Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Corporate Governance Report

Last Update: June 26, 2026
Meiko Electronics Co., Ltd.
Yuichiro Naya, President & CEO
Contact: Office of the President & CEO, 0467-33-8008
Securities Code: 6787
https://www.meiko-elec.com/

The corporate governance of Meiko Electronics Co., Ltd. is described below.

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

1. Basic Views

Meiko Electronics Co., Ltd. (“our Company”) is a global corporation that provides superlative value and services; in order to fulfill the expectations of all our stakeholders, our basic management policy centers on realizing sustainable growth and improving corporate value in the medium and long term.
Our Company is working to establish effective corporate governance systems. In order to ensure the transparency, integrity, and efficiency of our management, we have identified the strengthening of our corporate governance systems as a priority issue. As a Company with an Audit and Supervisory Board, we also intend to improve how the Board of Directors and our Auditors supervise our business execution. At the same time, the Board of Directors seeks to further delegate authority to Directors and Executive Officers, with the goal of carrying out efficient business execution based on quick business decisions.

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

[Principle 1-4]

<With regard to the appropriateness of cross-shareholdings>

(1) Basic approach

The electronics industry is subject both to rapid changes in market environments and to frequent technological innovations. If we wish to continually improve our corporate value, we believe it is vital to maintain collaborative relationships with different companies in various business areas, including development, procurement, production, and sales.

In order to ensure we can carry out such business activities efficiently, our Company makes comprehensive evaluations of potential cross-shareholdings; evaluation criteria include capital costs, dividend and transaction amounts, business relationships, and importance to management strategy. The results of these evaluations are reported to the Board of Directors, and the Board of Directors then makes a final decision.

(2) With regard to exercising voting rights for cross-shareholdings

Our Company believes that exercising voting rights is an important means of dialogue with the companies we have invested in, and we therefore exercise our voting rights for all our cross-shareholdings. When exercising voting rights, we fully consider the management policies and strategies of the companies we are investing in, we assess whether our votes will contribute to the continued growth and improved corporate value in the medium and long term both of our Company and of the companies we are investing in, and we evaluate each voting proposal individually. In particular, with regard to the items outlined below that have a significant impact on shareholder interests, we make extremely careful considerations when assessing whether to vote for or against a proposal.

① Transfer of important assets
② Allotment of new shares to a third party
③ Transfer of shares due to mergers and acquisitions

[Principle 2-6]
Our Company does not belong to a corporate pension fund; instead, we operate an individual-type defined contribution pension plan.

[Supplementary Principle 4-1③]
At present, we have no clearly defined succession plan for our President & CEO.
The President & CEO will select candidates for successor according to comprehensive evaluations that cover personality, insights, experience, and capabilities, etc. The successor will be chosen following careful discussions at Board of Directors meetings, attended both by Outside Directors and Outside Auditors.

[Supplementary Principle 4-10①]
Our Company is a company with an Audit & Supervisory Board. Independent Outside Directors do not constitute a majority of the Board of Directors. Nevertheless, our Company has not established any voluntary Nominating Committee or Compensation Committee under the Board of Directors. At our Company, four Independent Outside Directors and two Independent Outside Auditors receive reports as appropriate regarding the nomination of and compensation for Executive Management and Directors, and they provide supervision from an independent and objective perspective. As described in Principle 3-1 below regarding specific procedures, nominations and compensation of Executive Management and Directors are discussed and decided by the Board of Directors, including outside officers. In doing so, appropriate advice is obtained from outside officers, including from the perspective of gender and other diversity and skills, and the current governance structure is functioning effectively.

[Disclosure Based on the Principles of the Corporate Governance Code]

[Principle 1-4]
Please refer to [Reasons for Non-compliance with the Principles of the Corporate Governance Code] above.

[Principle 1-7]
In compliance with the Companies Act, our Company stipulates that transactions deemed either "conflict of interest transactions" or "competitive transactions" are items to be resolved according to our Board of Directors Regulations, and can only be carried out with the blanket prior approval of the Board of Directors; the results of these transactions are reported to the Board of Directors every quarter. The content of, and the validity of terms of, other related-party transactions are also reported to the Board of Directors.

[Supplementary Principle 2-4①]

The Meiko Group ("our Group") believes that people represent the greatest asset of a company. To this end, we promote the creation of rewarding work environments that are safe, secure, and clean for all employees, that respect diversity, and that enable our employees to grow. We do not discriminate based on race, creed, religion, nationality, or disability, and endeavor to create environments in which diverse human resources can demonstrate their full potential.

With regard to non-Japanese employees, they account for 6.2% of our Company's workforce and 87.6% of our Group's workforce. In order to support the expansion of customers and manufacturing sites globally, we consider the effective utilization of overseas human resources to be essential.

We are strengthening the recruitment of international students from countries where we operate by presenting global career paths and competitive compensation packages. Going forward, we aim to establish systems to recruit highly capable personnel in China and Vietnam as global talent.

In terms of talent allocation, for example, we have dispatched personnel with extensive experience in factory start-up and operations at our China plants to Vietnam as expatriates to support the launch of a new plant. In this way, we promote optimal global allocation of personnel regardless of nationality.

To facilitate cross-border talent deployment, we have begun developing frameworks that enable the comparison of job grades across countries, thereby making international transfers smoother. Furthermore, to implement global talent management, the human resources departments in Japan, China, and Vietnam hold regular meetings to strengthen global governance and have initiated efforts to address human resource-related challenges.

We actively recruit mid-career employees from both inside and outside our industry through direct recruiting and employee referral programs who possess the skillsets to immediately benefit our business activities; they will help us expand the scale of our business in Japan, develop new products and technologies, and globalize. Overseas, our mid-career recruitment is particularly focused on securing executive trainees, so that we can expand our business in China, Vietnam, and elsewhere, and so that we can establish efficient management systems. As a result, the mid-career recruitment ratio stands at 66.7% at our Company, and 96.6% at our Group; in managerial positions, the mid-career recruitment ratio is 76.8% at our Company, and 90.7% at our Group.

With regard to female members of our workforce, just 25.2% of Company employees are female, whilst 43.6% and 15.6% of Group employees are female and female managers respectively.

We will review our promotion examination process for managerial positions and place greater emphasis on the development of managerial candidates. We will also conduct fair promotion examinations for those who have completed such training, and strive to ensure that highly capable personnel are appointed in a fair and equitable manner, regardless of gender.

In addition, as part of our efforts to create an environment that promotes employee retention, we provide, in terms of human resource development, not only level-based training but also selective training programs and support for self-development. We also conduct career interviews with younger employees led by the human resources department, and implement rotations across departments and work locations through coordination between line departments and human resources, thereby promoting employees' long-term growth. In terms of compensation and benefits, in light of industry standards, we are continuing base salary increases that exceed inflation levels, and have commenced a review of compensation levels, particularly for managerial employees who form the core of the Company.

In addition, we reward employees who contribute to the Company's medium- to long-term growth through a stock-based compensation plan, and promote retention of younger employees by reducing their financial burden through a scholarship repayment support program. In terms of employee health, as part of our health management initiatives, we encourage walking and exercise, and the company has been certified as a 'Health Management Excellence Corporation 2026' by the Ministry of Economy, Trade and Industry.

We will continue to aim to exceed the current ratio of "non-Japanese employees", "mid-career recruits", "female employees" and other diversity as a group, based on our policy of non-discrimination.

Key Employment Indices, as of March 31, 2026 (%)

	Female executive officers	Female managers	Female employees	Non-Japanese employees	Non-Japanese managers	Mid-career recruits	Mid-career managers
Meiko Electronics	16.7	0.8	25.2	6.2	4.8	66.7	76.8
Meiko Group	12.5	15.6	43.6	87.6	52.5	96.6	90.7

Differences in wages between male and female employees (ratio of women's wages to men's wages)
All employees 63.8%
Regular employees 71.2%
Term employees (contract employees) 58.4%
*Notes: Calculated in accordance with the provisions of the "Law Concerning the Promotion of Active Roles for Women in the Workplace" (Law No. 64, 2015), and does not take into account differences in average age, length of service, or work style (short-time work, etc.) between male and female.

Percentage of male workers taking childcare leave: 87.5%

We will continue our efforts to achieve our goal of "exceeding the current ratio in the Group".

[Principle 2-6]
Please refer [Reasons for Non-compliance with the Principles of the Corporate Governance Code] above.

[Principle 3-1]
(1) Our Company's goals (its management philosophy, etc.), management strategies, and management plans
Our Company's goals (our management philosophy, etc.) are disclosed on the Company website, under the "Our Philosophy" section of the "About Meiko" webpage.
We also disclose our management strategies and management plans on the Company website, under the "Presentations" section of the "IR Library" webpage.
"Our Philosophy" related disclosures are on the Company website.
https://www.meiko-elec.com/english/corporate/philosophy.html
Management strategies and management plans related disclosures are on the Company website.
https://www.meiko-elec.com/english/pdf/ir/presentation/FY2025/H2.pdf
(2) Our Company's basic approach and basic policies regarding corporate governance, according to the principles of the Corporate Governance Code
Our Company discloses its basic approach to corporate governance on the Company website, and via this report, under the section entitled "1. Basic Approach."
"Basic approach and basic policies regarding corporate governance" related disclosures are on the Company website.
https://www.meiko-elec.com/english/csr/governance/governance.html

(3) Policies and procedures related to how the Board of Directors determine compensation for Executive Management and Directors
Please refer to II. 1 [Director Compensation] "Disclosure of Policy on Determining Compensation Amounts and Calculation Methods" of this report.

(4) Policies and procedures related to the appointment and dismissal of Executive Management, and to the nomination of candidates for Director and Auditor, by the Board of Directors
Policies and procedures for the nomination and appointment of Directors, etc. are provided for in our Officer Regulations. Candidates for Director and Auditor are required to possess high levels of honesty and ethical standards, be of good health in mind and body, and possess the expertise and skillsets required to objectively evaluate our Company's management; they are selected by the Board

of Directors. Candidates for Auditor are selected with the approval of the Board of Auditors.

(5) Explanations regarding individual appointments and dismissals of Executive Management, and regarding individual nominations of candidates for Director or Auditor made by the Board of Directors in compliance with (4) above, as well as the reasons for the nomination and appointment of Directors and Auditors, are disclosed in the reference materials of the Notice of Annual General Meeting of Shareholders.

[Supplementary Principle 3-1③]

Our Company recognizes that how we respond to sustainability issues is an important element of management strategy. Following this policy, we promote activities in order to strengthen our initiatives to combat various social issues, including climate change, and investments in human capital and intellectual property. Our initiatives on sustainability are on the Company website.
Sustainability policy: https://www.meiko-elec.com/english/csr/sustainability.html
Sustainability promotion system: https://www.meiko-elec.com/english/csr/sustainability.html
Response to the TCFD: https://www.meiko-elec.com/english/csr/tcfd.html

Investment in human capital is disclosed in Supplemental Principle 2-4① [Disclosure Based on the Principles of the Corporate Governance Code] of this report.
Regarding investment in intellectual property, our Company discloses Medium-term Technology Strategy in its Medium-term Business Plan, which states that our Company will continuously increase sales and profits through R&D investment.
Medium-term Business Plan related disclosures are on the Company website.
Original plan: https://www.meiko-elec.com/english/pdf/ir/presentation/FY2021/H2.pdf
Revised plan: https://www.meiko-elec.com/english/pdf/ir/presentation/FY2022/H2.pdf
https://www.meiko-elec.com/english/pdf/ir/presentation/FY2023/H2.pdf
https://www.meiko-elec.com/english/pdf/ir/presentation/FY2024/H2.pdf
New plan: https://www.meiko-elec.com/english/pdf/ir/presentation/FY2025/H2.pdf

[Supplementary Principle 4-1①]

Our Company has established Board of Directors Regulations and Standards for Delegating Decision-Making Authority, which clarify criteria for making agenda proposals for Board of Directors meetings. Items to be discussed at the Board of Directors meetings include management policies and plans, general shareholders' meetings, financial results, stock-related matters, organizational and personnel matters, important business execution matters, organizational restructuring matters, rules and regulations, and internal control system matters. The Board of Directors also delegates some aspects of business execution to Executive Officers, with the goal of improving the speed of decision-making and ensuring efficient business operations.

[Principle 4-9]

Our Company evaluates the independence of its Outside Officers according to its Outside Officer Independence Standards; these Standards are disclosed on the Company website.
https://www.meiko-elec.com/english/pdf/corporate/independentofficers.pdf

[Supplementary Principle 4-10①]

Please refer to [Reasons for Non-compliance with the Principles of the Corporate Governance Code] above.

[Supplementary Principle 4-11①]

When nominating candidates for Director, our Company focuses on maintaining a Board of Directors composition with a healthy balance of expertise, experience, and capabilities, so that the Board can function more effectively; the specific skills distribution and composition of the Board of Directors is outlined below. We also work to ensure diversity.

<The specific skills>

a→ independence (Outside Directors)
b→ experience of being president (excluding our Group subsidiaries)
c→ knowledge of industry
d→ finance and accounting
e→ marketing and sales
f→ overseas experience
g→ production and technologies
h→ legal governance, risk management, and compliance
i→ sustainability, ESG

Primary areas of expertise, career background, and skills of each Director:

	a	b	c	d	e	f	g	h	i
Yuichiro Naya		●	●	●	●	●	●	●	●
Atsushi Sakate			●	●	●	●	●	●	●
Junya Wada			●	●		●	●	●	●
Yoshihito Kikyo		●	●	●	●	●		●	
Shigeru Naya			●	●	●	●	●	●	
Nao Tsuchiya	●							●	●
Yosuke Nishiyama	●	●	●	●	●		●		
Takashi Harada	●		●	●		●		●	
Toshifumi Kobayashi	●	●	●	●	●		●		●

The above list does not represent all of the knowledge and experience possessed by each director, but rather highlights the main areas of expertise with a '●' mark.

Skills required	Reason
Experience of being president	In order to make decisions and exercise supervisory functions that enhance corporate value by anticipating the future development of the Meiko Group and society, and by understanding the opportunities and risks of the ever-changing business environment, experience as a chairman or president, or equivalent experience, is required.
Knowledge of industry	In order to appropriately manage and supervise management decisions and monitor important matters, including business policies, from a bird's-eye view, extensive knowledge of the industry.
Finance and accounting	Our management strategy requires continuous capital investment, and in order to execute and supervise this with an optimal balance while maintaining financial and tax compliance, it is necessary to secure appropriate financing and build a sound financial structure that is resistant to risks.
Marketing and sales	In order to respond to customer needs for globalization and new fields, we formulate, execute, and supervise strategies aimed at creating business opportunities based on technology and marketing.
Overseas experience	With production and sales bases spread across the globe, it is necessary to understand the risks associated with different cultures, geopolitics, and other factors, and make strategic plans, management decisions, and provide oversight.
Production and technologies	In order to survive the fierce global competitive environment and provide our customers with the best products and services through manufacturing, we manage and supervise production facilities and manufacturing processes based on our advanced expertise.
Legal governance, risk management, and compliance	In order to continuously fulfil our social responsibilities and meet customer needs, as well as to manage risk, develop compliance strategies, and provide oversight.
Sustainability and ESG	Experience and expertise in sustainability and ESG matters—including climate change response, environmental impact reduction, human capital management, supply chain management, and corporate governance—are essential for formulating strategy and conducting effective oversight aimed at enhancing sustainable corporate value.

[Supplementary Principle 4-11②]

The attendance rates of our Directors and Auditors, including Outside Directors and Outside Auditors, at Board of Directors meetings and Audit & Supervisory Board meetings stand at 100%; Directors and Auditors expend the time and effort required to execute their roles and responsibilities. We disclose information regarding persons who concurrently hold Director and Auditor positions every year in our Notice of the Annual General Meeting of Shareholders, and Securities Report.

[Supplementary Principle 4-11③]

We conducted an evaluation and analysis of the effectiveness of the Board of Directors with the aim of assessing how well the Board of Directors is fulfilling its expected role, analyzing the results to identify issues and make improvements, and enhancing the level of governance. Below is a summary of the results of the FY2025 evaluation and analysis.

(1) Overview of the evaluation process

We conducted a questionnaire survey on the effectiveness of the Board of Directors for all directors and auditors, including those outside the company. The results of the survey were reported to the Board of Directors meeting held on April 20, 2026 for discussion on how to improve effectiveness.

(2) Evaluation and analysis of the survey

① Implementation guidelines of the survey

Period: February and March 2026

Evaluator: Directors and auditors

Method:

A questionnaire was distributed to all evaluators, and the results were evaluated, analyzed, and issues were identified by the administrative office of the Board of Directors.

Answers to questions are rated on a 4-point scale (4 means highly rated) for each question and are followed by free comments.

Evaluation items include the size and composition of the Board of Directors, frequency of meetings, content of discussions, matters submitted for discussion, role in decision-making, provision of information, management supervisory functions, internal control, and response to issues raised at the previous evaluation.

② Evaluation results

The evaluation results were above average (3 or higher) in all areas except for supervisory functions.

In the area of supervisory functions, the evaluation of the appropriateness of the executive compensation system and executive performance evaluation was relatively low. Amid increasing stakeholder expectations for governance, there were also internal opinions indicating the need to establish a compensation committee.

With regard to provision of information, while improvements were acknowledged in the provision of appropriate materials and explanations for matters requiring advanced judgment, there remains room for improvement in terms of the timing of information provision and the clarity of content.

Regarding compliance and risk management, comments were made on the effectiveness of escalation processes.

As for the governance enhancement measures implemented in the previous evaluation, improvements were observed in the level of organization of discussion points for large-scale projects. In addition, there were opinions suggesting that further efforts may be required, such as enhancing the visualization of market and geopolitical risks and considering anti-takeover measures.

(3) Improvement measures for strengthening board governance

We will promote the following operational improvements to strengthen the governance of the Board of Directors and to obtain more useful feedback from outside directors and auditors.

① We will hold discussions on the future role and structure of the Board of Directors.

② We will establish specified requirements for agenda templates, including the scope of resolutions, positioning within the medium-term management plan, risks, and alternative options. Advance briefings will continue to be conducted.

③ We will create opportunities to consider risks such as market and geopolitical risks, as well as anti-takeover measures.

[Supplementary Principle 4-14②]

Our Company operates a policy of providing the necessary opportunities and financial assistance for our Directors and Auditors to acquire any business-related information and knowledge required to execute their roles and duties.

We seek to continually provide Outside Officers with information regarding our Company’s business environment. To this end, we provide materials, etc. related to relevant business departments as appropriate, and we also host meetings where Officers can exchange opinions with each other.

Implementation details:

(1) Implementation of theme-based briefings for Outside Directors and Auditors (two sessions)

(2) Factory tours conducted: (one outside director participated)

Domestic: Tendo Factory

(3) External Lecturer Training: (for internal and external directors and executive officers)
Regarding "Corporate Governance and Issues"
(4) Hold a free discussion session with all internal and external directors and executive officers (once)

[Principle 5-1]

Our Company has established a dedicated inquiry desk to promote constructive dialogue with its shareholders. In order to develop relationships of trust with our shareholders, we hold financial results briefings twice a year that are attended by our top management; we also hold smaller meetings with institutional investors.

Dialogue with Shareholders:

(1) Annual General Meeting of Shareholders: held once a year; chaired by the President & CEO; in addition to the Annual General Meeting of Shareholders, we also provide other opportunities for our Directors (including Outside), Auditors (including Outside) and executive officers to engage in direct dialogue with shareholders to achieve sustainable growth and increase corporate value over the medium to long term.
(2) Financial results briefings for analysts and institutional investors: held twice a year; the President & CEO and Vice President & COO hold briefings, after the announcement of second quarter and full-year financial results.
(3) One-on-one meetings with institutional investors: held every quarter. In addition to one-on-one meetings by IR staff, the Directors held 60 dialogues with 42 companies in the fiscal year ended March 31, 2026. By domestic and overseas, 21 domestic companies and 21 overseas companies included fund managers and analysts from each company.
(4) Company website: we publish various IR materials on the Company website, including financial results briefings, financial statements, Notices of the Annual general Meeting of shareholders, timely disclosure materials, press releases, annual reports, and corporate reports, etc.
(5) As part of SR activities, Directors engage in constructive dialogue with fund managers of domestic and overseas institutional investors that hold the Company's shares, departments in charge of ESG, and departments in charge of exercising voting rights. In the fiscal year ending March 31, 2026, Directors held 8 dialogues with domestic and 2 with overseas.

In order to promote the sharing and effective use of information, including feedback gained via dialogue with shareholders, the IR Department reports this information as necessary to the President & CEO, to the Board of Directors, and to relevant departments. As a result of such dialogue, we have implemented measures including the addition of sustainability and ESG items to our skills matrix, as well as the clarification of the proportion of fixed and performance-linked compensation in executive remuneration.

In order to control insider information, we stipulate the period from the quarterly settlement date to the quarterly results announcement date as a "silent period." During this period, we ensure that dialogue with investors is restricted, and that inside information is strictly controlled. We also educate all Company employees regarding key points on how to manage insider information.

[Principle 5-2]

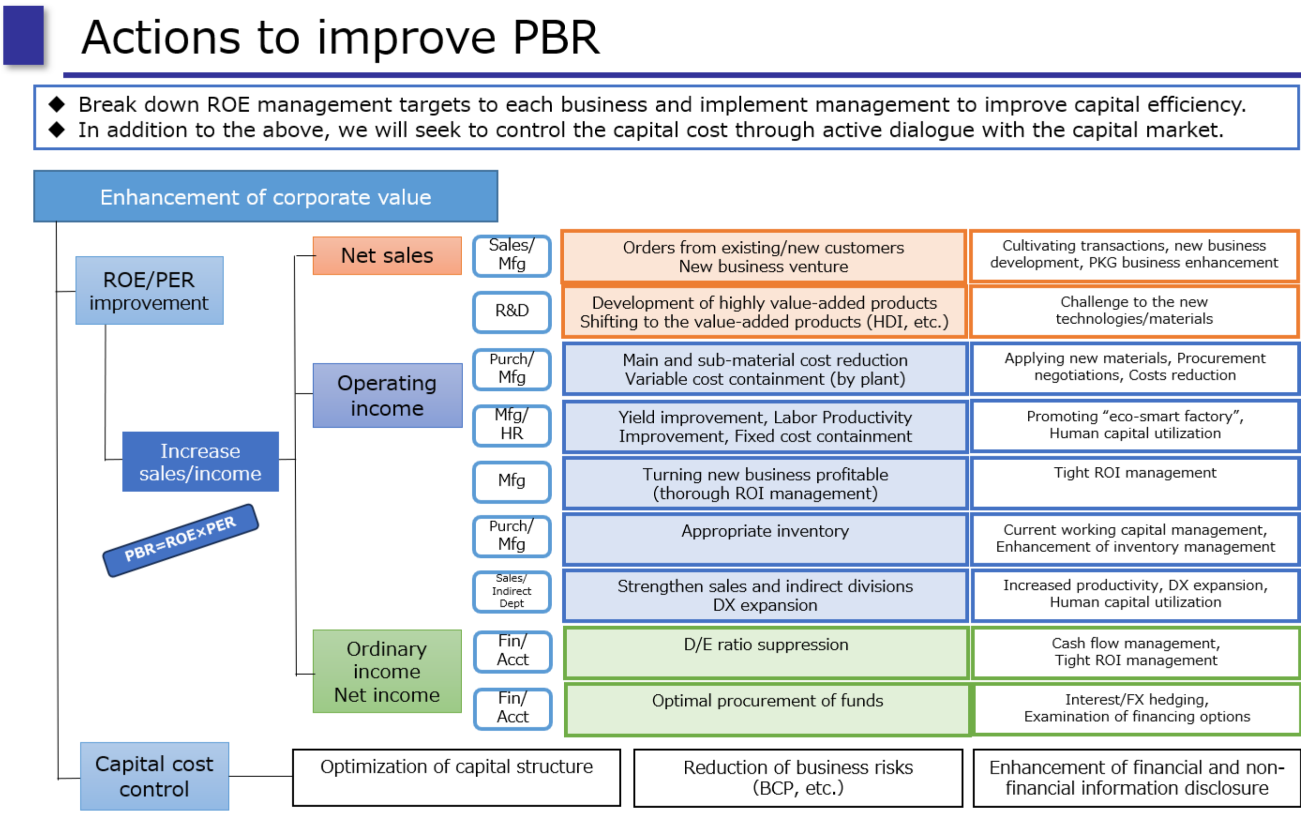
In order to manage the company with an awareness of cost of capital and stock price, we set and disclose annual financial targets in our Medium-term Business Plan. To achieve this goal, management targets are incorporated into each business and progress in actions to improve capital efficiency is managed. Please see below for specific details.

We are expected to provide a large and stable supply of products to meet demand, and accurate demand forecasting and capital investment are the keys to sustainable growth. We continuously monitor capital investment to ensure that returns on capital are commensurate with our investments in order to manage our business with an awareness of ROE. Capital investment, R&D investment, etc. are disclosed in the production strategy and technology strategy of the Medium-term Business Plan. We are constantly optimizing our business portfolio in terms of applications, product specifications, production plants, destinations, etc., based on market forecasts, which are outlined in our Medium-term Business Plan. As for human capital, please refer to Supplemental Principle 2-4① of this report.

In addition to improving business performance and returning profits to shareholders in line with business results, our policy is to disclose the results of these efforts and to continue dialogue with investors to achieve sustainable growth and increase corporate value over the medium/long term.

Original Medium-term Business Plan related disclosures are on the Company website.
https://www.meiko-elec.com/english/pdf/ir/presentation/FY2021/H2.pdf

Revised Medium-term Business Plan related disclosures are on the Company website.
https://www.meiko-elec.com/english/pdf/ir/presentation/FY2022/H2.pdf
https://www.meiko-elec.com/english/pdf/ir/presentation/FY2023/H2.pdf
https://www.meiko-elec.com/english/pdf/ir/presentation/FY2024/H2.pdf
New Medium-term Business Plan related disclosures are on the Company website.
https://www.meiko-elec.com/english/pdf/ir/presentation/FY2025/H2.pdf



2. Capital Structure

Foreign Shareholding Ratio: 30% or more

[Status of Major Shareholders]

Name/Company Name	Number of shares owned	Percentage (%)
Yuichiro Naya	4,704,515	18.09
The Master Trust Bank of Japan, Ltd. (trust account)	3,106,400	11.95
Custody Bank of Japan, Ltd. (trust account)	1,837,500	7.07
Clearstream Banking S.A.	976,111	3.75
MSIP Client Securities	830,226	3.19
Meiko Kosan Co., Ltd.	608,400	2.34
HSBC Fund Services HSBC - 006 MF EFM	570,000	2.19
State Street Bank and Trust Company 505329	556,870	2.14
JP JPMSE Lux Re UBS AG London Branch EQ Co	542,700	2.09
Yuho, Ltd.	521,000	2.00

Controlling Shareholder (except for Parent Company): None
Parent Company: None
Note: The status of major shareholders is as of March 31, 2026. The percentage of shareholdings is calculated after deducting treasury shares (802,708 shares).

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo, Prime Section
Fiscal Year-End	March
Type of Business	Electric Appliances
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1,000 persons
Sales (consolidated) as of the End of the Previous Fiscal Year	¥100 billion or above, less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	10 companies or above, less than 50 companies

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

None

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

None

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

1. Organizational Composition and Operation

Organization Form: Company with an Audit & Supervisory Board

[Directors]

- Maximum Number of Directors Stipulated in Articles of Incorporation: 15 persons
- Term of Office Stipulated in Articles of Incorporation: 1 year
- Chairperson of the Board: President & CEO
- Number of Directors: 9 persons
- Number of Outside Directors: 4 persons
- Number of Independent Directors: 4 persons

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Nao Tsuchiya	Lawyer											
Yosuke Nishiyama	From another company								△			
Takashi Harada	From another company											
Toshifumi Kobayashi	From another company											

* Categories for "Relationship with the Company"
* "○" 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;
"▲"when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiaries
b. Non-executive director or executive of a parent company of the Company
c. Executive of a fellow subsidiary company of the Company
d. A party whose major client or supplier is the Company or an executive thereof
e. Major client or supplier of the listed company or an executive thereof
f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director/auditor
g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the director himself/herself only)
i. Executive of a company, between which and the Company outside directors/auditors are mutually appointed (the director himself/herself only)
j. Executive of a company or organization that receives a donation from the Company (the director himself/herself only)
k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Nao Tsuchiya	○	-	As a lawyer who specializes in corporate law, we expect Nao Tsuchiya to contribute high levels of expertise and experience for the management and supervision of our Company. Tsuchiya satisfies the criteria for independence prescribed by Tokyo Stock Exchange, Inc.; our assessments indicate there is no risk of Tsuchiya causing a conflict of interest with general shareholders, and we have therefore designated her an independent officer.
Yosuke Nishiyama	○	Yosuke Nishiyama held an executive position at KYOCERA Corporation until September 2016; however, our Company's sales to KYOCERA Corporation amount to less than 0.2% of our Group's consolidated sales for the most recent fiscal year; for this reason, our assessments indicate there is no risk Nishiyama's previous role at KYOCERA Corporation will impact on his independence.	We expect Nishiyama to contribute abundant knowledge and experience related to the electronic circuit board industry, cultivated at other companies, to the management and supervision of our Company. Nishiyama satisfies the criteria for independence prescribed by Tokyo Stock Exchange, Inc.; our assessments indicate there is no risk of Nishiyama causing a conflict of interest with general shareholders, and we have therefore designated him an independent officer.
Takashi Harada	○	-	We expect Takashi Harada to contribute experience in assisting management as an Auditor at other companies, and a deep understanding of our business through his time as an Outside Auditor at our Company, to the management and supervision of our Company. Harada satisfies the criteria for independence prescribed by Tokyo Stock Exchange, Inc.; our assessments indicate there is no risk of Harada causing a conflict of interest with general shareholders, and we have therefore designated him an independent officer.

Toshifumi Kobayashi	○	-	We expect Toshifumi Kobayashi to contribute abundant knowledge and experience of the electronic circuit board industry, cultivated as Representative Director and President at other companies, to the management and supervision of our Company. Kobayashi satisfies the criteria for independence prescribed by Tokyo Stock Exchange, Inc.; our assessments indicate there is no risk of Kobayashi causing a conflict of interest with general shareholders, and we have therefore designated him an independent officer.

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee: None

[Auditors]

Establishment of Board of Auditors	Established
Maximum Number of Auditors Stipulated in Articles of Incorporation	4 persons
Number of Auditors	3 persons

Cooperation among Auditors, Accounting Auditors and Internal Audit Office:

Our Company has established an Internal Audit Office to strengthen internal checks, and to ensure that our corporate governance and compliance systems are functioning effectively, according to the policies of our Internal Control System.

Our Auditors, the Internal Audit Office, and our Accounting Auditors coordinate with each other when carrying out investigations and evaluations of our Company and Group companies, with the goal of strengthening our audit functions.

Appointment of Outside Auditors	Appointed
Number of Outside Auditors	2 persons
Number of Independent Auditors	2 persons

Outside Auditor's Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Kotomi Ejiri	Lawyer													
Eiji Fujii	From another company										△			

* Categories for "Relationship with the Company"

* "○" 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;
"▲"when a close relative of the director fell under the category in the past

a. Executive of the Company or its subsidiary
b. Non-executive director or accounting advisor of the Company or its subsidiaries
c. Non-executive director or executive of a parent company of the Company
d. Auditor of a parent company of the Company
e. Executive of a fellow subsidiary company of the Company
f. A party whose major client or supplier is the Company or an executive thereof
g. Major client or supplier of the Company or an executive thereof

h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as an auditor
i. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a legal entity)
j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the auditor himself/herself only)
k. Executive of a company, between which and the Company outside directors/auditors are mutually appointed (the auditor himself/herself only)
l. Executive of a company or organization that receives a donation from the Company (the auditor himself/herself only)
m. Others

Outside Auditor's Relationship with the Company (2)

Name	Designation as Independent Auditor	Supplementary Explanation of the Relationship	Reason of Appointment
Kotomi Ejiri	〇	-	We expect Ejiri's high levels of expertise and experience, cultivated during her work as a corporate lawyer, to contribute to her execution of roles as an Auditor. Ejiri satisfies both our own independence standards and the criteria for independence prescribed by Tokyo Stock Exchange, Inc.; this indicates there is no risk of Ejiri causing a conflict of interest with general shareholders, and we have therefore registered her as an independent officer.
Eiji Fujii	〇	Eiji Fujii served as an executive of Panasonic Corporation until September 2019, and of Panasonic Industrial Solutions Company of Panasonic Corporation (currently Panasonic Industry Co., Ltd.) until March 2020. However, our Company's sales to these companies accounted for less than 0.2% of our consolidated sales for the most recent business year; for this reason, our assessments indicate there is no risk of the relationship impacting the independence of Fujii.	We expect Fujii to reflect an abundance of experience and knowledge in the electronic components industry, including semiconductors, cultivated through engagement with other companies, as well as experience as a Vice President and a Standing Corporate Auditor, in the audit of our Company. Fujii satisfies both our own independence standards and the criteria for independence prescribed by Tokyo Stock Exchange, Inc.; this indicates there is no risk of Fujii causing a conflict of interest with general shareholders, and we have therefore registered him as an independent officer.

[Independent Officers]

- Number of Independent Officers: 6 persons
- Matters relating to Independent Officers:
  Our Company registers all Outside Officers who satisfy the relevant requirements as Independent Officers.

[Incentives]

Incentive Policies for Directors: Performance-linked Compensation

- Supplementary Explanation:
- Please refer to II. 1 [Director Compensation] "Disclosure of Policy on Determining Compensation Amounts and Calculation Methods" of this report.

Recipients of Stock Options: - (not applicable)

[Director Compensation]

Disclosure of Individual Directors' Compensation: Compensation for individual director is not disclosed.

- Supplementary Explanation:
  Total amount of remuneration, etc. by category of officers and the number of officers subject thereto:
  Directors: 9 persons, ¥231 million (including four Outside Directors, ¥23 million)
  Auditors: 3 persons, ¥21 million (including two Outside Auditors, ¥9 million)

  Our Company discloses the total amount of Officer compensation, etc., by position, as well as the number of Officers receiving compensation for each position, via our Business Reports, which are published and available for viewing on the Company website.

Policy on Determining Compensation Amounts and Calculation Methods: Established

- Disclosure of Policy on Determining Compensation Amounts and Calculation Methods
  (1) Items concerning resolutions made at the Annual General Meeting of Shareholders with regard to compensation, etc. for Directors and Auditors
  The maximum amount of compensation for Company Directors was resolved at the 46th Annual General Meeting of Shareholders held on June 24, 2021 (the total number of Directors at the conclusion of this Meeting was 12, of which four were Outside Directors), to be not more than 500 million yen (excluding employee's salary). The maximum amount of compensation for Auditors was resolved at the 9th Annual General Meeting of Shareholders held on December 26, 1984 (the total number of Auditors at the conclusion of this Meeting was two), to be not more than 30 million yen; this maximum compensation for Auditors was then confirmed following consultations with Auditors.

  Separate from the above compensation, it was also resolved at the 46th Annual General Meeting of Shareholders held on June 24, 2021, that the Company should spend no more than 102 million yen for the acquisition of stock for Company Directors (excluding Outside Directors, and counting only Executive Directors) over a fixed period (with an initial trust period set at three years); it was further resolved that each Company Director should receive no more than 28,000 stock points (where one stock point is equivalent to one Company share) per fiscal year. At the close of the 51st Annual General Meeting of Shareholders held on June 26, 2026, the number of Directors (not including Outside Directors, but limited to Executive Directors) was five.

  The Board of Directors decided on May 27, 2024 to extend the period of eligibility for the above plan for three years from the close of the 49th Annual General Meeting of Shareholders to be held on June 26, 2024.

  (2) Items related to the Policy for Determining the Contents of Compensation, etc. for Individual Directors
  Following a resolution by the Board of Directors, our Company defines the Policy for Determining the Contents of Compensation, etc. for Individual Directors (hereinafter "the Policy") in the manner outlined below.

① Basic policy

At our Company, compensation for Directors is linked to shareholder interests, so that it functions properly as an incentive to continually increase corporate value. Our basic policy is to set compensation for individual Directors at levels appropriate to their respective responsibilities. More specifically, compensation for Executive Directors comprises basic compensation, performance-linked compensation, and stock-based compensation; compensation for Outside Directors responsible for auditing functions reflects their work duties, and comprises basic compensation only.

Of the total compensation paid to Executive Directors, the proportion of performance-linked compensation and stock-based compensation is properly set so that it functions as an incentive for Executive Directors to improve performance and increase corporate value. For the fiscal year ending March 31, 2027, fixed monetary compensation is expected to account for approximately 60% of total compensation, performance-linked monetary compensation for approximately 30%, and stock-based compensation for approximately 10%.

② Basic compensation (fixed compensation)

Basic compensation at our Company is paid monthly in the form of fixed compensation; it is determined according to a comprehensive assessment that takes into consideration the position and responsibilities of the individual in question, levels of compensation at other companies, and levels of employee salaries at our Company.

③ Bonuses (performance-linked compensation)

In order to enhance Executive Directors' commitment to improving business performance and increasing corporate value, the performance-linked compensation for each Executive Director is determined based on a comprehensive assessment of the degree of achievement of each Executive Director's fiscal year plan and the performance of the organizations under their jurisdiction, and is calculated based on the degree of achievement of the Company's targets for the four management indicators—"consolidated sales," "consolidated operating profit," "net income attributable to owners of the parent," and "return on equity (ROE)"—set by the Company. Such compensation is paid as a bonus at a fixed time each year.

Specifically, performance is evaluated based on the achievement rate of actual results against the target values for each indicator set by the Board of Directors at the beginning of the fiscal year, and the overall evaluation results, scored based on the weights assigned to each indicator (consolidated sales: 20%, consolidated operating profit: 40%, net income attributable to owners of the parent: 20%, ROE: 20%), are reflected in the bonus amount.

The Company has adopted these four indicators in order to measure business performance from multiple perspectives, namely (i) sales growth, (ii) improved profitability, (iii) securing net income, and (iv) improved capital efficiency, and to enhance the awareness of Executive Directors toward the sustainable improvement of corporate value.

The ratio of performance-linked compensation to total compensation for each Executive Director is determined according to a comprehensive assessment of their position and responsibilities, etc., as well as the monthly performance both of the Executive Director and the organizations under their jurisdiction. The clarification of the basis for calculating the above bonus amounts was approved at the Board of Directors meeting held on March 24, 2025.

Consolidated sales for the 51st Fiscal Year stood at 240,574 million yen, consolidated operating profit at 24,572 million yen, profit attributable to owners of the parent at 19,782 million yen, and return on equity (ROE) at 16.2%.

④ Stock-based compensation

Stock-based compensation is intended to motivate Directors to improve business performance and corporate value by sharing with shareholders the benefits and risks associated with stock price fluctuations, and to deliver a predetermined fixed amount of stock award points to Executive Directors at a certain time each year through a stock award trust, and upon retirement of the relevant Director, the relevant shares will be delivered.

(3) Items related to Mandates on Determining the Content of Compensation, etc. for Individual Directors

The specific details of each Director's individual compensation are delegated to the President & CEO who is deemed best suited to evaluate the business for which each Director is responsible while overlooking the Company's overall performance, and in the current fiscal year, the decision was made by the President & CEO, Yuichiro Naya, who was delegated this authority by resolution of the Board of Directors meeting held on June 26, 2025, in accordance with the decision policy approved by the Board of Directors.
In the opinion of the Board of Directors, the total compensation paid to each Company Director was within the maximum permissible compensation limit; in view of the relevant performance indicators, the proportion of performance-linked compensation, etc., to total compensation was also deemed reasonable. As a consequence, the Board of Directors is satisfied that the total compensation paid was in compliance with the Policy.

[Supporting System for Outside Directors and/or Auditors]

In order to encourage vigorous debate at monthly Board of Directors meetings, Executive Committee meetings, and other important managerial meetings, the Secretariat provides meeting materials in advance and, where necessary, explanations in advance as well.
Our Company enables employees to undertake concurrent roles as business assistants to Auditors; they gather information, carry out surveys, and archive documents, etc., as instructed by Auditors.

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

Our Company ensures its management is properly audited and supervised by adopting the system of a Company with an Audit & Supervisory Board, and by appointing four Outside Directors to its Board of Directors. Details of our governance systems are provided below.

(Board of Directors)

Our Company’s Board of Directors consists of a total of 9 members (8 men and one woman), four of whom are Outside Directors. The Board of Directors meets at least once per month on average, and makes decisions on important management items, in compliance with all relevant laws and regulations, Articles of Incorporation, and internal regulations; it also supervises the business execution of Company Directors.

(Executive Committee)

Our Company operates an Executive Officer system, and holds Executive Committee meetings to discuss important items related to the execution of our Company’s business. In addition, we promote the delegation of authority from the Board of Directors to Executive Officers, with the goal of improving the efficiency of our business execution.

(Audit & Supervisory Board)

Our Company’s Audit & Supervisory Board consists of a total of three Auditors, one of whom is a full-time Auditor, and two of whom are part-time Outside Auditors. All three Auditors attend Board of Directors meetings and, where necessary, other important Company meetings; they use their expertise and experience to audit the execution of duties of Company Directors from an objective standpoint.

(Internal Audit Office)

Our Company has established an Internal Audit Office, which is tasked with regularly auditing Company departments, plants, and subsidiaries, to ensure our Group’s legal compliance and the effectiveness of its internal controls, etc. The Office works together with the Audit & Supervisory Board and Accounting Auditors by sharing information and exchanging opinions, with the goal of improving the effectiveness of internal audits.

(Corporate Lawyers and Accounting Auditors)

Our Company consults with and receives advice from law firms, as appropriate, when legal assessments of its business are required. We commission KPMG AZSA LLC to carry out financial audits, and receive fair and proper audits as stipulated both by the Companies Act and the Financial Instruments and Exchange Act.

(Limitation of Liability Agreements)
Based on Article 427 Paragraph 1 of the Companies Act, our Company has entered into agreements with Directors (excluding Executive Directors, etc.), Auditors, and Accounting Auditor ("Non-Executive Directors, etc.") to the effect that, if the Non-Executive Director, etc. in question has acted in good faith and without gross negligence in the performance of their duties, the liability of said Non-Executive Director, etc. is limited to 5 million yen or the amount specified in Article 425 Paragraph 1 of the Companies Act, whichever is higher.

(Directors and Officers Liability Insurance)
Our Company has entered into agreements with insurance companies for directors and officers liability insurance, under the terms of which Directors, Auditors, Executive Officers, and other important employees, as defined by the Companies Act, both at our Company and all our subsidiaries, are insured persons. For the duration of the insurance period, the insurance company will supplement litigation costs and compensation for damages that the insured person is legally required to pay, as stipulated by Article 430 Paragraph 3 of the Companies Act, if, in the course of executing their business, said insured person is claimed to have caused financial damage to our Company or to a third party. All insurance fees for all insured persons are paid by our Company.

3. Reasons for Adoption of Current Corporate Governance System

Our Company operates an Executive Officer system, and promotes the delegation of authority from the Board of Directors to Executive Officers, with the goal of accelerating and improving the efficiency of our management. We have chosen to adopt this governance system as it enables Outside Directors and Outside Auditors to audit and supervise business execution and decision-making regarding important management items in a timely and objective manner.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Vitalize the General Shareholder Meetings and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early mailing of notices of AGM	With respect to the Notice of the 51st Annual General Meeting of Shareholders held on June 26, 2026, the contents were posted on the websites of the Company and the Tokyo Stock Exchange on June 3, 2026, and the written notice was dispatched on June 11, 2026.
Scheduling AGMs Avoiding the Peak Day	We held our Annual General Meeting of Shareholders on Friday 26 June, 2026, we were unable to avoid scheduling it on a concentrated date.
Exercise of voting rights by electronic means	Voting rights can be exercised via the Internet, etc.
Participation in electronic voting platforms and other initiatives to improve the environment for institutional investors to exercise their voting rights	Participation in the Electronic Voting Platform for Institutional Investors operated by ICJ, Inc.
Providing Convocation Notice in English	We create English-language versions of our Notice of the Annual General Meeting of Shareholders and our Reference Documents for the General Meeting of Shareholders, and publish them on TDnet and on the Company website.
Other	In order to disclose information at the earliest opportunity, in principle we publish Notices of the Annual General Meeting of Shareholders on TDnet and on the Company website before sending them to shareholders.

2. IR Activities

	Supplementary Explanations	Presentation by President & CEO
Preparation and Publication of Disclosure Policy	Published on the Company website: https://www.meiko-elec.com/ir/policy.html	Yes
Regular Investor Briefings for Analysts and Institutional Investors	The President & CEO and Vice President & COO hold briefings for analysts and institutional investors after the announcement of second quarter financial results, and after the announcement of full-year financial results. Company Officers also hold several small meetings every year. (Briefings and small meetings were held twice on May 22 and November 13.)	
Posting of IR Materials on the Company Website	We post financial statements, timely disclosure materials, financial results briefings, etc. https://www.meiko-elec.com/english/ir/	
Establishment of Department and/or Manager in Charge of IR	Office of the President & CEO (One IR representative is assigned to the office directly under the President & CEO.)	

3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting the Position of Stakeholders	In accordance with our Compliance Regulations and the Meiko Group Code of Conduct, our Company respects the standpoints of all our stakeholders, including shareholders, customers, and local communities, etc. We seek to manage our Company in a way that elicits the trust of all our stakeholders; at the same time, we work to thoroughly educate all Group employees with regard to relevant regulations.
Implementation of Environmental Activities, CSR Activities etc.	Our Company actively carries out environmental preservation activities, including acquiring ISO 14001 certification, undertaking green procurement, and procuring parts in accordance with RoHS directives. We also promote compliance, security, social contributions, IR, and other CSR activities. These activities are reported in the "Corporate Report", which is posted on our Company website: https://www.meiko-elec.com/english/csr/
Development of Policies on Information Provision to Stakeholders	Our policies on information provision to stakeholders are on the Company website: https://www.meiko-elec.com/english/ir/policy.html

IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

The "Basic Policy Regarding the Establishment of Systems for Ensuring Appropriate Execution of Meiko Group Business Operations" was resolved by the Board of Directors based on the Companies Act and Ordinance for the Enforcement of the Companies Act of Japan.

(1) Systems for ensuring risk and compliance at our Group

① Our Company has established a Compliance Committee in line with its Compliance Regulations; the Committee is responsible for formulating, implementing, and monitoring the compliance measures and annual activities of our Group—which comprises our Company and our Company's subsidiaries. The Committee is also responsible for analyzing and discussing compliance violations and, based on the results of this analysis and discussion, providing guidance and supervision related to proposals and measures aimed at preventing their reoccurrence.

② Based on our Company's Compliance Regulations, the Compliance Committee provides appropriate compliance education to all Group Directors and employees.

③ Our Company has established an Internal Audit Office that reports directly to the President & CEO. The Office carries out audits to determine whether execution of operations at our Group complies with all relevant laws and ordinances, as well as our Articles of Incorporation, etc. The Office reports the results of its audits to the President & CEO and to our Company's Board of Directors.

④ Our Company has established a whistleblowing system and set up Help Lines for reporting compliance violations both at our Company's Human Resources Department of General Affairs Headquarters and at law firms; we promote the use of these Help Lines with the goal of discovering at the earliest opportunity violations or potential violations of laws and ordinances, our Articles of Incorporation, and other Company regulations. Our Company prohibits any actions that disadvantage either the whistleblowers themselves or those engaged in investigating the reported violations.

(2) Systems for preserving and managing information related to the execution of duties of Directors

① Our Company properly preserves and manages, using the appropriate recording media, minutes of Board of Directors meetings, minutes of other important meetings, and other key records of approval that show the state of execution of duties of Directors, etc., according to relevant laws and ordinances, and Company regulations.

② Directors, Auditors, and the Internal Audit Office are able to view the above-mentioned records at any time.

(3) Systems for managing risk at our Group

① Our Company has established a Risk & Compliance Committee in line with its Risk & Compliance Regulations, in order to carry out efficient risk management of our Group. The Committee is tasked with identifying significant risks that may be encountered in ensuring the continuity of business operations and the stable growth of the Meiko Group, including risks that may cause substantial economic losses to the Company due to human damage, physical damage, opportunity losses, or reputational damage. The Committee is also tasked with formulating policies, measures, and annual plans related to risk management.

② In cases where unforeseen circumstances occur at our Group, or in cases where signs of serious risks have been observed, our Company will immediately establish an Emergency Response Headquarters headed by the President & CEO, carry out risk management in an integrated manner, and seek to prevent the spread of any damage.

(4) Systems for ensuring the efficient execution of duties of Group Directors

① The Board of Directors promotes the delegation of authority from the President & CEO to Directors and Executive Officers, and seeks to establish efficient business execution systems based on quick decision-making related to our Group's business operations, by reviewing regulations regarding the separation of duties and regulations regarding administrative authority, etc.

② The Board of Directors is responsible for verifying the progress of issues faced by our Group, and implementing improvement measures as appropriate.

③ Directors maintain a timely and appropriate understanding of the performance of our Group's production and sales, through report meetings, etc. that are held weekly or monthly.

(5) Systems for ensuring the properness of operations at our Group

① Through the Meiko Group Corporate Charter and the Meiko Group Code of Conduct, our Company provides guidance and support to Directors and employees at its subsidiaries for establishing systems for ensuring the properness of operations, and for establishing systems for legal compliance.

② Based on its Management Rules for Affiliated Companies, our Company requires subsidiaries to seek prior approval from, or report to the Company when deciding on important items related to their business operations.

③ Our Company's Internal Audit Office carries out regular audits regarding both execution of business and risk management across our entire Group.

(6) Systems for appointing employees to assist the duties of Auditors

① If an Auditor should request the appointment of an employee to assist their duties, they can appoint an assistant as necessary from among our Company's employees; in cases where the assistant is concurrently an employee of a different department, said assistant will prioritize the instructions of the Auditor.

② Performance evaluations, appointments, and transfers, etc. of assistants will be carried out with the agreement of the Auditor.

(7) Systems for reporting to Auditors

① Our Group's Directors and employees are duty bound to report without delay to Auditors regarding serious compliance violations, as well as other items that could potentially cause significant damage to our Group.

② Our Company prohibits any actions that disadvantage Group Directors or employees for submitting reports to Auditors.

(8) Systems for ensuring the effectiveness of audits carried out by Auditors

① Our Company works to ensure that Auditors can carry out audits effectively. We provide opportunities for regular exchanges of opinions between Auditors and the President & CEO, we provide opportunities for regular interviews with Directors and Executive Officers, etc., and we establish environments that encourage cooperation with external experts such as lawyers, certified accountants, etc., as well as with the Internal Audit Office.

② In line with our Company's Audit Policy, Auditors audit the execution of duties of Directors by attending Board of Directors meetings and other important meetings, etc., reading decision approval documents, etc., and investigating the business operations and assets both of our Company and of important subsidiaries. If Auditors request advance payment of fees, etc. for executing their duties, our Company will process the relevant fees swiftly.

2. Basic Views on Eliminating Antisocial Forces

Our Company's basic policy is to block all relationships with antisocial forces that threaten the order and safety of society. Our Regulations to Prevent Antisocial Forces stipulate that we work closely together with external expert organizations, and that our entire Group adopts a resolute approach to antisocial forces; we seek to prepare ourselves for all eventualities by ensuring a former chief of police is permanently stationed on site.

V. Other

1. Adoption of Anti-Takeover Measures

・ Adoption of Anti-Takeover Measures: Not Adopted

Supplementary Explanation

Our Company possesses a shareholder composition that makes takeovers difficult and, for this reason, does not at present have any anti-takeover measures.

Going forward, we intend to respond in the appropriate manner if necessitated by changes to our shareholder composition.

2. Other Matters Concerning to Corporate Governance System

None.

Corporate Governance System at Meiko