

Company name: Meiko Network Japan Co., Ltd.
Representative: Kazuhito Yamashita,
President & Representative Director
Stock code: 4668 (TSE Prime)
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Notice Concerning Establishment of a Basic Policy on Sustainability

At the Board of Directors' meeting held on March 31, 2023, the Company resolved to establish a Basic Policy on Sustainability.

1. Basic Policy on Sustainability

As a pioneering company in individual tutoring, we have been providing opportunities for men and women to gain access to high-quality education through our activities under the two management philosophies “We aim to nurture human resources through our contribution to educational and cultural programs” and “We help achieve goals through our development and diffusion of franchise know-how” and the educational philosophy “To nurture creative, independently-minded human resources for 21st century society through an individual tutoring service that promotes self-motivated learning.”

While taking over this founding philosophy as our “founding spirit”, we aim to grow into “a corporate group that extracts the potential in people” by creating various businesses that provide services that meet the needs of the times and to respond to rapid changes in the social environment, starting from our “Purpose” of “Create a memory of ‘You Can if You Think You Can.’” At the same time, we aim to increase the corporate value of the Group.

In order to remain a company of choice for society, we will actively engage in dialogue with outside experts and stakeholders to correctly understand the negative impacts of economic development, such as economic disparities, forced labor, and negative impacts on the ecosystem. We will also promote initiatives to resolve these issues through our business activities.

As an “infrastructure for learning” through our business activities, we have established a “Sustainability Committee” in order to realize a “bright future society” and a “sustainable society that realizes the SDGs.” As a responsible company listed on the Prime Market, we will promote activities to reduce the risk of damage to our corporate value by appropriately identifying important company-wide issues and deliberating and implementing countermeasures. We will widely disclose our activities and their results.

Basic Policy on Sustainability

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E (Environment)

■ Important themes

Response to climate change and concern for the environment

Policy

- The Group is very aware that addressing climate change and environmental issues is one of its most important management issues. Based on the framework of the Paris Agreement and the Japanese government's target of reducing CO2 emissions to 0 by 2050, we recognize the role that companies must play to realize a sustainable society, and we believe that solving these issues through business will lead to sustainable growth for the Group.

Approach

- We will work to reduce greenhouse gas emissions to reduce the negative environmental impact of our business activities.
 - We will measure the total power consumption of all Group companies, set reduction targets, and make maximum efforts to achieve these target figures. We will continue to use renewable energy and implement energy-saving measures. As a responsible Prime Market listed company, we support the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures) and promote voluntary and proactive information disclosure. We will also actively disclose information by participating in questionnaires and surveys conducted by various research organizations, including the CDP (Carbon Disclosure Project).
 - We will promote DX to reduce the amount of electricity used throughout the company and promote the use of recycled paper and going paperless.
 - The Company invested in a carbon neutral fund to support domestic renewable energy power generation business. We will contribute to the spread and expansion of renewable energy in Japan.
- We are also considering the use of renewable energy in our facilities in the future.

S (Society)

■ Important themes

Health management, human rights, human capital strategy, and diversity

Policy

- The Group defines its employees as its most important asset. We believe that the physical and mental health of our employees leads to the growth and development of our company. In addition, we will promote human capital strategy and diversity while considering the human rights of all people involved in the Company, aiming to become a company and organization that is easy and rewarding to work for, where all employees can maximize their individual abilities and share diverse values.

Approach

- As targets for the fiscal year ending August 2024, the Company will appoint at least 25% of women to managerial positions and appoint foreign human resources and mid-career recruits to important positions.
- As a company working to support the advancement of women, the Company has been certified by the Minister of Health, Labour and Welfare as excellent based on the Act on the Promotion of Women's Active Engagement in Professional Life (commonly known as the "Act to Advance Women's Success") and has acquired the certification mark "Eruboshi" with two stars (second level).
 - Since March 2012, we have continued to make donations to the United Nations WFP's School Lunch Program. As we aim to develop human resources through our education business, we support these activities and make donations so that as many children as possible around the world can receive education under better conditions. It protects children in poverty from starvation and helps them grow healthily while contributing to increasing school enrolment and expanding educational opportunities.
- There is no difference between the desire people with disabilities have for fun and rewarding work with anyone else. From the perspective of contributing to solving social issues such as supporting mental independence and contributing to regional revitalization through employment, the Company has decided open a “farm” to create a place of work.

G (Governance)

■ Important themes

Assessing the effectiveness of the Board of Directors and improving corporate governance

Policy

- The Group will seek to strengthen corporate governance functions, including the activities of the Board of Directors, with the pillars of ensuring management efficiency, legality, and transparency for shareholders, and will work to achieve sustainable growth and increase corporate value over the medium to long term.

Approach

- In order to further strengthen the effectiveness of the Board of Directors and its monitoring system, the Company has made the transition to a company with an Audit & Supervisory Committee system.
- The Company has established the Nomination and Compensation Committee to further improve the objectivity and transparency of the decision-making process for the remuneration of Directors.
- To realize our ideal Group, the Company discloses information on the skills, knowledge and experience required for Directors to fulfill their roles.
- The Company will start to consider introducing an evaluation system that includes sustainability in order to review the remuneration for directors (and other officers) system, link performance, and support the realization of climatic change and environmental issues etc. related challenging targets.
- The Company has established a Sustainability Committee chaired by the President to determine important issues for realizing sustainable management. We will ensure appropriate information disclosure and transparency in our efforts.
- The Group has positioned the prevention of corrupt practices such as bribes to public officials, excessive entertainment or gifts, collusion, misappropriation and breach of trust as one of the most important issues for thorough compliance. To this end, the Company is focusing on securing a sound business environment by enhancing internal systems that can appropriately respond to corruption risks and prevent them from occurring.

2. Sustainability Promotion System

Meiko Network Japan's Sustainability Promotion Structure

