

## Special feature Taking On the Biological Genetic Resource Business (Mainly Plant Genetic Resources)

For more than 70 years since our founding, we have grown and expanded our business by proposing a manufacturing style that responds to customer needs that change with the times. In order for the Company to achieve sustainable growth amid ever-increasing changes in society, we believe that it is necessary to value traditional business practices, more flexibly grasp the needs of society, and actively take on the challenge of new businesses.

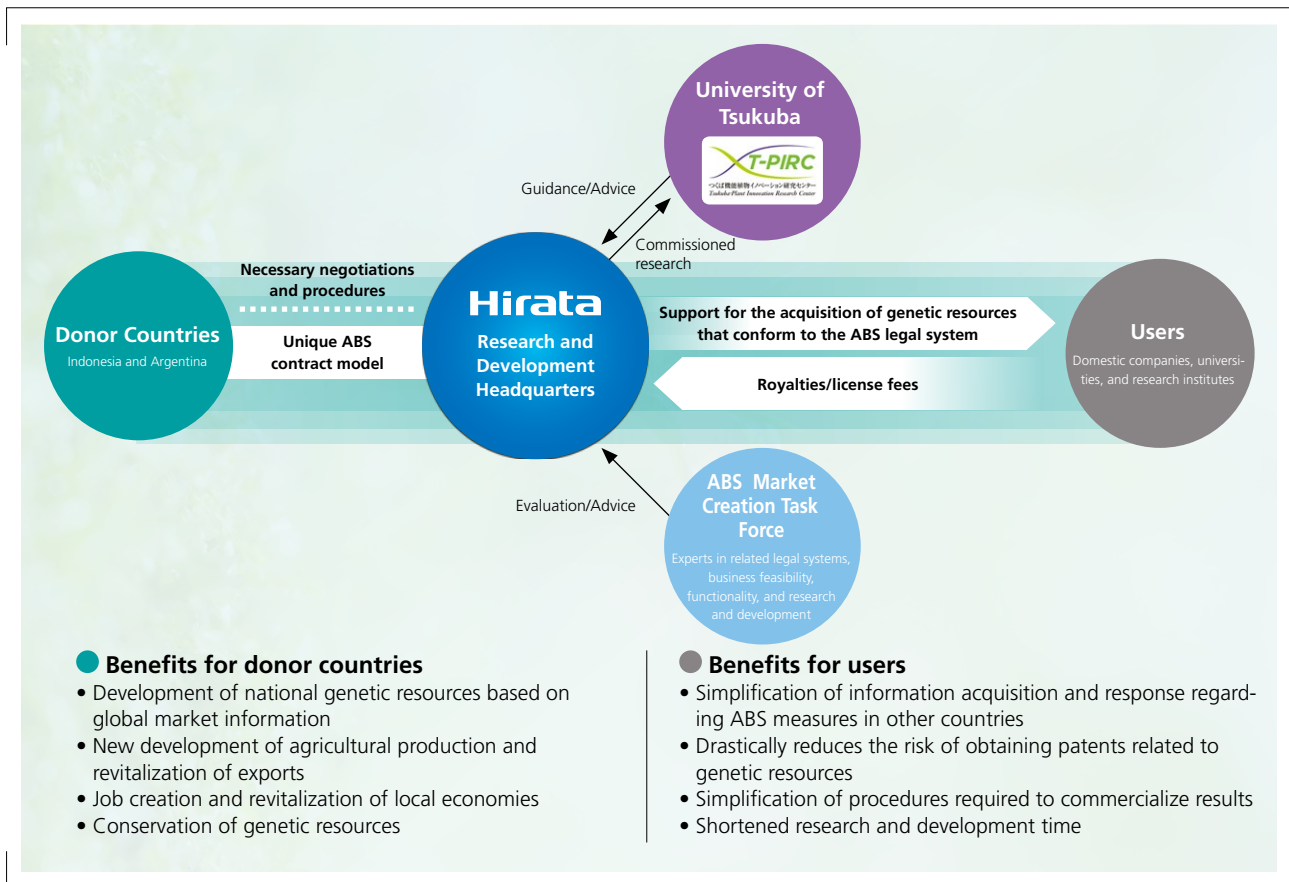
During new business development, we consider businesses irrespective of manufacturing framework on the condition that we anticipate the needs of society and contribute to society. The biological genetic resources business (mainly plant genetic resources) has been positioned in the current Medium-Term Management Plan that calls on us to take on new challenges. Although we are starting from scratch in a completely new field, we will broaden our perspective as a company and aim for sustainable growth.

Genetic resources are materials derived from plants, animals, and microorganisms or materials that have functional units of heredity with real or potential value. When using genetic resources derived from foreign countries for research purposes, ABS (access and benefit sharing) procedures are required to distribute profits generated from the use of genetic resources a fair and equitable manner, and any acquisition or use that does not comply with the laws and regulations of the donor country can be a serious risk to the researcher and to Japanese science as a whole. However, since there are many

problems related to ABS procedures, it is a major barrier to research on the utilization of genetic resources.

To address these issues, we are currently focusing mainly on plant-based genetic resources, which is a pioneering and rare business condition, even in Japan. By securing comprehensive acquisition permits for undiscovered and underutilized genetic resources, we can significantly reduce associated risks for domestic companies, universities, and research institutions.

Note: References definitions from the Convention on Biological Diversity



We are working on commercialization of biological genetic resource research while receiving objective evaluations, advice, and support from the ABS Market Creation Task Force, which consists of external experts, and the University of Tsukuba. We have already developed several projects for the sustainable use of plant-based genetic resources in Indonesia and Argentina. The fair and equitable distribution of benefits arising from the use of genetic resources

between the donor country and the user, while ensuring appropriate access to unused resources, is mutually beneficial. Furthermore, this initiative provides the Company with the hidden potential benefits of new business development and participation in new fields.

▶ For more information, please visit the website below.  
[https://www.hirata.co.jp/en/r\\_and\\_d/efforts](https://www.hirata.co.jp/en/r_and_d/efforts)