

Last Update: July 1, 2025

Tsubota Laboratory, Inc.

Kazuo Tsubota, CEO

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Securities code: 4890

The corporate governance of Tsubota Laboratory, Inc. (the “Company”) is described below.

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

1. Basic Views

As a startup from Keio University and under our mission to “Create a Future of Clear Vision through Visionary Innovations,” the Company recognizes that enhancing corporate governance is an important management issue. Therefore, the Company strives to achieve permanent development and growth in a changing business environment and maximize sustainable corporate value by ensuring highly transparent management through the enhancement of internal management monitoring function and appropriate information disclosure. Additionally, to earn the trust of all stakeholders, including shareholders, the Company makes efforts to establish an optimal business management system that ensures the soundness, efficiency, and transparency of management.

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

The Company complies with all basic principles of the Corporate Governance Code. Therefore, there are no matters to be stated in this column.

2. Capital Structure

Foreign Shareholding Ratio	Less than 10%
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Status of Major Shareholders

Name or Company Name	Number of Shares Owned	Percentage (%)
Kazuo Tsubota	12,049,700	47.00
Tsubota Corporation	3,200,000	12.48
Isao Otaka	1,840,000	7.18
ROHTO Pharmaceutical Co., Ltd.	640,000	2.50
Keiji Takemura	406,600	1.59
Daiwa Securities Co.Ltd.	258,500	1.01
Mars LLC	250,000	0.98
JINS HOLDINGS Inc	220,000	0.86
Yutaka Hara	219,800	0.86
Rakuten Securities Co.Ltd.	199,900	0.78

Name of Controlling Shareholders, if applicable (excluding Parent Companies)	Kazuo Tsubota
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Name of Parent Company, if applicable	None
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Supplementary Explanation

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3. Corporate Attributes

Listed Stock Exchange and Market Segment	Tokyo Stock Exchange (Growth Market)
Fiscal Year-End	March
Business Sector	Pharmaceuticals
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	Fewer than 100
Net Sales (Consolidated) for the Previous Fiscal Year	Less than 10 billion yen
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	Fewer than 10

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

The Company's policy is not to conduct transactions with controlling shareholders in principle. When considering a transaction, the Board of Directors makes a decision after thorough deliberation on the reasons for and necessity of the transaction, the conditions of the transaction, and the appropriateness of the method of determining the conditions, etc., so as not to damage the interests of minority shareholders. The Company strives to protect minority shareholders by ensuring the appropriateness through audits by Audit and Supervisory Board Members on whether the business was executed under an appropriate administrative authority and their judgement.

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

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

1. Organizational Composition and Operation

Corporate Governance System	Company with Audit and Supervisory Board
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Directors

Number of Directors, Stipulated in Articles of Incorporation	7
Directors' Term of Office, Stipulated in Articles of Incorporation	2 years
Chairperson of the Board	President
Number of Directors	4
Election of Outside Directors	Elected
Number of Outside Directors	1
Number of Independent Directors	1

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Shinichi Koizumi	From another company											

* Categories for "Relationship with the Company"

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

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

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Shinichi Koizumi	○	—	Mr. Koizumi possesses abundant experience and broad insight as a pharmaceutical research and development professional as well as a manager. The Company deems him to be a person who can fulfill the roles and responsibilities required of an outside director, such as supervising management and providing advice on overall management. The Company has judged Mr. Koizumi appropriate for the role and designated him as an independent director.

Voluntary Establishment of Committee(s) Equivalent to Nomination Committee or Remuneration Committee

Established

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

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	—	—	—	—	—	—	—	—
Voluntarily Established Committee Equivalent to Remuneration Committee	Remuneration Committee	4	0	0	1	0	3	Outside Directors

Supplementary Explanation

The Company has established a Remuneration Committee, chaired by an independent outside director, as a voluntary advisory body. The Remuneration Committee consists of a total of four members, one outside director and three Outside Audit and Supervisory Board Members. It is working to enhance the corporate governance system by strengthening the fairness, transparency, and objectivity of procedures related to the determination of individual remuneration.

Audit and Supervisory Board Member

Establishment of Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members Stipulated in Articles of Incorporation	4
Number of Audit and Supervisory Board Members	3

Cooperation Among Audit and Supervisory Board Members, Accounting Auditors and Internal Audit Departments

The Audit and Supervisory Board receives reports from and exchanges information with the accounting auditors on audit plans, status of execution of duties, and other matters in a timely and appropriate manner. In addition, the Audit and Supervisory Board Members and internal auditors strive to conduct effective audits by meeting in a timely and appropriate manner and coordinating the scheduling of audit activities and such.

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

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

Name	Attributes	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Takeshi Masuda	From another company													
Yasuyuki Tsutsumi	Certified public accountant													
Shinichi Murata	Lawyer													

* Categories for "Relationship with the Company"

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

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

Name	Designation as Independent Audit and Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons for Appointment
Takeshi Masuda	○	—	Mr. Takeshi Masuda has worked for many years at a financial institution and possesses a high level of expertise in the fields of finance and accounting. In addition, he has extensive experience and insight as an auditor at a wide range of companies, from listed corporations to startups. Based on his wealth of experience and knowledge, we have appointed him as an Outside Auditor, believing that he will contribute significantly to strengthening our company's audit system.
Yasuyuki Tsutsumi	○	—	Mr. Tsutsumi possesses considerable knowledge concerning finance and accounting as a certified public accountant and by reflecting broad insight into these in the audits, he provides the Company with appropriate advice and recommendations to ensure legality. Due to the reasons above, the Company appointed him as the Independent Audit and Supervisory Board Member.
Shinichi Murata	○	—	Mr. Murata possesses a wealth of experience and insight as a lawyer and can view an entire company, including laws and regulations, from an objective perspective. The Company deems him to be a person who can execute monitoring and supervising the management. The Company has judged Mr. Murata appropriate for the role. Due to the reasons above, the Company appointed him as the Independent Audit and Supervisory Board Member.

Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

Number of Independent Directors and Independent Audit and Supervisory Board Members

4

Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

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Incentives

Implementation Status of Measures related to Incentives Granted to Directors

Introduction of stock options scheme

Supplementary Explanation for Applicable Items

The Company has adopted a stock option plan to raise the awareness of and motivate directors, employees, and others toward improving business performance and corporate value.

Persons Eligible for Stock Options

Internal directors, outside directors, employees, and others

Supplementary Explanation for Applicable Items

In addition to the Company's directors, the Company grants stock options to outside collaborators for the purpose of continuing contracts and strengthening business relationships.

Director Remuneration

Status of Disclosure of Individual Directors' Remuneration	No Disclosure for any Directors
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Supplementary Explanation for Applicable Items

Individual remuneration is not disclosed because there are no persons receiving remuneration of 100 million yen or more in total. Remuneration for directors and Audit and Supervisory Board Members are disclosed in total amount, respectively.

Policy on Determining Remuneration Amounts and Calculation Methods	Established
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Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The amount of remuneration for directors is determined by the Board of Directors within the limit of remuneration determined by resolution of the General Meeting of Shareholders, after discussion by the Remuneration Committee, which takes into consideration the management situation, financial condition, economic climate, and other factors.

Support System for Outside Directors (and/or Outside Audit and Supervisory Board Members)

Support for outside directors and Outside Audit and Supervisory Board Members is provided mainly by the Administration Division, which sends materials for the Board of Directors' meetings in advance and also provides explanations in advance, as necessary.

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

The Board of Directors consists of four directors (including one outside director). In principle, the Board of Directors holds regular meetings once a month, and extraordinary meetings are held as necessary to enable prompt management decision-making.

The Company has an Audit and Supervisory Board, which consists of three members who are Audit and Supervisory Board Members or Outside Audit and Supervisory Board Members, and one of whom is a full-time member. Based on the Auditing Standards for Audit and Supervisory Board Members, Audit and Supervisory Board Members attend meetings of the Board of Directors, express opinions as necessary, and audit the execution of duties by directors. The Audit and Supervisory Board holds regular meetings of the Audit and Supervisory Board once a month and extraordinary meetings as necessary to share information with other Audit and Supervisory Board Members, including the formulation of audit plans and the review of the audit implementation status, audit results, and other matters.

Regarding accounting audits, the Company has appointed KPMG AZSA LLC as its accounting auditor under the Companies Act and for audits under the Financial Instruments and Exchange Act, and receives appropriate accounting audits.

3. Reasons for Adoption of Current Corporate Governance System

To strengthen its corporate governance function, the Company has established an Audit and Supervisory Board and appointed outside directors. The meetings of the Board of Directors are attended by one outside director and three Outside Audit and Supervisory Board Members in which they fulfill management monitoring and supervising functions through a system that ensures independence.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanation
Electronic Exercise of Voting Rights	The Company has adopted the exercise of voting rights via the Internet, accepts the exercise of voting rights by electronic means, and strives to increase the percentage of voting rights exercised.

2. Status of IR-related Activities

	Supplementary Explanation	Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	The "Disclosure Policy" is published on the Company's website.	
Regular Investor Briefings held for Individual Investors	The Company is considering holding such events proactively.	Held
Regular Investor Briefings held for Analysts and Institutional Investors	The company holds financial results briefings following the announcements of its second quarter and full-year earnings.	Held
Regular Investor Briefings held for Overseas Investors	The Company is considering holding online meetings, where the CEO explains its business to investors in North America, Europe, and Asia regions, in a timely and appropriate manner.	Held
Online Disclosure of IR Information	The Company has established an IR website within the Company's website and has built a system that enables it to promptly disseminate information about the Company. Information on financial results, securities reports, timely disclosure documents, IR news, presentation materials, videos, and more are posted on the website in a timely and appropriate manner.	
Establishment of Department and/or Placement of a Manager in Charge of IR	The company has established the Public Relations and Investor Relations Department within the Corporate Planning Division.	

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	The Company's basic policy is to provide our shareholders, investors, and all other stakeholders with information on our management policies, business activities, and finance in a timely, appropriate, accurate, and fair manner.
Implementation of Environmental Preservation Activities and CSR Activities, etc.	The Company regards it as a matter to be considered in the future.
Formulation of Policies, etc., on Provision of Information to Stakeholders	The Company intends to proactively disclose information to its stakeholders through its website, financial results briefing sessions, and other means.

IV. Matters Concerning the Internal Control System

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

In order to ensure the appropriateness of the Company's business, the Board of Directors of the Company resolved at its meeting held on June 1, 2020 the "Basic Policy for Building Internal Control System" in accordance with the provisions of the Companies Act and the Regulations for Enforcement of the Companies Act. In addition, the Company decided to have Audit and Supervisory Board Members and internal auditors regularly review the operation status of the policy.

"Basic Policy for the Development of an Internal Control System"

1. Systems to ensure that the execution of duties by directors and employees complies with laws and regulations and the Articles of Incorporation
 - (1) In order to ensure that the execution of duties by directors and employees complies with laws and regulations and the Articles of Incorporation, and to ensure the appropriateness of other operations, the Company will establish the "Compliance Code" and other related internal rules, and make it known and thoroughly understood throughout the Company, to maintain and improve awareness.
 - (2) Directors shall promptly report to the Board of Directors any serious violations of laws and regulations, compliance violations, or other material facts concerning the Company upon such discovery.
 - (3) Audit and Supervisory Board Members shall audit the execution of duties by directors based on the "Auditing Standards for Audit and Supervisory Board Members."
 - (4) For the sake of sound corporate management, the Company will never be involved with antisocial forces, and in the event of an unreasonable demands, the Company will firmly reject such demands in cooperation with the police, based on the "Regulations on the Elimination of Antisocial Forces."
2. Systems for storing and managing information relating to the execution of duties by directors
 - (1) Documents and other important information related to the execution of duties by directors will be recorded, stored and managed in documents or electronic media based on laws and regulations, the Articles of Incorporation, the "Regulations on Internal Information Management," the "Regulations on Document Management" and other internal rules.
 - (2) Directors and Audit and Supervisory Board Members will have access to or copy this information at all times.
3. Regulations and other systems related to managing the risk of loss
 - (1) The Board of Directors will establish "Regulations on Risk Management" and make them known to the Company's directors and employees to strengthen the system for preventing and mitigating various risks in business activities.
 - (2) The Company will identify and manage risk status at the Company in a timely manner through reports on the status of business execution, which are periodically made at management meetings, etc.
 - (3) In the event of a crisis, a task force shall be established to respond to the crisis appropriately and promptly, including appropriate communication of information both inside and outside the company.
4. Systems to ensure the efficient execution of duties by directors of the Company
 - (1) The Board of Directors will meet regularly once a month in principle, and extraordinary meetings of the Board of Directors will be held for the purpose of flexible decision-making. These are to share the management situation, to grasp the activities of each organization, and to improve the efficiency of business execution by the directors themselves.
 - (2) With respect to the execution of duties based on decisions by the Board of Directors, the division of respective duties will be clarified in the "Regulations on Division of Duties" and "Regulations on Administrative Authority" to ensure efficient execution of the duties.
 - (3) Important matters concerning management policies, management strategies and such will be discussed at the management meetings in advance, and decisions will be made by the Board of Directors after deliberation by the management meetings.
 - (4) The Board of Directors will establish "Regulations on Budget Management," formulate and manage medium-term and fiscal year business plans, and regularly check the progress status of the business plans.
5. System to ensure the appropriateness of operations of the Company
 - (1) The Company will set "Regulations on Risk Management" and "Compliance Code" as the code of conduct to be observed in executing duties and will manage by making them known to and thoroughly understood by all directors and employees.
 - (2) The Company will establish internal and external contact points for whistleblowing based on the "Regulations on Whistleblowing" to prevent misconduct.
 - (3) The department in charge of internal audit of the Company will monitor and verify the results of internal and external audits, paying attention to whether the internal control system is properly maintained.
6. Matters concerning employees to assist Audit and Supervisory Board Members in their duties when such assignment request was made by Audit and Supervisory Board Members and matters concerning the independence of the relevant employees from directors
 - (1) When an Audit and Supervisory Board Member requests the assignment of an employee to assist with their duties, the Company will promptly secure and appoint the relevant employee.
 - (2) The appointment, dismissal, and performance evaluation of an employee to assist the duties of an Audit and Supervisory Board Member will require the consent of the Audit and Supervisory Board Member.
 - (3) An employee to assist in the duties of an Audit and Supervisory Board Member shall not concurrently hold positions related to the execution of business.
7. System for directors and employees to report to Audit and Supervisory Board Members and other systems related to reporting to Audit and Supervisory Board Members
 - (1) Directors and employees will promptly report matters concerning business execution when a report is requested by an Audit and Supervisory Board Member.
 - (2) Directors and employees will promptly report to the Audit and Supervisory Board Members when they find any fact that violates laws and regulations or that may cause significant damage to the Company.
 - (3) Directors and employees will immediately report to the Audit and Supervisory Board Members upon receipt of a report through the whistleblowing system.
8. Other systems to ensure the effective implementation of audits by the Audit and Supervisory Board Members
 - (1) The CEO will strive to deepen mutual recognition and trust with the Audit and Supervisory Board Members and take necessary measures to improve the environment for the Audit and Supervisory Board Members' audits.
 - (2) The Audit and Supervisory Board Members will attend meetings of the Board of Directors, the management meetings and other important meetings to obtain important information and reports and may express their opinions.
 - (3) The Audit and Supervisory Board Members will regularly exchange information with the persons in charge of internal audits and accounting auditors to promote cooperation.

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

The Company and its special stakeholders, shareholders, clients, etc. have no relationship with antisocial forces. The Company's basic policy on the elimination of antisocial forces is to take a resolute attitude toward antisocial forces throughout the organization and to establish a system that will not have any relationship with such forces. Regarding the status of establishment and specific efforts to eliminate antisocial forces, the Company has established a system to comply with the "Tokyo Metropolitan Government Ordinance on Elimination of Organized Crime Groups" enforced in October 2010, which basically takes the stance of "Guideline for How Companies Prevent Damage from Anti-Social Forces" presented by the national government. In order to practice the elimination of antisocial forces, the Company has established "Regulations on the Elimination of Antisocial Forces" and "Manual for Dealing with Antisocial Forces, etc." and ensures that these are known and understood. In addition, in order to obtain appropriate advice and cooperation in dealing with antisocial forces, the Company cooperates with external professionals, etc., such as the police and the Anti-Organized Crime Campaign Center of Tokyo, even under normal circumstances. In preparation for the event that it receives unreasonable demands from antisocial forces, the Company appoints a person responsible for preventing unreasonable demands and assigns the Administration Division as a department in charge of dealing with antisocial forces. In cooperation with the presiding police stations, outside lawyers, and others, they will deal with such cases.

V. Other

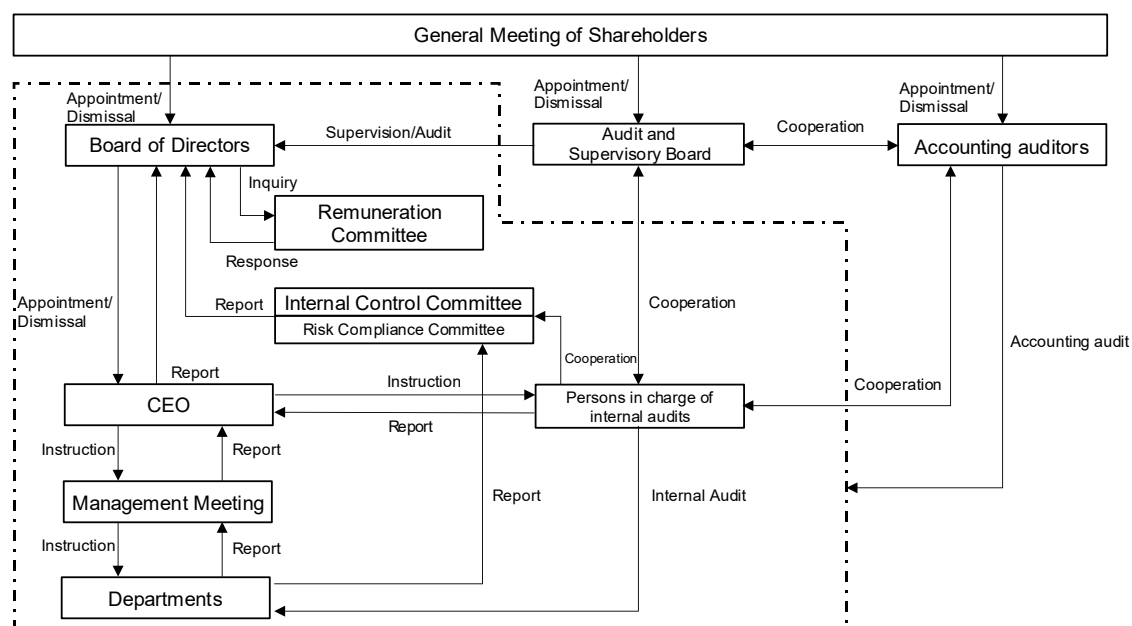
1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
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Supplementary Explanation for Applicable Items

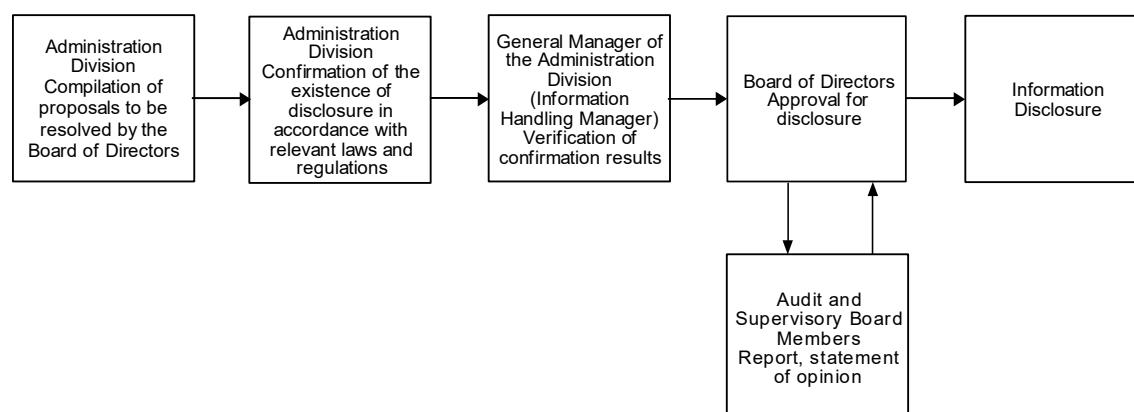
2. Other Matters Concerning the Corporate Governance System

[Schematic diagram (reference material)]



Outline of Timely Disclosure System (schematic diagram)

< Information on the Company's Decided Facts/Financial Results >



< Information on the Company's Occurred Facts >

