer stipulates individual agreement that has been approved by the Compensation Committee, the rights will be vested, and shares will be provided according to such individual agreement.

«Performance-based stock compensation (FY2026-PSU)»

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.

(Grant date and number of units granted)

- The grant date shall be April 1, 2025.
- The stock price used in the calculation shall be the closing price of Olympus' common shares on the business day preceding the grant date.
- For foreign exchange, apply average TTM (Telegraphic Transfer Middle Rate) for the fiscal year before the grant date.
- The total base salary of Executive Officer, which is the basis for granting, is 754,129,894 yen, and the total number of PSU granted is 488,516 units.

(Vesting)

- 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.
- 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 regulations, the number of shares calculated under performance evaluation metrics after the expiration of the performance evaluation period based on the number of units that an Executive Officer has 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.
- If an agreement with an Executive Officer stipulates individual agreement, the rights will be vested, and shares will be provided according to such individual agreement.

The evaluation index and calculation methods are as follows.

Evaluation index	Ratio	Reasons for selecting	Target value and calculation method
Relative TSR	60%	As relative-TSR was judged appropriate as an indicator for evaluating the corporate value and shareholders value.	(Note 1)
Quality target	30%	Since it is important to steadily implement long-term and strategic efforts within each fiscal year	(Note 2)
ESG	10%	As ESG is a basis of business management, and is announced to be reinforced in the corporate strategy	(Note 3)

Notes:

1. Relative TSR

- 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, and Sysmex Corporation
- If the company's TSR rank is above the 75% level, provide a payout rate of 200%; at the 50% level, provide a payout rate of 100%, at the 25% level, provide a payout rate of 50%; and at the level below the 25% level, the payout rate is 0%. The payout rate (Y)%, between the rank 50% and 75% level (X) is, $Y = 4*(X-50) + 100$. The payout rate (Y)%, between the rank 25% and 50% level (X) is, $Y = 2*(X-25) + 50$.

2. Quality target

- The goals for the PSU reward are the medium- to long-term goals of major initiatives to improve the root causes (vulnerabilities) that may exist with our QA&RA organizational structure, manufacturing processes, quality management systems and the quality culture.
- The Compensation Committee and the Innovation and Safety (I&S) 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

- (i) 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.

(ii) In addition, in light of ESG focus areas and important issues (materiality) of Olympus, we have established the following two (2) criteria regarding ESG as internal index.

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

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

Focus Area	Index	Target in fiscal year ending March 2028	Mid-term goals (for reference)
Healthcare Access & Outcome	CRC (Colorectal Cancer) related training in target emerging countries and regions	51 ~ 53 (Number of programs)	+20% growth rate
Carbon Neutral Society & Circular Economy	Reduction of CO2 emission in our site operations across scope 1 and 2	-82% ~ -84% (Reduction compared with fiscal year ended March 2020)	Carbon neutral by 2030
DJSI	Included in DJSI Index	World	World maintained

e. Compensation risk management

- Shareholding guidelines

1. Shareholding guidelines are established to share interests between shareholders and management (Executive Officers).

2. Shareholding guidelines are as follows:

- Executive Officers shall hold 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 so that the shares will be fully earned approximately five years after the assumption of office, depending on individual target achievements.

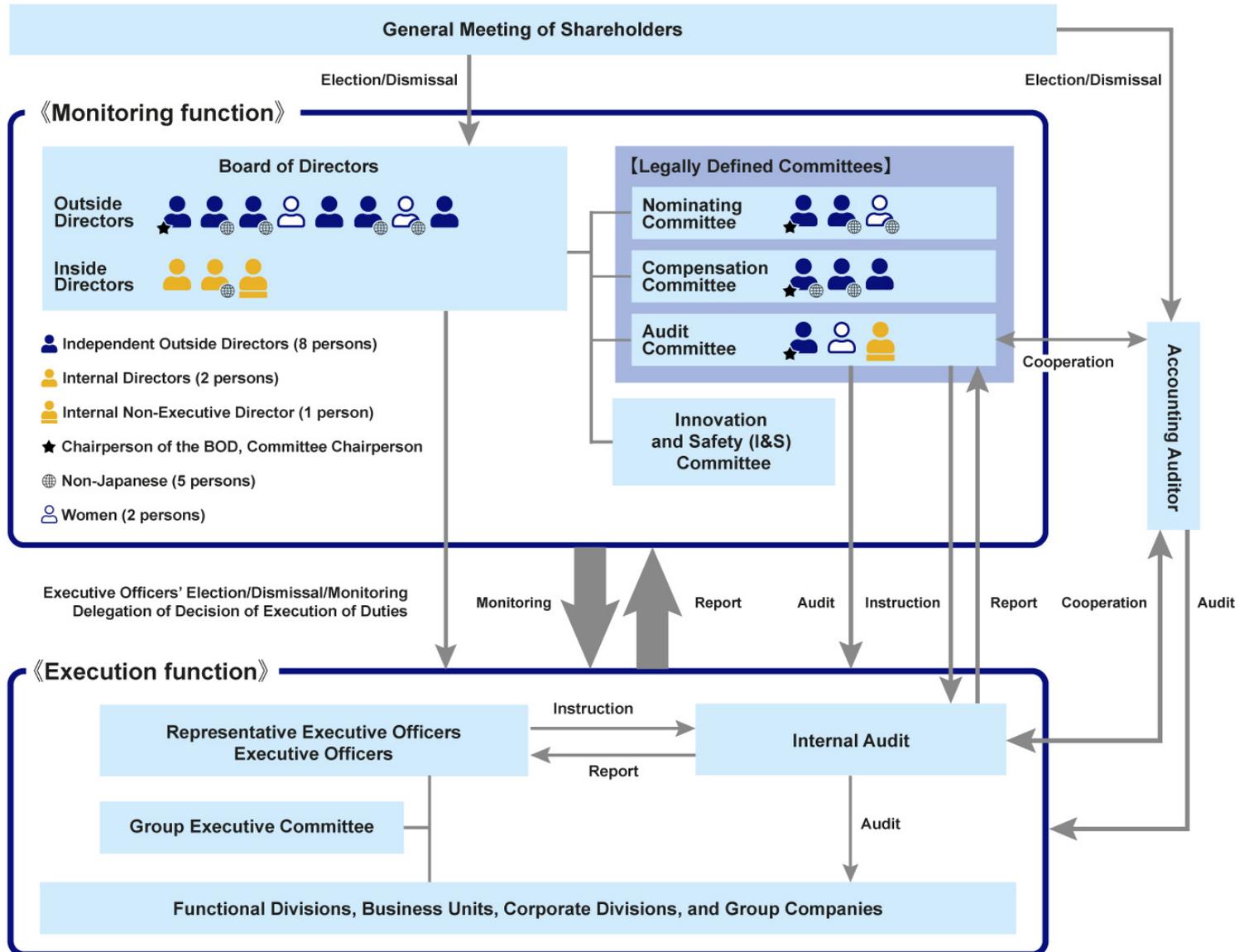
- Clawback clause

A clawback clause has been set up to deter the management (Executive Officers) from short-sighted, harmful investments, improper accounting, material breach of compliance, etc. Clawback is subject to short-term incentive compensation (STI) and long-term incentive compensation (LTI) for Executive Officers. Olympus may request to return all or part of such paid remuneration if the following events occur.

- a. An event that any doubt arises as to the accuracy of the financial statements of our company or any company within our company's group, and as a result, the financial results for any past business year related to our company's consolidated financial statements have been revised and any amendment is required to be made to any Annual Securities Report already submitted.
- b. An event that our company experiences increased remuneration due to a temporary increase in sales, etc. as a result of excessive M&A transactions, etc. by decision of a subject Executive Officer, and subsequently incurs significant losses.
- c. Any material breach of the Olympus Global Code of Conduct by a subject Executive Officer, that damages corporate value.
- d. An event that a subject Executive Officer has breached, in any material respect, laws and regulations, internal regulations or any agreement executed with our company.

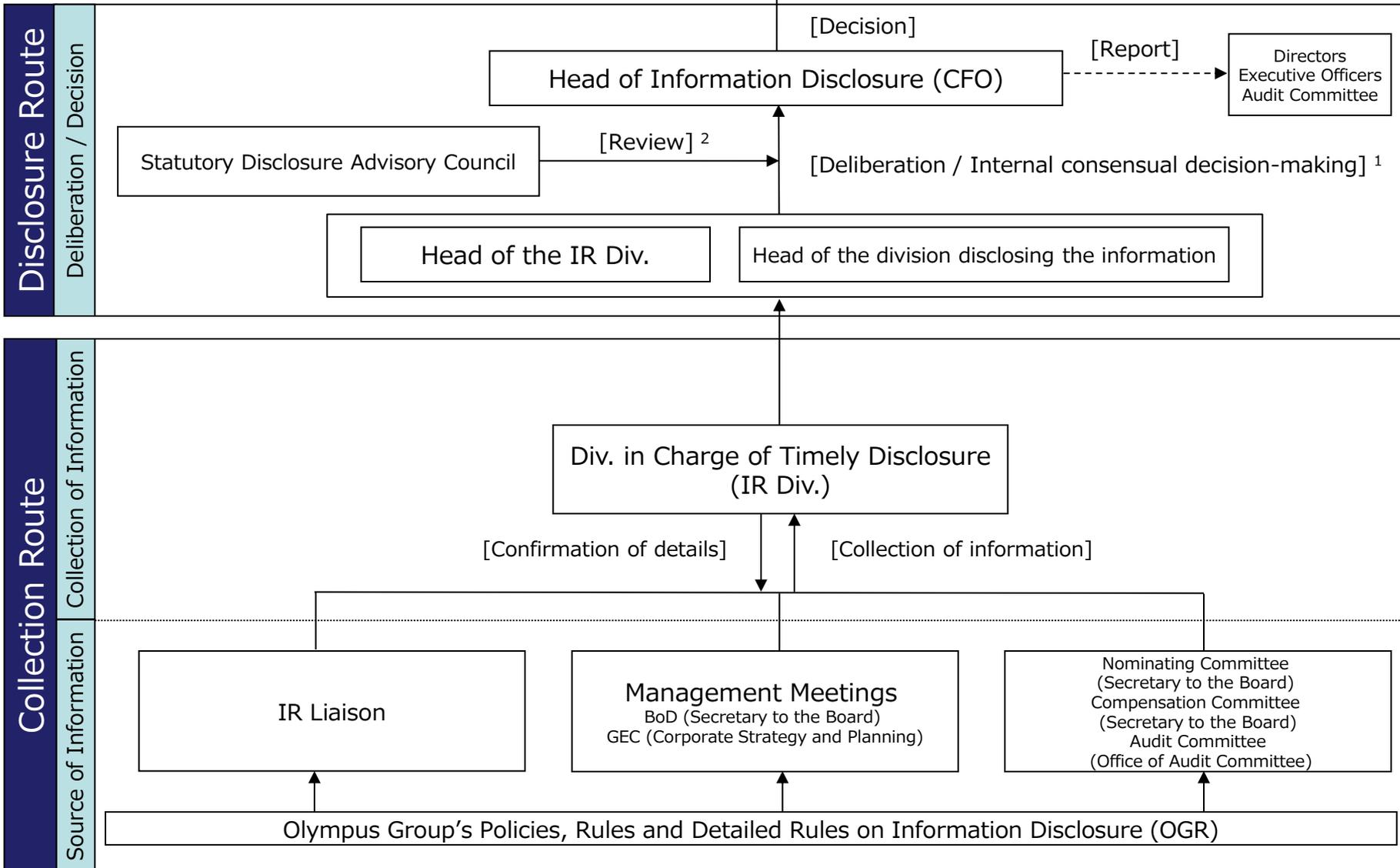
The final decision on the application of clawback to individual events is made by the Compensation Committee and reported to the Board of Directors.

Corporate Governance Structure



Information Disclosure Flow

Updated



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.
 2. Apply to statutory disclosure documents stipulated in our internal regulations.