

AIN Group Compliance Promotion Action Plan

Preamble

The AIN Group takes a broad and proactive view of compliance, not only in terms of compliance with laws, regulations, and internal rules but also as an “appropriate response to demands of society” on companies, including the practice of corporate ethics. We believe that if each officer and employee engages in compliance practices in this broader sense, it will lead to earning society’s trust and enable us to continue to realize our Group statement of “improving the health and happiness of our customers.”

Purpose of formulating the action plan

The AIN Group has established the AIN Group’s Code of Conduct, which is shared by all officers and employees of the AIN Group, in order to incorporate compliance practices into concrete actions and maintain a sound corporate culture. The code explicitly sets out 14 items, including being mindful of conducting corporate activities in good faith and with ethics, always considering the perspectives of customers and patients while prioritizing meeting their expectations, and correctly understanding and complying with laws, regulations, and rules related to our business operations.

This Compliance Promotion Action Plan is formulated based on the AIN Group’s Code of Conduct with the aim of contributing to the sustainable growth of the AIN Group by widely disclosing specific actions and initiatives and reporting on their progress each fiscal year, maintaining their effectiveness, and constantly making regular checks and improvements.

Plan period

December 1, 2024 - November 30, 2025

Priority measures and details of initiatives

1. Dissemination of information by management and managers to firmly maintain our sound corporate culture
 - Dissemination of messages from the top management that are focused on promoting compliance
 - Dissemination of information by management and managers other than top management (devise methods to encourage each employee to take ownership)
2. Establishment of a PDCA cycle that incorporates the perspectives of outside officers
 - Establishment of a governance process in which the Compliance Committee prepares proposals with advice from external experts and the Board of Directors scrutinizes the proposals

3. Enhancement of internal regulations, manuals, FAQs, etc.
 - Implement 2 and 5 of the initiatives planned for the fiscal year ending April 2025 (disclosed on May 10) in accordance with procedures
4. Enhancement of familiarization and training for officers and employees
 - Regularly hold training in the form of lectures, e-learning, and other means by appropriately stratifying officers and employees, including officers, sales-related staff, and all officers and employees
5. Making risk management more effective
 - Position and implement matters related to compliance in the Risk Management Committee's initiatives as priority measures in the Action Plan
6. Appropriate operation of the whistleblowing system
 - Familiarize employees with the whistleblowing system, provide training to those involved in operation of the system, respond appropriately to individual incidences of whistleblowing, and regularly report to the Board of Directors
7. Strengthening of the internal audit function
 - Execute audits in accordance with the internal audit implementation plan for the fiscal year ending April 2025, including the development of internal audit processes for administrative departments

Promotion framework

The “persons in charge of compliance with laws and regulations, etc.” (AIN Holdings division managers, department managers and the representative directors of affiliated companies), who are designated in the AIN Group's Whistleblowing Regulations as the persons in charge of implementing corrective measures relating to whistleblowing cases, will also be tasked with promoting the implementation of each measure in the Action Plan, according to their respective areas of responsibility. The Compliance Committee will monitor the progress of the Action Plan as necessary and report to the Board of Directors, along with improvement proposals formulated with advice from external experts, and the Board of Directors will decide on the next action plan and continue its promotion.

Formulated November 28, 2024