

Last Update: June 25, 2021

Oisix ra daichi Inc.

Kohey Takashima, Representative Director, President

Inquiries: Daisaku Kadomae

General Manager of Administration Division

Securities Code: 3182, TSE

The corporate governance of Oisix ra daichi Inc. (the “Company”) is described below

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

1. Basic Views

Based on the recognition that it is an indispensable function for continually raising corporate value, the company is working to strengthen and enhance our corporate governance system. In addition, in order to fulfill its accountability to shareholders, the Company believes that it is extremely important to ensure transparency and fairness in the implementation of prompt and appropriate information disclosure and decision-making. Furthermore, the Company recognizes that it is an important management issue to thoroughly implement a compliance system based on sound ethical standards and to earn the trust of shareholders, investors, business partners, and other stakeholders.

【Reasons for not implementing the Principles of the Corporate Governance Code】

【Principle of replenishment 4-1-2】

The Company do not disclose our medium-term management plan.

In the rapidly changing business environment surrounding us, we believe that disclosing our medium-term management plan may cause investors to make decisions that are different from what we intend.

At the same time, we discuss measures to respond to the progress of our single-year business plan through monitoring at the Board of Directors, Management Committee, and other meetings, and reflect these measures in future business plans.

Based on these considerations, we will explain to investors its future business development, business plans, and their progress at financial results briefings and other events.

【Principle of replenishment 4-1-3】

The Company do not have a clear succession plan for the CEO at this time.

If it becomes necessary to plan a successor plan in the future, the Board of Directors will select a successor candidate by exchanging opinions with each Director and Audit & Supervisory Board Member based on their personality, insight, and performance.

[Principle 4-9: Independence criteria and qualifications of independent outside directors]

The Board of Directors deliberates on the independence of outside directors based on the criteria based on the Tokyo Stock Exchange's Independence Standards and selects candidates for outside directors.

[Principle of replenishment 4-10-1]

Representative Director & CEO submits proposals to the Board of Directors regarding important matters, such as nomination and compensation, and the Board of Directors, including outside directors, makes resolutions.

There are 2 independent outside directors, and no majority of the Board of Directors and no independent advisory committee have been established. However, the Board of Directors is active in discussions, including all 3 independent Audit & Supervisory Board members (full-time 1 and 2 outside), and is responsible for fulfilling their roles and responsibilities.

In the future, the Company will consider the establishment of a better governance system, including the establishment of an independent advisory committee, in order to establish independent and objective procedures.

[Disclosure based on each principle of the corporate governance code]

[Principle 1-4: so-called strategic shares held]

In the event that the Company expect that strengthening relationships with business partners will contribute to the expansion of the Group's business, we will hold the companies of the listed companies after thoroughly considering the significance of holding shares and economic rationality.

[Principle 1-7: Related party transactions]

In accordance with laws and regulations and the regulations of the Board of Directors, the Board of Directors is required to resolve competitive transactions by directors and conflict of interest transactions between directors and the Company.

[Principle 2-6: Fulfilling the Function of Corporate Pension as an Asset Owner]

The company have a defined contribution pension plan.

It is intended to provide a means of fund-provisioning while obtaining tax effects for the design of a comfortable life after the age of 60.

The departments in charge conduct business operations in order to ensure stable asset formation and financial soundness for employees, and exchange information on management and its status with the financial institutions to whom it outsources operations, and manage operations

accordingly.

[Principle 3-1: Enhancement of information disclosure]

The company discloses and discloses the following matters and proactively disseminates information.

(i) Company's goals (management philosophy, etc.), management strategies, and management plans

This information is available on our website. With regard to management plans, the Company announces earnings forecasts for each fiscal year at financial results briefings.

(ii) The basic concept and basic policy on corporate governance based on each principle of this code

The Company described in its annual securities report "Fourth 4. Status of corporate governance, etc."

(iii) Policies and procedures by which the board determines the remuneration of senior management and directors

The remuneration of directors (including concurrent executive officers) is stated in the "Board of Directors Remuneration" section of this report and the disclosure of the amount of remuneration and the policy for determining the calculation method of remuneration.

Remuneration for executive officers who concurrently serve as employees is determined after deliberation by full-time directors on the "appraisal content and revised remuneration" based on the criteria of the employee performance evaluation system.

(iv) Policies and procedures by which the Board of Directors elects and dismisses senior management and nominates candidates for directors and corporate auditors

With regard to the nomination of candidates for directors and Audit & Supervisory Board members, the President selects candidates who are deemed to be optimum based on a comprehensive consideration of their experience, knowledge, expertise, background, etc. The Audit & Supervisory Board members are proposed to the Board of Directors with the approval of the Audit & Supervisory Board, and their appointment is consulted at the General Meeting of Shareholders after approval by the Board of Directors.

The appointment and dismissal of executive officers has been proposed by the president to the Board of Directors and appointed by the Board of Directors in accordance with the Rules of Executive Officers and the Rules of Authority for Approval.

(v) Explanation of individual appointments, dismissals, and nominations when the Board of Directors elects and dismisses management executives and nominates candidates for Directors and Audit & Supervisory Board Members based on (iv) above.

Regarding the nomination of candidates for directors and Audit & Supervisory Board members, the reasons and background are stated in the Notice of Convocation of the General Meeting of

Shareholders.

The Board of Directors resolves the election and dismissal of executive officers based on the executive officer regulations, taking into account specialized knowledge related to business, management execution capability, innovativeness, and leadership ability.

In election and dismissal, the Board of Directors sufficiently explains the reasons for the appointment and dismissal.

[Principle of replenishment 4-1-1]

In addition to the matters stipulated in laws and the Articles of Incorporation, companies have specified in detail the Regulations of the Board of Directors regarding matters to be resolved at meetings of the Board of Directors.

With regard to important matters other than those to be resolved by the Board of Directors, in addition to the Rules of the Management Committee (Management Committee Rules), the Rules of Administrative Authority stipulate the Standards of Authority for Approval, and prompt decision-making is carried out.

[Principle 4-9: Independence criteria and qualifications of independent outside directors]

The Board of Directors deliberates on the independence of outside directors based on the criteria based on the Tokyo Stock Exchange's Independence Standards, and selects candidates for outside directors.

[Principle of replenishment 4-11-1]

It is assumed that our Board of Directors has no more than 11 members as stipulated in the Articles of Incorporation.

When determining candidates for director, the Board of Directors shall consist of the necessary and appropriate number of candidates in order to ensure an effective management system and substantive discussion at the Board of Directors. The Board of Directors shall ensure a balance of knowledge, experience, and abilities as well as diversity, while giving consideration to expertise such as human resources who can demonstrate strengths in the management of each business field and human resources suitable for business management.

In view of the importance of the function of outside directors in corporate governance, the Company has elected several independent outside directors who meet the criteria based on the Tokyo Stock Exchange's Independence Standards.

[Principle of replenishment 4-11-2]

The concurrent status of directors and statutory auditors of other listed companies is reasonably limited, and the status of important concurrent positions is disclosed annually in the Notice of Convocation of the General Meeting of Shareholders and the Annual Securities Report.

[Replenishment Principle 4-11-3]

Every year, the Board of Directors conducts a questionnaire survey of each director and

analyzes and evaluates the effectiveness of the Board of Directors.

The summary of the analysis and evaluation results will be disclosed in the Notice of the Annual General Meeting of Shareholders.

[Principle of replenishment 4-14-2]

The Company provide the Board of Directors and Audit & Supervisory Board Members with opportunities to acquire the knowledge they need in their business operations so that they can fully demonstrate their management supervision and audit functions at the request of the Directors and Audit & Supervisory Board Members and at the proposal of the Board of Directors Secretariat.

The Company is responsible for the costs incurred in such cases.

[Principle 5-1: Policy on constructive dialogue with shareholders]

The Company recognize the importance of strengthening and enhancing our corporate governance system based on the recognition that it is an essential function to continuously increase corporate value. At the same time, we also recognize the importance of continually engaging in active dialogue with shareholders, reflecting shareholder opinions and requests in management, and growing us together with shareholders.

To this end, we have established an IR system and disclose information as needed to gain an understanding of our performance and management policies.

2. Capital Structure

Foreign Shareholding Ratio	From 20% to less than 30%
----------------------------	---------------------------

【Status of Major Shareholders】

Name / Company Name	Number of Shares Owned	Percentage (%)
Kohey Takashima	4,847,200	13.27
Recruit Holdings Co.,Ltd.	2,648,000	7.25
The Japan Custody Bank, Ltd. (Trust Account)	1,974,900	5.41
GOLDMAN SACHS&CO.REG	1,390,849	3.81
The Master Trust Bank of Japan ,Ltd.	1,144,500	3.13
Kazuyoshi Fujita	1,032,516	2.83
NTT DOCOMO, INC.	1,000,000	2.74
THE BANK OF NEW YORK, NON-TREASY JASDEC ACCOUNT	900,000	2.46
Yusuke Tsutsumi	720,000	1.97
BNY GCM CLIENT ACCOUNT JPRD AC ISG(FE-AC)	668,231	1.83

Parent Company	None
Listed Stock Market of Parent Company	—

Supplementary Explanation

The company own 1,469,655 shares of treasury stock.

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange First Section
Fiscal Year-End	March
Type of Business	Retail
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	From 500 to less than 1,000
Sales (consolidated) as of the End of the Previous Fiscal Year	From ¥100 billion to less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 10 to less than 50

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

—

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

—

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

1. Organizational Composition and Operation

Organization Form	Company with Auditors
-------------------	-----------------------

【Directors】

Maximum Number of Directors Stipulated in Articles of Incorporation	11
Term of Office Stipulated in Articles of Incorporation	One year
Chairperson of the Board	President
Number of Directors	10
Status of the appointment of Outside Directors	Appointed
Number of Outside Directors	5
Number of Independent Directors	3

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Mitsuyo Hanada	Academic								△			
Hitoshi Tanaka	From another company								△			
Junko Watabe	From another company											
Wakako Sakurai	From another company											
Misato Kowaki	From another company											

* Categories for "Relationship with the Company"

* "○" when the director presently falls or has recently fallen under the category;

"△" when the director fell under the category in the past

* "●" when a close relative of the director presently falls or has recently fallen under the category;

"▲" when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiaries

b. Non-executive director or executive of a parent company of the Company

c. Executive of a fellow subsidiary company of the Company

d. A party whose major client or supplier is the Company or an executive thereof

e. Major client or supplier of the listed company or an executive thereof

- f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/*kansayaku*
- g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
- h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
- i. Executive of a company, between which and the Company outside directors/*kansayaku* are mutually appointed (the director himself/herself only)
- j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
- k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Mitsuyo Hanada	○	In June 2010, the Company entered into an agreement with the Institute of Organizational Research, represented by Mitsuyo Hanada, where we conducted management training for our employees. The compensation for the training is insignificant.	Mitsuyo Hanada was appointed as an Outside Director because he has broad knowledge of overall corporate management as Professor Emeritus, Keio University, and is expected to provide various advice and opinions on the management of the Company. In addition, he meets the requirements for independent directors and has been designated as an

			independent director because he is able to monitor and supervise management from an independent standpoint.
Hitoshi Tanaka	○	<p>Hitoshi Tanaka is the representative director of JINS Co., Ltd., and there is a transaction relationship of goods purchase between the Company and the JINS Co., Ltd..</p> <p>The Company and its subsidiaries do not have significant transactions.</p>	<p>Hitoshi Tanaka was appointed as an Outside Director because he has been a Representative Director & CEO of JINS Co., Ltd. for many years, and he has abundant experience and broad insight as a business manager to supervise the Company's management and is expected to provide advice and opinions on the overall management of the Company.</p> <p>In addition, he meets the requirements for independent directors and has been designated as an independent director because he is able to monitor and supervise management from an independent standpoint.</p>

Junko Watabe			Junko Watanabe was appointed outside director because she has a wide range of knowledge on management related to customer management as general manager of CRM strategy office at Recruit Co., Ltd. and is expected to receive various advice and opinions on our management.
Wakako Sakurai		—	Wakako Sakurai was appointed as an Outside Director because she has abundant knowledge of food-related contents businesses based on her many years of experience at ABC Cooking Studio Co., Ltd. and is able to expect various advice and opinions on the management of the Company.
Misato Kowaki	○		Misato Kowaki has experience in various planning, consulting, and book publishing related to food, clothing, and living situations. These experiences and knowledge are activities from a consumer perspective, and we can expect advice from a

			<p>useful perspective for us as we pursue the creation of new business value in the food field. She has not in the past been involved in the management of the Company in any way other than becoming an outside director or outside corporate auditor. However, for the reasons stated above, the Company appointed him as an outside director. In addition, she meets the requirements for independent directors and has been designated as an independent director because he is able to monitor and supervise management from an independent standpoint.</p>
--	--	--	--

<p>Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee</p>	<p>None</p>
--	-------------

【 Audit & Supervisory Board Members 】

<p>Establishment of Audit & Supervisory Board</p>	<p>Established</p>
<p>Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation</p>	<p>5</p>
<p>Number of Audit & Supervisory Board Members</p>	<p>3</p>

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

The Internal Auditing Office and Audit & Supervisory Board Members regularly exchange information on the status of internal audits and share information by attending important meetings. The Internal Auditing Office, Audit & Supervisory Board Members and Independent Auditors share information and opinions by attending audit reviews held each time an accounting auditor conducts an audit, also exchange opinions as needed on the presence or absence of problems of audit problems and future issues.

Appointment of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members	3
Number of Independent Audit & Supervisory Board Members	3

Outside Audit & Supervisory Board Members' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Chika Otobe	From another company													
Yukihiro Moroe	From another company										○			
Takashi Kokubo	Lawyer										△			

* Categories for "Relationship with the Company"

* "○" when the director presently falls or has recently fallen under the category;

"△" when the director fell under the category in the past

* "●" when a close relative of the director presently falls or has recently fallen under the category;

"▲" when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiary

b. Non-executive director or accounting advisor of the Company or its subsidiaries

c. Non-executive director or executive of a parent company of the Company

d. *Kansayaku* of a parent company of the Company

e. Executive of a fellow subsidiary company of the Company

f. A party whose major client or supplier is the Company or an executive thereof

g. Major client or supplier of the Company or an executive thereof

h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a *kansayaku*

i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)

j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the *kansayaku* himself/herself only)

k. Executive of a company, between which and the Company outside directors/*kansayaku* are mutually appointed (the *kansayaku* himself/herself only)

l. Executive of a company or organization that receives a donation from the Company (the *kansayaku* himself/herself only)

m. Others

Outside Audit & Supervisory Board Members' Relationship with the Company (2)

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons of Appointment
Chika Otobe	○	—	Chika otobe is one of the founding members of DeNA. Co., Ltd. After establishing the Administrative Division and the Internal Audit Division, he was appointed as an Audit & Supervisory Board Member and was in charge of the overall administrative division. Thereafter, utilizing these experiences, I supported overall corporate management, centered on startups, as a sole proprietor, and contributed to solving governance and compliance issues of various sizes and industries. Based on these experiences and knowledge, we hope to receive useful advice on our governance to continue pursuing new business value, and have elected him as an Outside Audit & Supervisory Board Member.
Yukihiro Moroe	○	—	Yukihiro Moroe was appointed as an Outside Audit & Supervisory Board Member because he has many years of experience as an analyst in the retail and distribution field at foreign securities companies, and possesses broad knowledge in the fields of corporate finance, retail and distribution, he is expected to perform his duties as an Outside Audit & Supervisory Board Member.

Takashi Kokubo	○	—	Akihito Nakamachi was appointed as an Outside Audit & Supervisory Board Member because he has abundant experience and specialized knowledge as an attorney, and he gives useful advice mainly from a compliance perspective, he is expected to perform his duties as an Outside Audit & Supervisory Board Member.
-------------------	---	---	---

【Independent Directors/Audit & Supervisory Board Members】

Number of Independent Directors/Audit & Supervisory Board Members	6
---	---

Matters relating to Independent Directors/Audit & Supervisory Board Members

—

【Incentives】

Incentive Policies for Directors	Implementation of a stock option system
----------------------------------	---

Supplementary Explanation

The Company has introduced a stock option plan with the aim of motivating our employees to improve our business performance, securing excellent human resources, and contributing to the improvement of our corporate value.
--

Recipients of Stock Options	Internal directors, Outside corporate auditors, employee, Others
-----------------------------	--

Supplementary Explanation

In principle, the Company's stock options are granted to internal directors and employees (including prospective employee), but the Company also grants stock options to certain outside corporate auditors and outside partners.

【Director Remuneration】

Disclosure of Individual Directors' Remuneration	No Individual Disclosure
--	--------------------------

Supplementary Explanation

The Company has not disclosed individual remuneration because no individual remuneration is more than ¥100 million.

The Company has disclosed remuneration for directors and Audit & Supervisory Board members on a gross basis.

Policy on Determining Remuneration Amounts and Calculation Methods	Established
--	-------------

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The following details were determined by the Board of Directors on Feb 25, 2021.

Policy for determining the individual remuneration of directors

1. Basic Policy

The remuneration of our boards of directors shall be a remuneration system that functions sufficiently as an incentive to continuously improve corporate value, and the basic policy for determining the remuneration of individual directors shall be an appropriate level based on their respective responsibilities and performance, etc. Specifically, only fixed remuneration is paid, which is determined based on the position, duties in charge, performance in each fiscal period, and the level of other companies.

2. Policy for determining the amount of individual remuneration, etc. for basic remuneration (monetary remuneration), including policy for determining the time or conditions for granting remuneration, etc.

The basic remuneration of our boards of directors shall be fixed monthly remuneration and shall be determined by comprehensively taking into account the position, duties in charge, performance of each fiscal period, etc. within the total amount resolved at the General Meeting of Shareholders.

3. Matters concerning the determination of the contents of individual remuneration, etc. for directors

Individual remuneration shall be delegated by Representative Director & CEO in accordance with a resolution of the Board of Directors, and the details of such delegation shall be determined by the amount of the basic remuneration. To ensure that the relevant authority is properly exercised by Representative Director & CEO, the Representative Directors shall make decisions by respecting the content deliberated at the Executive Compensation Advisory Council, including an outside third party.

【 Supporting System for Outside Directors and/or Audit & Supervisory Board Members 】

The Corporate Planning Division has supported for Outside Directors and Outside Audit & Supervisory Board Members. In addition, the full-time corporate auditors regularly communicate information to the part-time corporate auditors.

2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration

Decisions (Overview of Current Corporate Governance System)

1) Basic Explanation of the Company's Organization

a. Board of Directors

The Company's Board of Directors consists of 10 directors (including 5 outside directors). The Board of Directors meet once a month and extraordinary meetings are held as necessary to execute business and to supervise the execution of business by the Board of Directors. In addition Audit & Supervisory Board Members also attend meetings of the Board of Directors to audit the execution of business by the Board of Directors.

b. Management Committee

The Company regularly holds management committee attended by full-time directors, full-time corporate auditors and the heads of each division to confirm the execution of day-to-day operations and expedite decision-making.

c. Corporate Auditors and Board of Corporate Auditors

The Company's Board of Corporate Auditors consists of 1 full time corporate auditor and 2 part-time corporate auditors, all of whom are outside corporate auditors. Each of Audit & Supervisory Board members attends meetings of the Board of Directors and other important meetings and expresses his opinions in an effort to enhance the effectiveness of corporate governance. In principle, the Board of Corporate Auditors meets on the same day as the regular meetings of the Board of Directors.

d. Accounting Auditors

The Company has entered into an audit agreement with Deloitte Touche Tohmatsu LLC, which is subject to audits pursuant to the Companies Act and the Financial Instruments and Exchange Act.

2) Risk management system

The Company carries out risk management and compliance systems mainly by the Risk Management Committee. The committee consists of the General Manager of the Administration Division and executive officers and others. Full-time Audit & Supervisory Board members also participate at all times. Its mission is to disseminate and raise awareness of compliance among officers and employees, receive reports of violations of laws and regulations, and investigate the facts. Specifically, the subcommittee meets once a month to report and discuss compliance-related matters, such as the existence of internal reporting, responses to anti-social forces, and the status of compliance with labor-related laws and regulations, as well as matters related to risk management, matters related to disclosure (timely disclosure), and the status of responses to the so-called J-SOX Act.

In addition, in accordance with the intent of the Whistleblower Protection Act, the Company

have established an internal reporting system (the "Corporate Ethics Hotline") with the aim of contributing to thorough compliance. Through this system, our employees can report to the previously established Corporate Ethics Hotline Contact that violations of laws and regulations stipulated in the Whistleblower Protection Act and other serious violations of compliance, etc. have occurred or are about to occur. The whistleblowers will be received appropriate protective measures, the person in charge of the Corporate Ethics Hotline reports information to the Risk Management Committee and takes corrective measures when necessary. In addition, the Company has established the Code of Ethics as a code of conduct to be followed by all our officers and employees, and we are working to disseminate and educate them. As part of our efforts to ensure compliance with laws and regulations related to individual operations, we confirm compliance with laws and regulations that are closely related to our operations, such as the Personal Information Protection Law, Act against Unjustifiable Premiums and Misleading Representations, and the Specified Commercial Transactions Law, and disseminate knowledge about laws and regulations through training and other means.

3. Reasons for Adoption of Current Corporate Governance System

Based on the size and business of the Company, we judge that a company with a board of corporate auditors is the most appropriate option. By appointing five outside directors (two of whom are independent) and three outside corporate auditors (three of whom are independent), we are working to improve the checks and monitoring functions of the Board of Directors.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanations
Early Notification of General Shareholder Meeting	The Company plans to expedite settlement operations and send convocation notices as soon as possible.
Scheduling AGMs Avoiding the Peak Day	The Company will take note of the fact that the meeting will be held on a day that avoids the peak day, in order to encourage more shareholders to attend the meeting,
Voting by Electromagnetic Method	From the 23rd Ordinary General Meeting of Shareholders in 2020, voting rights are exercised by electronic means.
Participation in the Electronic Voting Platform and Other Initiatives to Improve the Environment for Institutional Investors to Exercise Voting Rights	Since the 23rd Ordinary General Meeting of Shareholders in 2020, we have participated in the Electronic Voting Platform operated by ICJ, Inc.
Provision of convocation notices (summaries) in English	Since the 24th Ordinary General Meeting of Shareholders in 2021, we has been providing the notice of convocation (summarized) in English.

2. IR Activities

	Supplementary Explanations
Preparation and Publication of Disclosure Policy	The Company publish disclose information on our website. Information disclosure includes basic stance, disclosure standards, and methods, measures to enhance communication, and the silence period for IR activities.
Regular Investor Briefings for Individual Investors	The Company does not plan to hold regularly, but we will consider participating in IR events for individual investors.

Regular Investor Briefings for Analysts and Institutional Investors	The Company conducts results meetings twice a year at the time of the announcement of full-year and second-quarter financial results.
Regular Investor Briefings for Overseas Investors	The Company holds road shows for overseas investors in North America and elsewhere once a year.
Posting of IR Materials on Website	The Company provides information for investors, including financial results and timely disclosure on our website

Establishment of Department and/or Manager in Charge of IR	The Company has established an IR department within the Corporate Planning Division.
Other	The Company regularly conducts individual interviews with analysts and institutional investors both in Japan and overseas.

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	The Company has established internal regulations as a code of conduct for realizing our corporate philosophy of "Farm for Tomorrow, Table for Tomorrow" and for resolving social issues related to food through business methods. We have also established internal regulations on what kind of corporate behavior we will take toward our stakeholders, including customers, business partners, employees, shareholders, and society.
Implementation of Environmental Activities, CSR Activities etc,	The basic business model of the Company is that we purchase items ordered by subscribers directly from the contract producers, and do not have shop inventory, so we can minimize the loss from the disposal of foodstuffs in the distribution process. We deal with products that utilize the power of nature to the utmost and reduce environmental impact, and also use paper with low CO2 emissions to use materials for delivery. In addition, we support and support the activities of TABLE FOR TWO, a

	<p>non-profit organization that aims to simultaneously improve the problems of obesity in developed countries and hunger in developing countries. We also support the activities as a special member company of the "Eat and Energize the East", an organization that supports the recovery from the Great East Japan Earthquake.</p>
Development of Policies on Information Provision to Stakeholders	<p>The Company strives to disclose information in a timely and appropriate manner in accordance with the legal disclosure system based on the Financial Instruments and Exchange Act and other laws, as well as the timely disclosure rules stipulated by the Tokyo Stock Exchange. Even if communication is not subject to statutory disclosure or timely disclosure, we disclose important information that may affect investment decisions in a fair and prompt manner so that all stakeholders can obtain it equally. In addition, we are working to expand the disclosure of information to our stakeholders through websites and other means.</p>
Other	<p><Support for Women's Active Participation></p> <p>The Company has developed an infrastructure that enables a variety of work styles regardless of gender, such as a telecommuting system. In addition, we are actively promoting the use of women, and approximately 48% of our full-time employees are women. To make it easier for women raising children to work shorter hours, we have introduced a system to subsidize women leaving their parents to nursery schools other than those authorized by the government, so that they can easily return to work after childcare.</p> <p>The percentage of women in managerial positions is approximately 18%. Going forward, we plan to actively recruit talented personnel regardless of gender.</p>

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

At the meeting of the Board of Directors held on October 30, 2006, the Company resolved to adopt the "Basic Policy for Establishing an Internal Control System" in order to establish a system for ensuring that the execution of duties by directors is in compliance with laws and regulations and the Articles of Incorporation, and other systems for ensuring the appropriateness of the operations of the Company. Subsequently, these basic policies were reviewed as appropriate in September 2007, May 2008, April 2009, November 2012, April 2015 and April 2016.

The basic policy currently in operation was revised at the meeting of the Board of Directors held on April 21, 2016, and the outline of the policy is as follows. In addition, we will continue to review and revise them as necessary in the future.

1. System to ensure execution of duties by Directors conformity with laws and regulations and the Articles of Incorporation of the Company
2. System to ensure the preservation and management of information related to execution of duties by Directors
3. Regulations and any other framework for management of risk of loss
4. System to ensure efficient execution of duties by Directors of the Company
5. System to ensure execution of duties by employee conformity with laws and regulations and the Articles of Incorporation of the Company
6. System to ensure the appropriateness of business operations of the corporate group consisting of the company and its parent company and subsidiaries
7. Matters concerning the employee when the Audit & Supervisory Board Members request to place an employee to assist their auditing duties
8. The matters concerning the Independence of Employees Assisting the Duties of Corporate Auditors from Directors and the matters related to assurance of effectiveness of instruction given by company auditors to the employees
9. System to report from directors and employees to auditors and any other system for reporting to company auditors
10. Other systems to ensure effective audits by Corporate Auditors, procedures for prepayment or reimbursement of expenses arising from the execution of duties by company auditors, and other policies concerning the processing of expenses or obligations arising from the execution of duties.
11. Systems to ensure the appropriateness of financial reporting
12. Basic Views on Eliminating Anti-Social Forces

The Company has clarified the organizational positioning of officers and employees and the

authority to execute their duties and duties in accordance with organizational regulations, division of duties regulations, and administrative authority regulations. At the same time, the Company is striving to establish a sound management system by clearly defining the procedures for the approval of decisions and exercising the appropriate delegation of authority and the effectiveness of checks and balances within the organization.

In addition, the Company has formulated the Rules of the Risk Management Committee, the Internal Reporting Rules, the Ethics Rules, and the Crisis Management Rules as internal control-related rules, and are working to ensure that all employees are familiar with these rules.

2. Basic Views on Eliminating Anti-Social Forces

The Company decided at the meeting of the Board of Directors held on March 11, 2008 a declaration on anti-social forces measures to block all relationships with antisocial forces. And the Company is making efforts to prevent the occurrence of relationships with antisocial forces and coexisting groups by carrying out attribute checks of suppliers at the time of the commencement of new transactions, as well as developing antisocial power exclusion clauses and pledge development.

In addition, the Company has formulated a "Manual for Responding to Anti-Social Forces" in preparation for contacts by anti-social forces, and has established a system whereby the Administration Division is responsible for responding to such contacts. And if necessary, the Company will promptly consult with legal counsel, the police and National Violence Exile Campaign Promotion Center, and take appropriate measures.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
------------------------------------	-------------

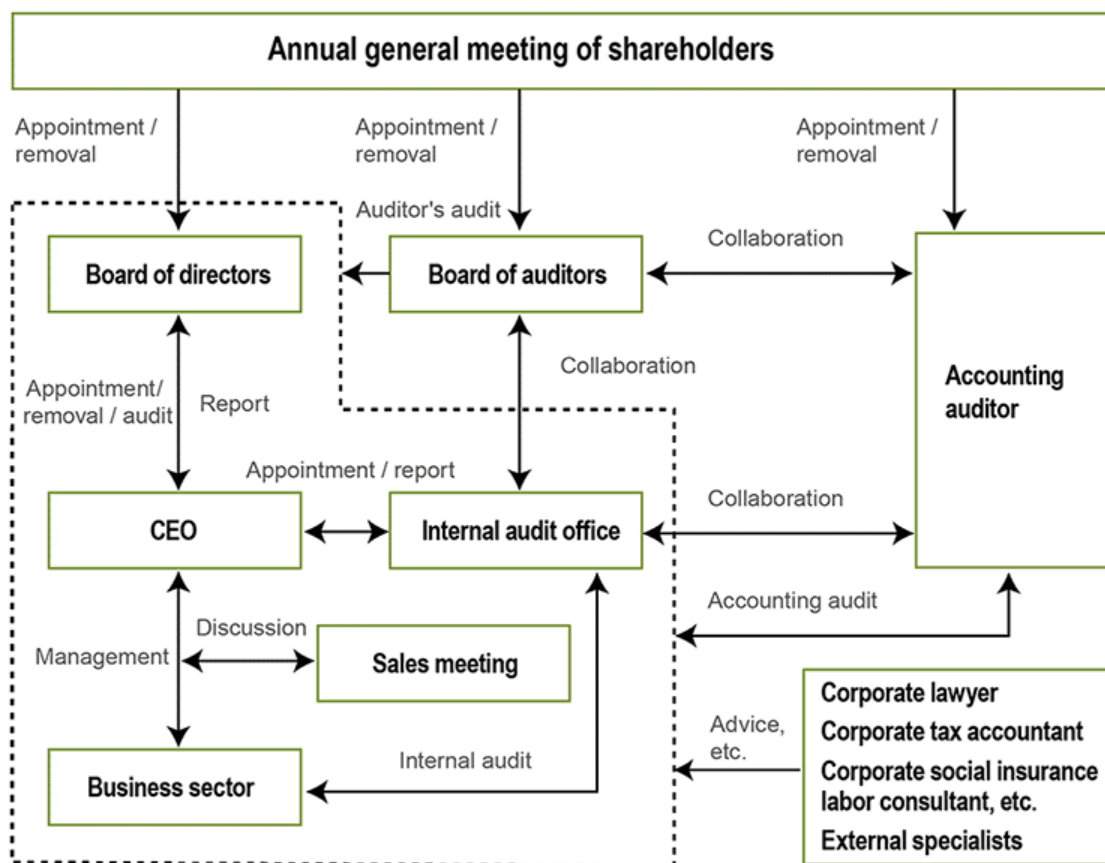
Supplementary Explanation

—

2. Other Matters Concerning Corporate Governance System

—

【Corporate Governance system】



【Summary of timely disclosure system】

