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https://www.tamuracorp.com/global/

Notice: This is a translation of the original Japanese document only for reference purposes. In the event of any discrepancy between this translation and the original Japanese document, the latter shall prevail.

The corporate governance of Tamura Corporation is described below.

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

1. Basic Views

The Company and its group companies (collectively, the "Group" or "Tamura Group") have a basic management philosophy of respecting the interests of stakeholders. The management team entrusted with the Group's management by shareholders thrives to promote efficiency and transparency in order to enhance compliance and maximize the Group's value, based on a strong sense of mission and corporate ethics. The Group's corporate governance supports the business activities as its foundation.

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

[Supplementary Principle 2-4 (1) Ensuring Diversity]

The Group has focused on talent development with the aim of becoming a "company that people long for" and a "company where people come." Under the 14th Medium-term Management Plan, which covers the three fiscal years from April 2025 to March 2028, the Group's policy is to promote the integration of business, financial and sustainability strategies. The sustainability strategy is being deployed around the five items of Materiality, which include the realization of job satisfaction. During the 14th Medium-term Management Plan, the Group will measure the improvement in job satisfaction by the employee engagement score, targeting at 64 percent in fiscal year ending March 2027. While the Group has not set the quantitative target for diversity, ensuring diversity among employees remains priority, as part of job satisfaction initiatives, as past engagement survey results showed that diverse viewpoints have positive impact on engagement.

Diversity information is included in the Securities Report (Japanese only) and the integrated report named Tamura Report (integrated report).

(Securities Report (Japanese only): https://www.tamuracorp.com/ir/library/securities.html)

(Integrated Report Tamura Report: https://www.tamuracorp.com/global/ir/library/tamura-report/)

Disclosure Based on each Principle of the Corporate Governance Code

[Principle 1-4 Strategically held shares]

(Holding policy)

In the electronics industry in which the Group operates has a wide range of participants, from finished product manufacturers to parts suppliers, and it is essential for it to collaborate directly or indirectly with third parties in development, procurement, production, distribution, and sales of products. For this reason, the Company may hold certain strategic shares from a medium- to long-term perspective to improve corporate value, comprehensively considering business and alliance strategies. The Company's policy is to keep the value of strategically held shares at 10 percent or less of consolidated net assets.

The Board of Directors regularly verifies the suitability of individual holding, taking into consideration the business strategy of the Group as well as its business relationship with the issuers of the shares from a medium- to long-term perspective.

(Verification method)

The necessity of particular stock is reviewed in light of the above-mentioned purpose of holding and based on the three criteria: annual transaction value with the issuer; transaction trend for the last three years; and the value of holding against the value of transaction. The value of transaction is determined on a consolidated basis of an issuer.

(Exercise of voting rights)

The voting rights related to strategically held shares shall be exercised for each agenda item, comprehensively considering whether the holding contributes to the improvement of the medium- to long-term corporate value of the issuer and whether it leads to the improvement of the medium- to long-term corporate value of the Company. The specific criteria are disclosed on the Group's website (Japanese only).

(Criteria for exercising voting rights for strategically held shares (Japanese only):
https://www.tamuracorp.com/ir/management/governance.html)

[Principle 1-7 Related Party Transactions]

The Company's transaction involving conflict of interest such as transaction with its Director or any legal entity controlled by its Director, competing transaction or its Director's concurrently serving as director or officer of another legal entity shall be reviewed and approved by the Board of Directors.

[Supplementary Principle 2-3 (1) Responding to Sustainability Issues]

The Group has defined its long-term vision, "Aspiration for 2050" to become a leading company well-recognized by global electronics markets to contribute to realizing decarbonized society, based on its corporate philosophy and founding spirit. For realizing the vision, the Group established its 14th Medium-term Management Plan covering the three fiscal years from April 2025 to March 2028, which integrates its business, financial and sustainability strategies. Further, Tamura Group newly established and published its Sustainability Policy on April 1, 2025.

The details of sustainability activities are published on the Group's website and the integrated report, Tamura Report, drafted with reference to the GRI Sustainability Reporting Standards and the ISO 26000 guidance standards.

(Sustainability: https://www.tamuracorp.com/global/sustainability/)

[Principle 2-6 Function as an asset owner of corporate pension fund]

The Company has established the Tamura Seisakusho Corporate Pension Fund to ensure stable and efficient profit making and future pension benefits. The Fund has formulated the Basic Investment Policy and manages pension assets. The decision-making regarding asset management of the Fund is deliberated by its board of directors and its management committee. A person with appropriate qualifications has been appointed as managing executive director. In addition, the actual management of the Pension Fund is outsourced to financial institutions which have accepted the Stewardship Code in Japan. The activities of the financial institutions are reviewed based on their Stewardship Activity Reports. The relevant information is made available on the intranet for the members of the Fund.

[Principle 3-1 Enhancement of Information Disclosure]

(1) a. Management Philosophy

The Group has established its corporate philosophy, consisting of the Mission, Vision, and Guidelines, which are available on its website. (Mission Vision Guidelines: https://www.tamuracorp.com/global/corporate/philosophy.html)

(1) b. Management Strategy and Management Plan

The Group's Medium-term Management Plan is available on its website.

(Medium-term Management Plan: https://www.tamuracorp.com/global/ir/management/plan.html)

(2)) Basic policy regarding corporate

governance Please refer to 1. Basic Views

above.

(3) Policy and procedure for determining remuneration for Directors

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

(4) Policies and procedures for the selection and dismissal of candidates for Directors

Please refer to 2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System) of II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management below.

(5)) Explanation of individual appointment, dismissal, and nomination of candidates for Directors

For the reasons for the appointment of Outside Directors, please refer to 1. Organizational Composition and Operation of II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management below. The biographies of all candidates and the reasons for their appointment are disclosed in the notice of convocation of the General Meeting of Shareholders each time a candidate is proposed.

[Supplementary Principle 3-1 (3) Disclosure of Sustainability Initiatives]

Tamura Group established and published its Sustainability Policy on April 1, 2025. Under the 14th Medium-term Management Plan, which covers the three fiscal years from April 2025 to March 2028, the Group has integrated its business, financial and sustainability strategies. The sustainability strategy is deployed around the five items of Materiality: (1) contributing to realization of decarbonized society; (2) pursuit of job satisfaction; (3) strengthening corporate governance; (4) strengthening enterprise risk management; and (5) fostering culture that emphasizes quality. The KPIs and the targets to be achieved by the fiscal year ending March 2028 have been set for each item. The Group commits to achieving carbon neutrality by 2050 and identifies climate change as one of Materiality items, contributing to realization of decarbonized society. The Group is promoting initiatives to reduce greenhouse gas emissions (scopes 1 & 2) by 25 percent or more compared to the fiscal year ended in March 2022, to increase the ratio of renewables in energy procurement to 35 percent or more, and to expand sales to the focus markets to 36 percent.

[Supplementary Principle 4-1 (1) Clarification of the role of the Board of Directors and the scope of delegation to management]

The Company has defined the matters to be resolved by the Board of Directors and the matters delegated to the Executive Officers and thus separated the supervision by the Board and the business execution, in accordance with the Terms of Reference of the Board of Directors, Terms of Reference of the Executive Committee, Authority and Duties Rules and other relevant internal rules. The outline is disclosed on the Group's website and in this Corporate Governance Report.

The Board of Directors decides on the matters stipulated by laws and regulations and the Articles of Incorporation, as well as other important matters of the Group.

The Executive Committee, as the highest decision-making body within the authority delegated by the Board, makes decisions or receives reports on important matters of the Group, including those to be reported or decided by the Board of Directors. The Executive Officers are responsible for carrying out their duties in their respective areas of responsibility based on the policies decided by the Board of Directors.

(Note: At the Company, the positions of Executive Officers are referred to as Chairperson, President, Executive Vice President (EVP), and Senior Vice President (SVP).)

(The Group's corporate governance structure: https://www.tamuracorp.com/global/sustainability/governance/)

[Principle 4-8 Effective utilization of Independent Outside Directors]

The Company has appointed five Independent Outside Directors, accounting for more than one third of the Board of Directors. Independent Outside Directors are actively participating in the discussions of the Board of Directors, providing independent and neutral viewpoints based on their abundant experience and expert knowledge, and contributing to the enhancement of corporate value.

[Principle 4-9 Independence Criteria and Qualities for Independent Outside Directors]

The Group has established its own Independence Criteria for Directors, available on its website. The Group shall select such candidates of Directors who meet the Criteria in addition to those set by the Companies Act and the Tokyo Stock Exchange.

(Independence Criteria for Directors and Audit and Supervisory Committee:

https://www.tamuracorp.com/global/ir/management/governance.html) (Japanese only)

[Supplementary Principle 4-10 (1) Utilization of Committees]

The Company has established the Nomination and Remuneration Advisory Committee as an advisory body to the Board of Directors in order to make fair and transparent decisions regarding the nomination and remuneration of Directors and Officers. The Committee, which is chaired by the Lead Outside Director and consists of the Chairperson & CEO &CFO, the President & COO and the five Independent Outside Directors, meets several times a year. For details, please refer to 2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System) of II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management below.

[Supplementary Principle 4-11 (1) Approach to the balance of knowledge, experience and capabilities among Directors, as well as the diversity in and size of the Board of Directors as a whole]

Outside Directors are selected according to the Independence Criteria for Directors. In addition, the Group gives due consideration to the balance of knowledge and experience among the Directors such as business management, global M&As, governmental positions, legal and accounting expertise, and, in order to strengthen competitiveness and promote sound and sustainable growth of its businesses. The Company ensures Outside Directors include one or more experienced business managers and the Audit and Supervisory Committee one or more persons with financial and accounting expertise.

For details, please refer to 2. Matters Concerning Functions of Business Execution, Auditing and Supervision, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System) of II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Oversight in Management as well as the attached Key Experiences and Capabilities of Directors and Auditors (Skill Matrix).

(Independence Criteria for Directors and Audit and Supervisory Board Members:
https://www.tamuracorp.com/global/ir/management/governance.html) (Japanese only)

[Supplementary Principle 4-11 (2) Status of concurrent posts of Directors of other listed companies]

Outside Directors may concurrently serve as officers of other listed companies. The status of such concurrent positions is disclosed through the notice of convocation of the General Meeting of Shareholders, the securities report, and the Corporate Governance Report. None of the Executive Directors concurrently serves as an officer of listed companies outside the Tamura Group, allowing them to fully focus on their duties as Directors. Additionally, the full-time member of the Audit and Supervisory Committee does not hold any concurrent positions at other listed companies, ensuring he can fully dedicate himself to audit activities.

[Supplementary Principle 4-11 (3) Analysis and evaluation of the effectiveness of the Board of Directors]

As part of efforts to further improve the operation of the Board of Directors, it evaluates the effectiveness every year and discloses a summary.

For the fiscal year ended in March 2026, the Board of Directors evaluated its effectiveness, including that of the Audit and Supervisory Committee and the voluntary Nomination and Remuneration Advisory Committee. All the Directors and the Audit and Supervisory Committee Members anonymously answered a survey of selective or free response questionnaire prepared by a third party, who also analyzed the results. All Directors have received the report on the results and are scheduled to discuss improvement measures.

The outline of the effectiveness evaluation of the Board of Directors for the fiscal year ended in March 2026 is as follows.

- Overview of Questions:
  - Role, composition, operation, discussion of management strategy and plan, internal control and risk management, training, engagement with shareholders and investors, and initiatives of the Boad of Directors, as well as the evaluation of the Audit and Supervisory Committee and Nomination and Remuneration Advisory Committee.
- Overview of Effectiveness Evaluation:
  - The average score improved over the previous year's, reflecting better results by both inside and outside directors and continued constructive and proactive feedback from many Directors, confirming that the overall effectiveness of the Board of Directors has been maintained.
- Identified Issues:
  1) Operation: explanation of agenda items to Outside Directors prior to Board meetings
  2) Discussion on management strategy and plan: connection between management strategy and plan and sustainable growth and enterprise value; management with a view to the cost of capital and share price; promotion and monitoring of digital transformation; and monitoring of investment in people and intangible assets
  3) Internal control and risk management: establishment and monitoring of internal control system
  4) Discussion based on the engagement of shareholders and investors
- Reference: Past Effectiveness Evaluation Results and Countermeasures

(1) Fiscal Year Ended in March 2023

Issue Areas:

(a) Board Operation

(b) Discussion on Management Succession Planning

(c) Director Training

(d) Dialogue with Shareholder/Investor engagement

Countermeasures:

(a) Improving meeting papers and explanations of agendas for Outside Directors

(b) Implementing succession planning

(c) Providing more information on external training programs

(d) Enhancing feedback with Shareholder/Investor engagement

(2) Fiscal Year Ended in March 2024

Issue Areas:

(a) Board Operation: There are diverse opinions regarding meeting and deliberation times, and there is a need to form a consensus on these matters.

(b) Board Discussions: There is a need to enhance discussions related to corporate value, capital efficiency, and the medium-term management plan.

(c) Director Performance: Addressing disparities in information availability and participation levels between Executive and Outside Directors is necessary.

Countermeasures:

For (a) and (c), earlier provision of information and briefing session for Outside Directors, revision to Terms of Reference of the Board, revision to time allocation and format of Board papers,; and for (b), inclusion in the discussion on the new medium term management plan

(3) Fiscal Year Ended in March 2025

Issue Area:

(a) Lower score than last year: monitoring for Group, including group companies; and functions of the Audit and Supervisory Committee

(b) Other areas for improvement: Operation of the Board (discussion items, time allocation and papers); Discussion (strategy and sustainable growth, enhancement of corporate value, capital cost, digital transformation), monitoring (internal control including group companies)

Countermeasures:

Revisions to the Terms of reference of the Board of Directors; enhancement of information provision to the Outside Directors, including periodical discussion of Outside and Inside Directors, providing access to the executive meeting information, briefing sessions for Outside Directors before Board meetings; and revision to the annual agenda of the Board

[Supplementary Principle 4-14 (2) Training policy for Directors]

The Directors of the Company strive to acquire, review, and update the knowledge necessary to fulfill their respective roles and responsibilities. Directors receive in-house training when they are newly appointed. In addition to the information provided at the meetings of Board of Directors, Outside Directors are given opportunities of visiting key Group sites for audit and receives briefings by the Full-time Member of the Audit and Supervisory Committee regarding the status of the Group's business and management issues.

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

The Group has the Investor Relations Department as the contact for investor and shareholder engagement. Further, the management briefings for analysts and institutional investors are conducted semiannually, within a few days after the financial results announcement. The presentation and other information used at the briefings are disclosed at the Tokyo Stock Exchange and on the Group's website. The opinions and other feedback from investors and shareholders are regularly reported to the Board of Directors. (Financial results presentation: https://www.tamuracorp.com/global/ir/library/settlement.html)

[Principle 5-2: Formulation and Disclosure of Management Strategy and Management Plans]

[Responses Aimed at Achieving Management with Awareness of Capital Costs and Stock Prices]

The Tamura Group has launched a new medium-term management plan, "One TAMURA for Next 100," in the fiscal year ending in March 2026, in preparation for the next 100 years. Following on from the previous medium-term management plan, the Group will continue to view the global trend toward a decarbonized society as a market opportunity, and aim to realize its long-term vision of becoming " a leading company well-recognized by global electronics markets to contribute to realizing decarbonized society." Meanwhile, in the 13th Medium-term Management plan, profitability and asset efficiency remained insufficient. In response to this, in the 14th Medium-term Management Plan, the Group will aim for ROE of 8% by the fiscal year ending in March 2028, and maintain PBR of 1 or more, by promoting business, financial, and sustainability strategies in an integrated manner. In terms of financial strategies, Tamura Group aims for increasing its cash generation capacity by improving profitability and capital efficiency and reinvest cash

in building a foundation for growth and improving its corporate structure. Furthermore, the Group will strengthen shareholder returns with the aim of becoming a company that is valued by the stock market at PBR of 1 or more. At the start of the 14th Medium-term Management Plan, Tamura Group revised its basic policy on dividends of surplus to maintain stable dividends, and aim to return profits to shareholders with a dividend on equity (DOE) of 3% after improving its financial structure. In addition, taking into account the business environment and financial situation, it will also consider flexible share buybacks as part of shareholder returns. Progress on the 14th Medium-term Management Plan is published in the investor section of our website, securities reports, and integrated report "Tamura Report.".

(Investor Information: https://www.tamuracorp.com/global/ir/)

(Securities Report (Japanese Only): https://www.tamuracorp.com/ir/library/securities.html)

(Integrated Report Tamura Report: https://www.tamuracorp.com/global/ir/library/tamura-report/)

2. Capital Structure

Foreign Shareholding Ratio	10% or more and less than 20%

Status of Major Shareholders

Name or Company Name	Number of Shares Owned	Percentage (%)
Master Trust Bank of Japan, Ltd. (Trust account)	11,467,000	14.26
Custody Bank of Japan (Trust)	5,561,311	6.91
Tamura Cooperating Company Stockholding Association	3,396,756	4.22
Sumitomo Mitsui Banking Corporation	3,200,466	3.98
Mizuho Bank, Ltd.	1,999,861	2.48
Tamura Corporation Employee Stockholding Association	1,162,883	1.44
Tamura Kaihatsu Limited	1,161,800	1.44
State Street Bank and Trust Company	1,120,078	1.39
JP Morgan Chase Bank	1,081,688	1.34
Sumitomo Life Insurance Company	1,018,100	1.26

Name of Controlling Shareholder, if applicable (excluding Parent Companies)	N/A
Name of Parent Company, if applicable	N/A

Supplementary Explanation

As of March 31, 2026.

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Prime Market
Fiscal Year-End	March
Business Sector	Electrical Appliances
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	¥100 billion or more but less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	10 or more but fewer than 50

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

N/A

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

The Company has no parent company or listed subsidiary.

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 Supervisory Committee

Directors

Number of Directors Stipulated in Articles of Incorporation	14
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Chairperson
Number of Directors	9
Election of Outside Directors	Elected
Number of Outside Directors	5
Number of Independent Directors	5

Outside Directors' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Masashi Imamura	From another company								△			
Akiko Toyoda	From another company											
Akira Kubota	From another company								△			
Haruko Shibumura	Lawyer								△			
Hiromi Nakazawa	Certified Public Accountant											

*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 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/company auditor
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 director him/herself only)
i. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to director him/herself only)
j. Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
k. Other

Outside Directors' Relationship with the Company (2)

Name	Membership of Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Masashi Imamura		○	Masashi Imamura was Executive Officer and EVP of Sony Corporation, current Sony Group Corporation, until June 2018. Although there is a business transaction relationship between the Company and Sony Group, the amount of transactions in the past three fiscal years has been less than 1% of the consolidated sales of both companies, which is not material in their amount and nature to create a special conflict of interest. In addition, he was Managing Director of Zensho Holdings Co., Ltd. until June 2019, but there are no business transactions between the Company and Zensho.	Masashi Imamura has held important positions in a major global electronics manufacturer in Japan and in the restaurant industry, and has extensive business experience in areas such as manufacturing, logistics, procurement, and quality, as well as knowledge of corporate management. From his independent position, he is expected to contribute to the Board's decision-making and strengthening its audit and oversight functions. Based on the circumstances described on the left, the Company has determined that there is no risk of conflicts of interest with general shareholders and has appointed him as an independent director.
Akiko Toyoda		○		Akiko Toyoda has been engaged in cross-border and domestic M&A financial advisory services for many years and has extensive knowledge of corporate business portfolio strategies, finance and accounting, taxation and legal affairs. She is expected to contribute to the Board's decision-making, audit and oversight functions from an independent standpoint.

Akira Kubota	○	○	Akira Kubota was Managing Executive Officer of Olympus Corporation until March 2017. Although there is a business transaction relationship between the Company and Olympus, the amount of transactions in the past three fiscal years has been less than 1% of the consolidated sales of both companies, which is not material in their amount and nature to create a special conflict of interest.	Akira Kubota has a wide range of experience in government agencies, as well as experience and insight in business management, including research and development, at a major global company. Since 2018 as a Director and Nomination and Remuneration Advisory Committee Member of the Company, and since 2023 as a Lead Independent Outside Director and Nomination and Remuneration Advisory Committee Member of the Company, he has contributed to strengthening the functioning of the Board of Directors from his independent position. He is expected to contribute to the Board's decision-making and strengthening its audit and oversight functions. Based on the circumstances described on the left, the Company has determined that there is no risk of conflicts of interest with general shareholders and has appointed him as an independent director

Haruko Shibumura	○	○	As a lawyer, Haruko Shibumura provided legal advice to the Company prior to her appointment as Director in June 2018, but has not received payment other than Director's remuneration from the Company since her appointment.	As a lawyer, Haruko Shibumura has a high level of insight into corporate legal affairs in general, including corporate governance and risk management, as well as extensive experience as an outside director. Since 2018, she has contributed to strengthening the governance of the Company from her independent position as a Director and Nomination and Remuneration Advisory Committee Member of the Company. She is expected to contribute to the Board's decision-making and strengthening its audit and oversight functions. Based on the circumstances described on the left, the Company has determined that there is no risk of a conflict of interest with general shareholders and has appointed her as an independent director.

Hiromi Nakazawa	○	○		Hiromi Nakazawa possesses advanced professional expertise in finance and accounting as a Certified Public Accountant, as well as practical experience at companies with global operations and experience serving as an outside director for multiple listed companies. The Company expects her to contribute to the Board of Directors' decision-making and the strengthening of audit and supervisory functions from an independent standpoint in her roles as a Director (Audit and Supervisory Committee Member) and a member of the Nomination and Compensation Advisory Committee. Based on the Company′s "Independence Standards for Outside Directors," the Company has determined that there is no risk of conflicts of interest with general shareholders and has appointed her as an independent director.

Supervisory Committee

Composition of Supervisory Committee and Attributes of the Chairperson

	All Committee Members	Full-time Members	Inside Directors	Outside Directors	Committee Chair
Supervisory Committee	4	1	1	3	Inside Director

Appointment of Directors and/or Staff to Support the Supervisory Committee	Not Appointed

Matters Concerning Independence of Said Directors and/or Staff from Executive Officers/Reasons for Adopting Current System

The reason for adopting the Company with Audit and Supervisory Committee system, where the Committee Members responsible for auditing the execution of duties by the Directors are also the Directors of the Board, is to strengthen the supervisory and monitoring function of the Board of Directors and to further enhance the Company's corporate governance.

Cooperation among the Supervisory Committee, Accounting Auditors and Internal Audit Department

Ernst & Young ShinNihon Audit Corporation (currently Ernst & Young ShinNihon LLC) was appointed as the Company's accounting auditor at the General Meeting of Shareholders held on June 28, 2007.

The Audit and Supervisory Committee holds meetings with the accounting auditor regarding audit plans and other relevant matters, receive reports and explanations from regarding quarterly accounting audits, and conduct audits in cooperation with, the accounting auditor. After the first quarter review, the Committee exchanges opinions with the accounting auditor on possible candidates and the reasons for their selection of Key Audit Matters (KAM).

The Committee communicates with the Internal Audit Department to discuss the annual audit plan and receive reports and explanations as necessary regarding matters related to internal control. The Audit and Supervisory Committee Members may accompany internal audits as necessary to check the business and financial conditions as well as compliance and other management matters the Tamura Group's major business locations.

Voluntary Established Committee(s)

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	Nomination and Remuneration Advisory Committee	7	2	2	5	0	0	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Nomination and Remuneration Advisory Committee	7	2	2	5	0	0	Outside Director

Supplementary Explanation

The Nomination and Remuneration Advisory Committee meets several times a year.

- Purpose/Authority: It deliberate fairly and transparently regarding nominations for Directors and Executive Officers, and regarding remuneration for Directors (excluding the Audit and Supervisory Committee Members), Executive Officers, Advisors, and report to the Board of Directors. (Note: At the Company, the positions of Executive Officers are referred to as Chairperson, President, Executive Vice President (EVP), and Senior Vice President (SVP).)
- Chair: Akira Kubota, Lead Independent Outside Director
- Members: Seven including, Masahiro Asada, Chairperson & CEO & CFO, Mitsutaka Nakamura, President & COO, and the five Independent Outside Directors, Akira Kubota, Haruko Shibumura, Masashi Imamura, Akiko Toyoda and Hiromi Nakazawa

Matters Concerning Independent Directors

Number of Independent Directors	5

Other Matters Concerning Independent Directors

All persons who meet the Independence Criteria are designated as Independent Directors.

Incentives

Implementation Status of Measures related to Incentives Granted to Directors	Introduction of Performance-linked Remuneration Scheme / Introduction of Stock Options Scheme / Other

Supplementary Explanation for Applicable Items

The Company has introduced a performance-linked remuneration scheme and a stock remuneration scheme (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors).

[Performance-linked remuneration scheme]

Director's (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) annual bonuses are calculated according to the performance of the relevant fiscal year in accordance with the procedures stipulated in the Director Evaluation Rules and Director Remuneration Rules. The key performance indicators of sales, net income attributable to owners of the parent company, ROE and others have been selected. Operating profit amount and ratio have been chosen as key performance indicators from the viewpoint of reflecting profitability and shareholder value improvement.

[Stock remuneration scheme]

The Company has introduced a stock remuneration scheme using a trust, for Directors excluding the Audit and Supervisory Committee Members and Outside Directors.

Under this scheme, a trust ("Trust") established by the Company by contributing money acquires the number of Company's shares equivalent to the number of points that the Company grants to the relevant Directors and transferred them to such Directors. There are two types of points granted under this scheme: fixed points granted according to a Director's position or other qualifications; and performance-linked points granted according to the position and the degree of attainment of performance targets of a Director. In principle, a Director can receive the shares granted when they retire.

The implementation status of incentive measures for Directors is disclosed in the securities report (Japanese only) and the integrated report, Tamura Report.

(Securities Report (Japanese only): https://www.tamuracorp.com/ir/library/securities.html)

(Integrated Report Tamura Report: https://www.tamuracorp.com/global/ir/library/tamura-report/)

Persons Eligible for Stock Options	Inside Directors / Employees

Supplementary Explanation for Applicable Items

As the stock option scheme was abolished in June 2022, no new stock options will be granted in the future. However, the exercise of stock options by Directors and Executive Officers who previously held stock options upon retirement will continue until all the Directors and Executive Officers who currently hold stock options retire. (Note: At the Company, the positions of Executive Officers are referred to as Chairperson, President, Executive Vice President (EVP), and Senior Vice President (SVP).)

Director Remuneration

Status of Disclosure of Individual Director's Remuneration	No Disclosure for any Directors

Supplementary Explanation for Applicable Items

The total amount of remuneration for Inside Directors and Outside Directors is disclosed in the Securities Report.

Policy on Determining Remuneration Amounts and Calculation Methods	Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

The Company has established a policy for determining the content of individual remuneration for Directors in the Director Remuneration Rules. In order to ensure fairness and transparency, this policy is first considered by the Nomination and Remuneration Advisory Committee, the majority of which consists of Outside Directors, and chaired by the Lead Outside Director, before the decision by the Board of Directors.

At the 100th Ordinary General Meeting of Shareholders held on June 28, 2023, the Company introduced a stock compensation scheme using a trust for the Directors (excluding Directors who are Audit and Supervisory Committee Members). With the introduction of this scheme and the abolition of the stock option scheme, Directors' (excluding Directors who are Audit and Supervisory Committee Members) remuneration consists of monthly compensation, performance-based compensation, and stock compensation.

The monthly remuneration of Directors is defined in the Director Remuneration Rules, and the ratio for each type of remuneration is determined in a way that contributes to improving annual business performance as well as providing healthy incentives for increasing corporate value over the medium to long term. A guideline for the ratio of each type of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) when targets are fully achieved is as follows: 59 percent of monthly remuneration, 29 percent of performance-based remuneration, and 12 percent of stock remuneration.

Directors who are the Audit and Supervisory Committee Members receive only monthly remuneration.

The Nomination and Remuneration Advisory Committee considers the original draft, including consistency with the policy, of individual remuneration and the Board of Directors in principle respects its advice.

Support System for Outside Directors

Although there is no specific department or staff in charge of assisting Outside Directors, occasional informal meetings with Internal Directors and the Secretariat of the Board of Directors assist and communicate information to them.

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

<Overview of current system>

Overview of meetings and committees

The following is an overview of the key meetings and committees, which carry out functions such as business execution, audit and supervision, and remuneration determination. The Company has adopted an executive officer system to speed up management decision-making and contribute to the efficiency of Directors' execution of their duties.

- The Board of Directors
  - Meetings: The regular meetings are held once a month, and extraordinary meetings are held as necessary.
  - Purpose/Authority: It makes decisions on matters stipulated by law and important management matters, and supervises the execution of duties by Directors.
- Audit and Supervisory Committee:
  - Meetings: In principle, the regular meetings are held once a month, and extraordinary meetings are held as necessary.
  - Purpose/Authority: It decides on audit policies, methods of auditing the status of operations and assets, and other matters related to the execution of duties by the Audit and Supervisory Committee Members, as well as receives reports on important matters regarding audits and prepare audit reports. In addition, it decides on the selection and dismissal of full-time, elected and specified Members of Audit and Supervisory Committee, as well as the content of proposals regarding the appointment and dismissal of the accounting auditor to be submitted to the General Meeting of Shareholders. Furthermore, it has the right to consent to the selection and remuneration of Directors who are Members of the Audit and Supervisory Committee, and the right to express opinions regarding the selection and remuneration of Directors who are not Members of the Audit and Supervisory Committee.
- Nomination and Remuneration Advisory Committee
  - Meetings: The committee meets several times a year.
  - Purpose/Authority: It deliberates fairly and transparently regarding nominations for Directors and Executive Officers, and remuneration for Directors (excluding Audit and Supervisory Committee Members), Executive Officers, and Advisors, and advises the Board of Directors.

- Executive Committee
  - Meetings: Regular meetings are held twice a month, and extraordinary meetings are held as necessary.
  - Purpose/Authority: Within the scope of authority delegated by the Board of Directors, the Executive Committee receives reports, makes decisions on important matters, or decides to submit matters to the Board of Directors regarding the execution of important business operations of the Tamura Group. Additionally, as subcommittees under the Executive Committee, the Sustainability Committee and the Risk Management Committee have been established to enhance discussions in their respective areas of expertise.

(Note: At the Company, the positions of Executive Officers are referred to as Chairperson, President, Executive Vice President (EVP), and Senior Vice President (SVP).)

Committees and meetings at Group Companies

For important subsidiaries, the Company's Directors and Officers also serve as officers of the subsidiary, and board meetings are held regularly.

Status of accounting audits

At the General Meeting of Shareholders held on June 28, 2007, the Company appointed Ernst & Young ShinNihon Audit Corporation (currently Ernst & Young ShinNihon LLC) as its accounting auditor.

In fiscal year ended in March 2026, the certified public accountants who performed the audit work are Mr. Seiji Kuzunuki (3 years of continuous auditing) and Mr. Yohei Ikeda (7 years of continuous auditing). In addition, the assistants involved in audit work are comprised of 6 certified public accountants and 23 other people.

Policies and procedures for determining remuneration for Directors

Remuneration for Directors (excluding Audit and Supervisory Committee members) is stipulated in the Director Remuneration Rules, and remuneration the Audit and Supervisory Committee Members is stipulated in the Audit and Supervisory Committee Member Remuneration Rules. Based on these rules, in order to ensure fairness and transparency, remuneration for Directors (excluding Audit and Supervisory Committee members) is first considered by the Nomination and Remuneration Advisory Committee, the majority of which consists of Outside Directors, and chaired by the Lead Outside Director, before the decision by the Board of Directors. Remuneration for the Audit and Supervisory Committee Members is determined through discussions among the Members including Outside Members.

Policies and procedures for nomination of Director candidates

The Board of Directors shall consist of at least one-third of Outside Directors, and the Company makes best efforts to elect persons who meet the independence criteria set by the Tokyo Stock Exchange as well as the Company. In addition, by adopting an Executive Officer system and separating executive and supervisory functions, the Company intends to ensure an appropriate number of Directors at the Board for it to operate properly.

- Candidates for Director (excluding Audit and Supervisory Committee Members)

  Taking into account the Company's businesses, scale, management environment and other factors, persons with knowledge, experience, and qualifications who can contribute to the fulfillment of the functions of the Board of Directors are selected as Director candidates. The balance and diversity of the entire Board of Directors is also considered in selection.

  The Nomination and Remuneration Advisory Committee recommends candidates based on the Director Nomination Criteria, and the Board of Directors carefully deliberates and makes decisions.

- Director candidates who are Audit and Supervisory Committee Members

  Persons who can audit the business execution of Directors (excluding Audit and Supervisory Committee Members) from a fair and objective standpoint, taking into consideration the Company's businesses, scale, management environment, audit system, and other factors, have the qualifications to contribute to improve management soundness and transparency, and have a wealth of knowledge and experience in business management and operations are selected as candidates for Directors

  who are Members of the Audit and Supervisory Committee. The Nomination and Remuneration Advisory Committee recommends candidates based on the Director Nomination Criteria, and the Board of Directors carefully deliberates and makes decisions after acquiring the consent of the Audit and Supervisory Committee.

- Appointment/dismissal

  The appointment and dismissal of Directors and Executive Officers is carefully deliberated by the Board of Directors based on the Standards for Appointment and Dismissal of Directors and Officers after receiving advice from the Nomination and Compensation Advisory Committee.

(Note: At the Company, the positions of Executive Officers are referred to as Chairperson, President, Executive Vice President (EVP), and Senior Vice President (SVP).)

Outline of the liability limitation contract

- Non-executive Directors

  The Company has entered into a contract to limit liability for damages under Article 423, Paragraph 11 of the Companies Act based on the provisions of Article 427, Paragraph 1, with Outside Directors, namely, Masashi Imaura, Akiko Toyoda, Akira Kubota, Haruko Shibumura, and Hiromi Nakazawa, and Director and Audit and Supervisory Committee Member, Yuji Yokoyama. The maximum amount of liability for damages based on the contract is the amount stipulated by law. The limitation of liability is permitted only when the relevant person was in good faith and had no gross negligent in performing the duties that caused the liability.

- Accounting auditor

  The Company has entered into a contract to limit liability for damages under Article 423, Paragraph 1 of the Companies Act based on the provisions of Article 427, Paragraph 1, with its accounting auditory, Ernst & Young ShinNihon LLC. The

  maximum amount of liability for damages based on the contract is the amount stipulated by law. The limitation of liability is permitted only when the auditor was in good faith and had no gross negligent in performing the duties that caused the liability.

3. Reasons for Adoption of Current Corporate Governance System

At the 100th Ordinary General Meeting of Shareholders held on June 28, 2023, The Company transitioned from a company with a audit and supervisory board to a company with an audit and supervisory committee. The reason for adopting the company system with an audit and supervisory committee is that by having the Audit and Supervisory Committee Members, who are responsible for auditing the execution of duties by Directors, as members of the Board of Directors, the supervisory and monitoring function of the Board of Directors can be strengthened and corporate governance can be enhanced. For an overview of the system, please also refer to the attached Corporate Governance Chart.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	The Company strives to provide information as early as possible by posting convocation notices of the General Meeting of Shareholders on the Tokyo Stock Exchange and on our website in advance of the dispatch date. The convocation notice for the Company's 103rd term (ended in March 2026) Ordinary General Meeting of Shareholders was sent on June 10, 2026.
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	The meeting was held on June 25, 2026, on a Non-Peak Day.
Electronic Exercise of Voting Rights	The voting rights can be exercised via the Internet as the electronic voting rights exercise environment provided by the shareholder registry administrator has been introduced and the Company has participated in the electronic voting rights exercise platform operated by ICJ Corporation.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The Company participates in the electronic voting platform operated by ICJ Corporation.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	English translation of Summary of Notice is provided.
Other	The Company's 103rd Ordinary General Meeting of Shareholders was held on Thursday, June 25, 2026, and all of the resolutions listed below were approved. Proposal No. 1: Partial Amendments to the Articles of Incorporation Proposal No. 2: Appointment of five Directors (excluding Directors who are Audit and Supervisory Committee Members) Proposal No. 3: Appointment of one Director who is an Audit and Supervisory Committee Member

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 available on the website. (Information Disclosure Policy: https://www.tamuracorp.com/global/ir/management/disclosure.html)	
Regular Investor Briefings held for Analysts and Institutional Investors	The Company holds a meeting for analysts and institutional investors semi-annually within a few days after the announcement of Q2 and Q4 financial results.	Held
Online Disclosure of IR Information	The following information for investors is posted at the website. (https://www.tamuracorp.com/global/ir/): - Financial results summary (tanshin) including quarterly information) - Securities reports (including semi-annual reports) (Japanese only) - Analyst meeting presentations - Documents related to the General Meetings of Shareholders - Financial information - Information on the Company's shares - TSE disclosure information - Corporate Governance Report - Integrated report, Tamura Report	
Establishment of Department and/or Placement of a Manager in Charge of IR	Corporate Communications Department	

3. Status of Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders	The Group aims to become "One and Only Company" and established its corporate philosophy consisting of the Mission, Vision and Guidelines. Furthermore, the specific actions expected for officers and employees, including respecting stakeholders, are clarified in the Tamura Group Code of Conduct. （https://www.tamuracorp.com/global/corporate/philosophy.html）
Implementation of Environmental Preservation Activities and CSR Activities, etc.	(1) The Group positions its sustainability strategies, including environmental conservation and CSR, as part of the mid-term management plan and pursues them across the Group. The Group's activities are published annually in its integrated report, Tamura Report, and on its website. (https://www.tamuracorp.com/global/sustainability/) (2) The Group has its Procurement Guidelines to request its suppliers to promote Sustainability in the supply chain. Please refer to the website for the Procurement Guidelines. (https://www.tamuracorp.com/global/sustainability/society/supply-chain.html)

IV. Matters Concerning the Internal Control System

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

The Tamura Group's internal control system aims to stabilize and improve efficiency of management, ensure appropriate accountability, and comply with laws, regulations, and internal rules. In order to achieve appropriate business management, the following systems, including risk management, compliance, and internal audit processes, have been established.

(1) System for maintaining and managing information related to the execution of duties by the Directors of the Company and a system for reporting matters related to the execution of duties by directors of Group companies to the Company.

a. Based on the Information Security Management Rules and Confidential Information Management Rules under the Information Security Policy, the Company and the Group companies properly maintain and manage information related to the execution of duties by their directors, taking account of types of information and the storage medium.

b. Each Group company has established a reporting system in accordance with the Group Company Management Rules to report to the Company regarding matters related to the execution of duties by its directors.

(2) Rules and other systems regarding the management of the risk of incurring losses

In order to manage the risk of incurring losses, the Group has established the Risk Management and Crisis Management Rules as a system to promptly inform the management of any circumstance that could pose a risk of losses to the Group. The system has been communicated and rolled out across the Group.

Should there be a serious crisis, a system has been established that the management could take appropriate actions to minimize risks to the Group, such as by having the President take direct command as the head of the crisis headquarters.

(3) System to ensure efficient execution of duties by Directors at each Group company

a. The Company’s Board of Directors meets regularly once a month and as needed, in order to ensure that the duties of the Directors are executed efficiently, deciding on important management matters stipulated by law and internal rules, and receiving reports from the Directors and Executive Officers in charge. At the same time, the Board of Directors supervises the efficient execution of duties by individual Directors.

b. The Company has adopted an Executive Officer system to speed up management decision-making and contribute to the efficiency of the execution of duties by Directors. The Executive Committee within the executive authority delegated by the Board, makes decisions or receives reports on important matters of the Group, including those to be reported or decided by the Board of Directors.

c. The Internal Audit Department of the Company conducts audits of each Group company based on the Internal Audit Rules and in cooperation with the Audit and Supervisory Committee, and reports the results and matters to be improved to the Representative Directors, Executive Committee and the Board of Directors.

e. The board of directors of Group companies meet regularly to determine their basic management policies and supervise the execution of duties by their directors, as well as the important matters of their subsidiaries, if any.

(4) System to ensure that the execution of duties by directors and employees of each Group company complies with laws and regulations and the articles of incorporation

a. Based on the Ethics and Legal Compliance Rules established in accordance with the Group's corporate philosophy consisting of the Mission, Vision and Guidelines, the Group has a system in place to ensure that all of its directors, officers and employees shall comply with laws and regulations, social norms and ethics, and each company's articles of incorporation and internal rules.

b. The Group has established a global whistleblowing system for Group employees to report or consult regarding illegal or potentially illegal acts that may occur in the course of business, so that the management could respond in a timely manner in order to secure the legality of the actions of directors and employees. There are two contacts to choose: an internal contact operated by a team of employees in the Group; and an independent contact operated by a third-party lawyers. The Company ensures that the employees are informed of the global whistleblowing system and that those who report will not be treated unfairly.

c. When a Director or employee finds a serious compliance violation such as those stipulated in the Ethics and Legal Compliance Rules, they shall immediately report it in accordance with the Alarm Escalation Rules and reported to the Board of Directors and the Audit and Supervisory Committee.

d. The Internal Audit Department conducts audit on accounting, business, compliance, information system, and other specific matters based on the Internal Audit Rules and evaluates the internal control system based on the Internal Control Basic Rules.

e. The Audit and Supervisory Committee may request the Executive Officers and or the departments in charge of relevant areas of responsibility to formulate improvement measures when they find any problem regarding the operation of the Group's compliance system.

(5) System to ensure the appropriateness of operations in the Group

a. In order to ensure the appropriateness of operations, the Group has established the corporate philosophy, consisting of the Mission, Vision and Guidelines, as well as the Tamura Group Code of Conduct based on them, which apply to and have been communicated to all the Group companies.

b. Based on the belief that its suppliers should understand the Group's corporate philosophy in order to ensure the appropriateness of its operations, the Group has summarized them in the Tamura Group Procurement Guidelines.

c. The Director in charge of each Group company shall report or submit for approval to the Board of Directors of the Company regarding important matters on a regular or timely basis in accordance with the Group Company Management Rules.

d. Each Group company is required to report any important compliance issues in a timely manner based on the Alarm Escalation Rules and to the Board of Directors, the Executive Committee and the Audit and Supervisory Committee.

e. If a Group company determines that there is a compliance issue in the Company's control or guidance on such Group company's business management, it shall report it in a timely manner based on the Alarm Escalation Rules and to the Board of Directors, the Executive Committee and the Audit and Supervisory Committee.

f. The Internal Audit Department of the Company, in cooperation with the Audit and Supervisory Committee, regularly conducts audits of each Group company.

(6) Matters concerning the system regarding employees who should assist the duties of Audit and Supervisory Committee and the independence of such employees from Directors

a. If the Audit and Supervisory Committee require employees to assist in their duties, the Board of Directors must appoint such personnel. In order to ensure the independence and neutrality of the duties of such personnel, the selection, dismissal, personnel changes, wages and other matters regarding them shall not be decided by the Board of Directors without the consent of the Audit and Supervisory Committee. In addition, the Audit and Supervisory Committee shall independently evaluate such personnel.

b. Such personnel report only to the Audit and Supervisory Committee regarding their role as supporting the Committee.

(7) The system for reporting to the Audit and Supervisory Committee, including reports by directors, officers and employees of Group companies and the system for ensuring effective audits by the Audit and Supervisory Committee

a. The Alarm Escalation Rules have been established that directors and employees of the Group companies should promptly report such important matters as affect their business or business performance the Audit and Supervisory Committee.

b. The Company has appointed those who have sufficient knowledge of finance and legal affairs related to corporate activities as Outside Members of the Audit and Supervisory Committee so that they could carry out appropriate and effective audit in cooperation with the Internal Audit Department.

c. Expenses to be incurred in the performance of the duties of Audit and Supervisory Committee are budgeted every fiscal year and expenses incurred, including both budgeted and unbudgeted, are borne by the Company.

(8) System to ensure the appropriateness of financial reporting

Regarding internal control related to financial reporting, the Company thoroughly collects important information and disclose it in a timely and appropriate manner in order to ensure compliance with the Financial Instruments and Exchange Act and the other related laws and regulations and the rules of the Tokyo Stock Exchange.

The Company has established necessary information disclosure system, the rules on internal control regarding information and its communications and monitoring and relevant information systems.

(9) Outline of the status of the system to ensure the appropriateness of business

a. Status of compliance system

The Group has established the policy on ethics and legal compliance.

The key actions regarding compliance in the fiscal year ended in March 2026 were as follows.

- In response to inappropriate accounting practices identified at a subsidiary in 2024, the Group launched an organization-wide awareness reform project. Measures implemented include the establishment of an organization to strengthen group governance, training to enhance compliance awareness, revision of internal rules, and reinforcement of internal controls.
- Dissemination of compliance messages by top management -
- In addition to regular compliance e-learning programs for global managerial personnel, special in-person and online training programs were provided by management level, including for executives and managers
- Distribution of compliance commitment videos from executives and senior management via the global internal newsletter
- Implementation of e-learning programs on internal controls for employees below the managerial level at the Company
- Monthly distribution of compliance-related information within Japan via email newsletters
- Implementation of specialized training in high-risk areas such as prevention of unfair competition, ensuring fair subcontracting

practices, information management, and security export control

- Review and strengthening of the security export control framework in accordance with changes in regulations in each country, as well as identification and elimination of latent compliance risks

b. Status of risk management initiatives

The Group has established internal rules such as the Risk Management and Crisis Management Rules, Global Whistleblowing Rules, and Information Security Management Rules. Additionally, the Group has developed an enterprise risk management (ERM) system to

promote and oversee risk management initiatives.

The main initiatives related to risk management in fiscal year ended in March 2026 were as follows.

- Identification and assessment of risks and determination of risks to be addressed across the Group at the Risk Management Committee and reporting to the Executive Committee and the Board of Directors in accordance with relevant internal rules
- Natural disaster emergency response trainings at the Company and Group companies in Japan
- Compliance training such as information security, occupational safety and harassment prevention

c. Status of business execution

The Company has formulated a Medium-term Management Plan to define the common targets for the entire Group. Progress is reviewed and promoted by the Executive Committee.

The Company stipulates matters to be resolved by the Board of Directors and matters to be delegated to the Executive Officers in the Terms of Reference of the Board of Directors, Terms of Reference of the Executive Committee, and Authority and Duties Rules and other relevant internal rules so that the business of the Group including the duties of directors can be executed efficiently. The Executive Committee within the executive authority delegated by the Board, makes decisions or receives reports on important matters of the Group, including those to be reported or decided by the Board of Directors.

d. Status of system to ensure the appropriateness of Group operations

In order to properly execute the business activities across the Group, it maintains and operates internal control in each Business Division and each Group company according to the internal control rules such as the Internal Control Rules, Authority and Duties Rules, and Group Company Management Rules. The Group has the Internal Audit Department, which conducts audits of the appropriateness, legality and rationality of business execution of each Group company based on the annual audit plan and evaluate them to make recommendations for validity and efficiency. It also verifies the operational status of various control measures from the perspectives of compliance and risk management. The results of these internal audits and the status of internal control evaluations are appropriately shared with the Audit and Supervisory Committee and utilized to enhance the propriety of business operations across the Group.

The key initiatives to ensure the appropriateness of business in fiscal year ended March 2026 were as follows.

・Review of matters to be reported to the Company from each Group company as stipulated in the Group Company Management Rules

・Internal audits and internal control evaluations of each Business Division and Group company by Internal Audit Department

・Reports of internal audit results and internal control evaluation results to the Board of Directors, Representative Directors and the Executive Committee

e. Status of initiatives to ensure the effectiveness of audits by Audit and Supervisory Committee

The Company has established and maintains the Terms of Reference of the Audit and Supervisory Committee, the Auditing Standards and other rules so that the effectiveness of the Audit and Supervisory Committee can be maintained and improved. The key initiatives of the Audit and Supervisory Committee in fiscal year ended in March 2026 were as follows.

・Attendance as an observer at important meetings such as the Executive Committee meetings.
・On-site inspections of business departments and domestic subsidiaries and remote audits and on-site inspections of overseas subsidiaries
・Conducting hearings and discussions with Executive Directors and Executive Officers
・Exchanging opinions with the Accounting Auditor regarding such matter as their independence, business execution system, and quality control system
・Consultation with the Accounting Auditor regarding major considerations in accounting audits, receiving reports on the implementation status of the audit, and requesting explanations as necessary
・Improving audit effectiveness and efficiency through close collaboration with the Internal Audit Department
・Receipt of reports on operation and status of the whistleblowing system from those who are in charge

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

The directors, officers and employees of each Group company shall have no relationship, including business relationship, with any antisocial force.

The Group has declared to ake a resolute response to unreasonable demands from antisocial forces that might threaten the order and safety of citizens' lives, which has been communicated throughout the Group.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted

Supplementary Explanation for Applicable Items

2. Other Matters Concerning the Corporate Governance System

Outline of timely disclosure system

The Group aims to contributes to fair price formation and sound development of the equity market, by timely, accurately and fairly providing the Group's information that are necessary for investors to make appropriate investment decisions.

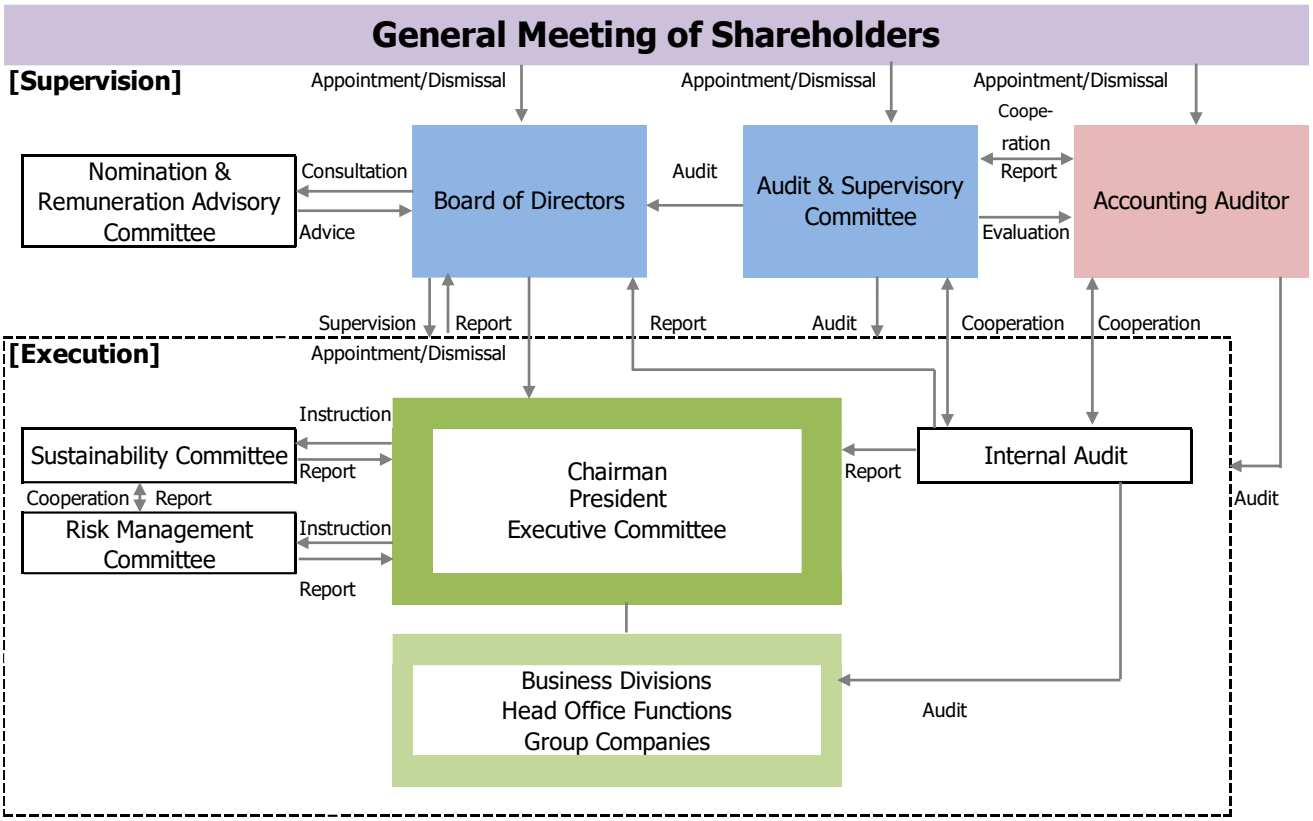
The Group ensures that material decisions and incidents of the Group are determined by or reported to the Board of Directors, the Audit and Supervisory Committee and the Executive Committee or other key decision-making bodies. A reporting system is in place so that a sudden material incident can be informed to the top management promptly. Further, an Executive Officer is appointed to be in charge of Information Disclosure, who shall collect, manage, and ensure timely and fair disclosure of corporate information including financial statements that might have an important influence on investors' investment decisions.

In addition, the information disclosed at the Tokyo Stock Exchange, where the Company is listed, is promptly disclosed on the Group's website for the convenience of investors.

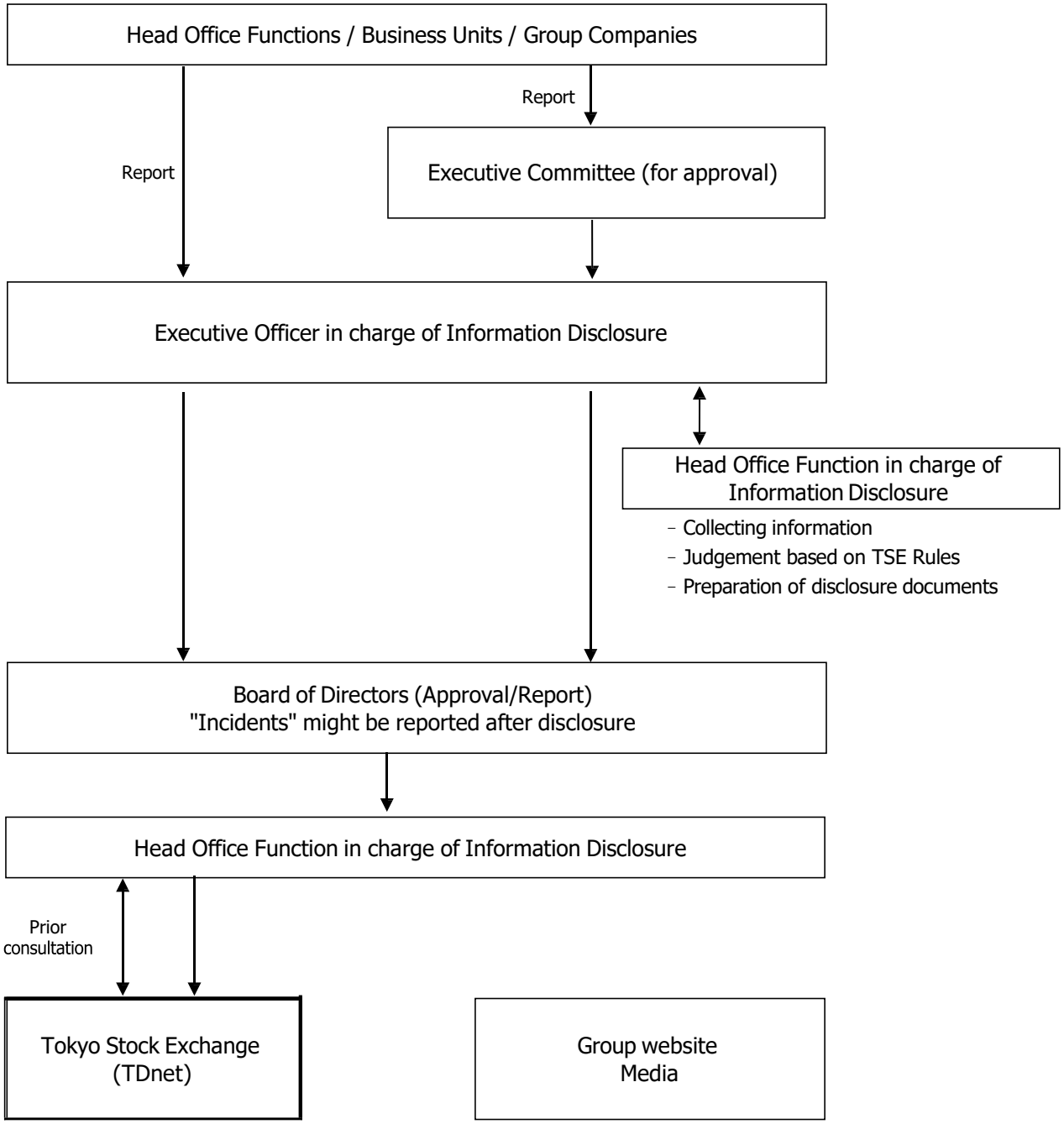
The Group has established internal rules regarding the prevention of insider trading and strictly managing insider information to ensure fair price formation and prevent insider trading.

(Note: At the Company, the positions of Executive Officers are referred to as Chairperson, President, Executive Vice President (EVP), and Senior Vice President (SVP).)

Attachment: Corporate Governance Chart



Attachment: Outline of Timely Disclosure System



Attachment: Key Experiences and Capabilities of Directors (Skill Matrix)

	Other posts	Corporate Management / Global Experiences	Technology / Innovation / DX	Manufacturing / Quality / Supply Chain	Sales / Marketing	Sustainability / Human Resource Development	Legal / Compliance / Risk Management	Finance / Accounting / M&A
Masahiro ASADA (Male) Representative Director, Chairman & CEO & CFO	Board Chair / Nomination & Remuneration Advisory Committee Member	✓			✓	✓	✓	✓
Mitsutaka NAKAMURA (Male) Represenative Director, President & COO	Nomination & Remuneration Advisory Committee Member	✓			✓	✓	✓	✓
Yoshiharu SOGA (Male) Director, EVP & CSuO		✓		✓		✓	✓	
Masashi IMAMURA (Male) Outside Director	Independent Outside Director, Nomination & Remuneration Advisory Committee Member	✓	✓	✓		✓		
Akiko TOYODA (Female) Outside Director,	Independent Outside Director, Nomination & Remuneration Advisory Committee Member	✓				✓	✓	✓
Akira KUBOTA (Male) Outside Director, Audit & Supervisory Committee Member	Lead Independent Outside Director, Nomination & Remuneration Advisory Committee Member	✓	✓			✓		
Haruko SHIBUMURA (Female) Outside Director, Audit & Supervisory Committee Member	Independent Outside Director, Nomination & Remuneration Advisory Committee Member, Lawyer					✓	✓	
Hirmi NAKAZAWA (Female) Outside Director, Audit & Supervisory Committee	Independent Outside Director, Nomination & Remuneration Advisory Committee Member	✓				✓	✓	✓
Yuji YOKOYAMA (Male) Director, Audit & Supervisory Committee Member	Chair of Audit & Supervisory Committee	✓				✓	✓	✓

Reason for selecting the skill item

Required Skill	Rationale for Selection
Corporate Management / Global Experience	In a rapidly changing and uncertain business environment, achieving sustainable business growth and enhancing corporate value toward the long-term vision “Vision for 2050” requires not only experience and expertise in management and corporate strategy, but also a global perspective, including an understanding of diverse regions and experience and knowledge in global business operations.
Technology / Innovation / Digital Transformation (DX)	The Company’s business growth depends on the development of new products and new markets that meet customer needs. In addition to experience and expertise in research and development and technology that support such growth, experience and knowledge in digital technologies and data utilization are essential to drive transformation of future business models and operational processes.
Manufacturing / Quality / Supply Chain	Delivering world-class products is a founding principle of the Company, and fostering a culture that prioritizes quality is one of its material issues. Manufacturing and quality form the foundation of the business, and therefore experience and expertise in quality and manufacturing that supports it are essential.
Sales / Marketing	The Company’s growth requires the development of new products and markets that respond to customer needs. To accurately capture diverse market and customer demands and provide products and services that meet those needs, experience and expertise in sales and marketing are essential.
Sustainability / Human Resource Development	To contribute to the realization of a sustainable society, experience and expertise are required to promote the resolution of social issues through the Company’s business activities, as well as experience and knowledge in human resource development and the cultivation of organizational culture that underpin such efforts.
Legal / Compliance / Risk Management	In global business operations, understanding and complying with laws and regulations in each country, as well as appropriately identifying and managing various business risks, are essential for maintaining and enhancing corporate value. Accordingly, experience and expertise in legal affairs and risk management are required.
Finance / Accounting / M&A	To achieve the Company’s strategy, it is essential not only to ensure appropriate financial reporting but also to formulate financial strategies such as building a sound financial base, promoting proactive investments for sustainable growth, and strengthening shareholder returns. Therefore, solid experience and expertise in finance, accounting, and M&A are required.