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## Corporate Governance Report

Last Update: June, 26, 2025  
Meiko Electronics Co., Ltd.  
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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 [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 comprehensive and advance 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.

Non-Japanese employees make up 4.9% of our Company’s workforce, and 88.4% of our Group’s workforce. In fiscal 2003, our Group began accepting Chinese and Vietnamese plant employees to its non-Japanese employee and technical intern training programs, with the goal of nurturing human resources at overseas plants. These training programs have now been completed by more than 300 people; after returning to their home countries, they operate as Presidents or in other executive positions at local subsidiaries. Furthermore, in order to develop human resources who can be active on a global scale over the long term, we employ international students who have graduated from universities in Japan as part of our new graduate recruitment process. For the existing employees, we provide English language training for selected target groups and actively send them to our overseas subsidiaries. As part of strengthening our global human resources functions, we will further enhance collaboration between the headquarters and overseas subsidiaries to improve systems and enhance our ability to identify talent globally, thereby maximizing the utilization of human resources worldwide.

We actively recruit mid-career employees from both inside and outside our industry 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 67.7% at our Company, and 95.5% at our Group; in managerial positions, the mid-career recruitment ratio is 76.6% at our Company, and 83.3% at our Group.

With regard to female members of our workforce, just 25.4% of Company employees are female, whilst 44.6% and 16.5% of Group employees are female and female managers respectively. Going forward, we intend to define numerical targets for the proportion of female employees in our workforce, and promote their advancement.

In order to develop and promote a diverse workforce, we plan to conduct interviews regarding their future career plans with candidates including female employees for management positions. In addition, we will focus on training candidates for managerial positions and conduct fair examinations for those candidates who have been trained, in an effort to ensure diversity in managerial appointments.

In addition, as part of our efforts to create an environment that promotes employee retention, we provide training tailored to each employee’s level, as well as selective training and support for self-improvement, to encourage long-term growth. In terms of compensation and benefits, we reward employees who contribute to the company’s medium- to long-term growth through a stock grant program, and we also support the repayment of scholarships to reduce the financial burden on young employees, thereby contributing to their retention. 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 2025’ 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, 2025

(%)

|                   | Female executive officers | Female managers | Female employees | Non-Japanese employees | Non-Japanese managers | Mid-career recruits | Mid-career managers |
|-------------------|---------------------------|-----------------|------------------|------------------------|-----------------------|---------------------|---------------------|
| Meiko Electronics | 16.7                      | 1.2             | 25.4             | 4.9                    | 3.9                   | 67.7                | 76.6                |
| Meiko Group       | 11.8                      | 16.5            | 44.6             | 88.4                   | 50.8                  | 95.5                | 83.3                |

|  |       |
|--|-------|
| Differences in wages between male and female employees (ratio of women's wages to men's wages) |       |
| All employees  | 61.1% |
| Regular employees  | 69.9% |
| Term employees (contract employees)  | 62.0% |

\*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: 25.0%

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/FY2024/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 calculates compensation for Executive Management and Directors  
Please refer 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. is 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.  
At present, we disclose reasons for nominating and appointing Directors and Auditors via our reference material of the Notices of Annual General Meeting of Shareholders and via our Corporate Governance Reports.

### [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/promotionsystem.html>

Response to the TCFD: <https://www.meiko-elec.com/english/csr/tcf.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>

### [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/pdf/corporate/independentofficers.pdf>

### [Supplementary Principle 4-10①]

Please refer [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

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

|                     | a | b | c | d | e | f | g | h |
|---------------------|---|---|---|---|---|---|---|---|
| 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 monitoring of important matters, including business policies, from a bird's-eye view.   |
| 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 supervision from a global perspective.   |
| 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 conduct supervision.   |

**[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 respectively stands at close to 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 via our Notices of Annual General Meeting of Shareholders, and Securities Reports, etc.

**[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 FY2024 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 21, 2025 for discussion on how to improve effectiveness.

(2) Evaluation and analysis of the survey

① Implementation guidelines of the survey

Period: February and March 2025

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) for all functions except supervisory functions.

In supervisory functions, the evaluation of the appropriateness of the compensation system for directors was low, and efforts to ensure transparency in the compensation system were deemed necessary amid growing stakeholder demands for governance.

With regard to provision of information, while acknowledging improvements in the provision of appropriate materials and explanations for cases requiring advanced judgment, there were also opinions calling for further improvements, such as striving to provide information at an earlier stage and making decisions after sufficient deliberation by the Board of Directors.

In addition, stronger management systems and information sharing were required for compliance and risk management.

The evaluation gap between internal and external directors was largest in provision of information and compliance and risk management.

(3) Results of discussions and responses to issues

[Supervisory functions]

There was a need for further improvement of materials and explanations that clarify the positioning within the overall picture of management strategies and medium-term management plans, as well as opportunities, risks, and points of change..

[Provision of information]

It was requested that efforts be made to deepen understanding by providing opportunities to explain business with important customers separately from the Board of Directors.

[Others]

It was requested that we persistently pursue risk compliance, establish mechanisms to prevent recurrence, and report to the Board of Directors as necessary. As for the criteria for executive compensation were clarified at the Board of Directors meeting held on March 24, 2025 to ensure transparency.

(4) 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 Establishment of new theme-based briefings for outside directors and auditors

In addition to the board of directors, hold a themed briefing session once every one to two months, setting a theme each time to explain important company matters. In this session, executive officers and division heads will explain the current situation of our company.

② Regularly scheduled free discussions

Rather than holding meetings, opportunities for free discussion between full-time directors and outside directors will be provided once or twice a year. The aim here is to maximize ideas, advice, insights and opportunities.

#### [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 environments; 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) Orientation for newly appointed external auditor: explanation of company overview, audit plans, audit methods, and division of roles
- (2) Factory tours conducted: (two outside directors participated)  
Overseas: Vietnam Plant  
Domestic: Kahoku Factory, Tendo Factory, Ishinomaki 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 every half 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 financial results, and after the announcement of 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 26 dialogues with 25 companies in the fiscal year ended March 31, 2025. By domestic and overseas, 14 domestic companies and 11 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 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 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, 2025, Directors held 6 dialogues.

In order to promote the sharing and effective use of information, including feedback, etc. 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 the dialogue, we have implemented measures such as explaining the reasons why the skills listed in the skill matrix are necessary for our company, disclosing a list of executive officers, and clarifying the compensation structure ratio and incentive logic for management indicators.

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.

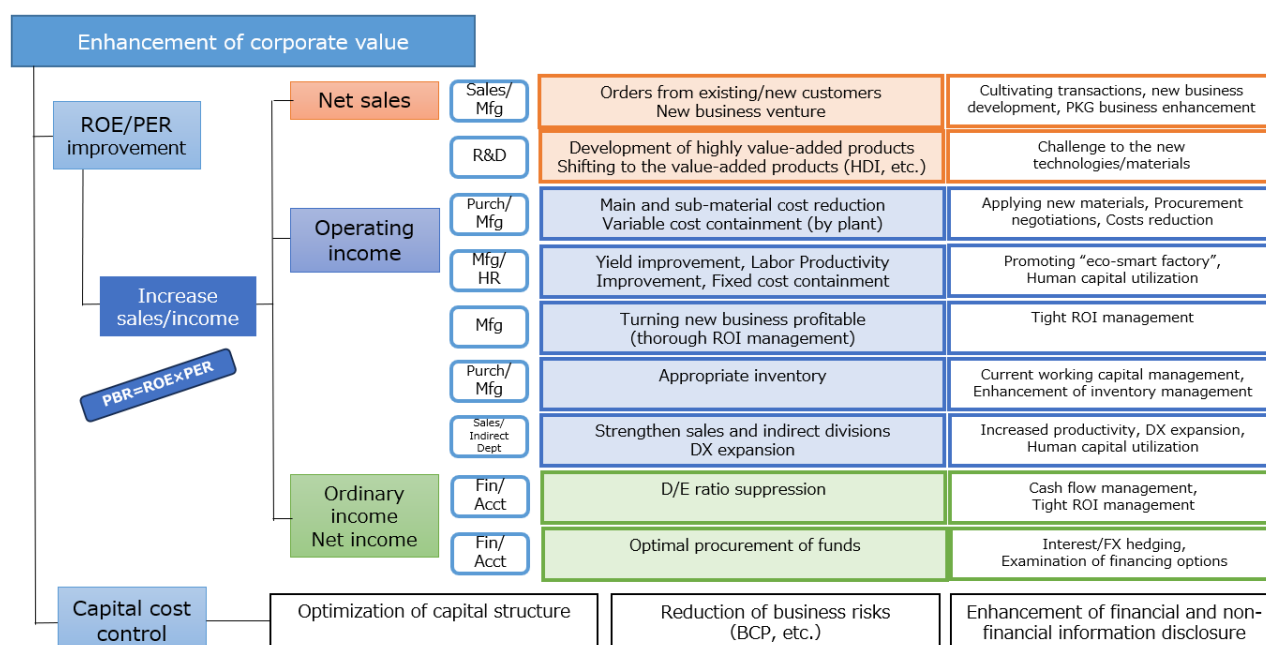
<https://www.meiko-elec.com/english/pdf/ir/presentation/FY2022/H2.pdf>

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## Actions to improve PBR

- ◆ Break down ROE management targets to each business and implement management to improve capital efficiency.
- ◆ In addition to the above, we will seek to control the capital cost through active dialogue with the capital market.



## 2. Capital Structure

Foreign Shareholding Ratio: 20% and above, less than 30%

### [Status of Major Shareholders]

| Name/Company Name   | Number of shares owned | Percentage (%) |
|---|------------------------|----------------|
| Yuichiro Naya   | 4,704,451              | 18.09          |
| The Master Trust Bank of Japan (trust account)  | 3,817,700              | 14.68          |
| Japan Trustee Services Bank, Ltd. (trust account)   | 3,216,700              | 12.37          |
| Clearstream Banking S.A.  | 975,602                | 3.75           |
| Meiko Kosan Co., Ltd.   | 608,400                | 2.34           |
| BNP Paribas Securities Services<br>Luxembourg/2S/JASDEC/FIM /Luxembourg<br>Funds/UCITS Assets | 582,000                | 2.24           |
| Yuho, Ltd.  | 521,000                | 2.00           |
| JP Morgan Chase Bank 385632   | 438,436                | 1.69           |
| BOFAS Inc Segregation Account   | 392,600                | 1.51           |
| Sumitomo Mitsui Banking Corporation   | 377,000                | 1.45           |

Controlling Shareholder (except for Parent Company): None

Parent Company: None

Note: The above table excludes 802,647 shares of treasury stock held by our Company.

## 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.<br>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 0.3% 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.<br>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.<br>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.<br>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               |                                |   |   |   |   |   |   |   |   |   |   |   |   |
| Shinichi Hashimoto | 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       | ○                                  | -   | 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.<br>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.   |
| Shinichi Hashimoto | ○                                  | Shinichi Hashimoto is employed by Kioxia Holdings Corporation. However, our Group's sales to this company accounted to less than 0.2% of our Group's consolidated sales for the most recent business year, for this reason, our assessments indicate there is no risk of the relationship between our companies impacting on the independence of Hashimoto. | We expect Hashimoto to contribute an abundance of experience and knowledge in the semiconductor (memory) industry cultivated as an executive officer of other company, to the supervision of our Company.<br>Hashimoto satisfies both our own independence standards and the criteria for independence prescribed by Tokyo Stock Exchange, Inc.; this indicates there is no risk of Hashimoto 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 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:  
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 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 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 49th Annual General Meeting of Shareholders held on June 26, 2025, 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.

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)

The performance-linked compensation for each Executive Director is determined according to a comprehensive assessment of levels of achievement of fiscal year plans, the performance of organizations under their jurisdiction, and the degree of achievement of the company's targets for the four management indicators "sales", "operating profit", "net income", and "return on equity (ROE)" set by the company, and pay them at a fixed time each year. Specifically, it will be evaluated by the achievement rate of actual results against the target values set by the Board of Directors at the beginning of the fiscal year for each indicator, and reflected the overall evaluation results scored based on the weights assigned to each indicator (sales: 20%, operating profit: 40%, net income: 20%, ROE: 20%) in the bonus amount. The reasons for adopting these four indicators are to measure business performance from multiple perspectives, including sales growth, improved profitability, securing net income, and improved capital efficiency, and to raise the awareness of the executive directors regarding 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 operating profit for the 50th Fiscal Year stood at 19,083 million yen, with profit attributable to owners of the parent standing at 14,924 million yen.

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, 2024, 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.

- (4) Total amount of compensation, etc. by executive category, total amount of compensation, etc. by type, and number of executives subject to compensation

| Type of executives               | Total amount<br>(Million Yen) | Type of compensation (Million Yen) |                    |                      |              | Number of eligible officers |
|----------------------------------|-------------------------------|------------------------------------|--------------------|----------------------|--------------|-----------------------------|
|                                  |                               | Fixed                              | Performance linked | Retirement allowance | Non-monetary |                             |
| Directors<br>(excluding outside) | 190                           | 103                                | 81                 | -                    | 6            | 7                           |
| Auditors<br>(excluding outside)  | 12                            | 12                                 | -                  | -                    | -            | 1                           |
| Outside executives               | 33                            | 29                                 | 4                  | -                    | -            | 7                           |

The above amounts and numbers include two directors and one auditor who retired in June 2024.

### [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 is 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 Instrument 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 Auditors (“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 Convocation of the 50th Annual General Meeting of Shareholders held on June 26, 2025, the contents were posted on the websites of the Company and the Tokyo Stock Exchange on June 3, 2025, and the written notice was dispatched on June 11, 2025. |
| Scheduling AGMs Avoiding the Peak Day   | We held our Annual General Meeting of Shareholders on Thursday 26 June, 2025, in order to avoid clashes with shareholder meetings at other companies.   |
| 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 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 convocation 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:<br><a href="https://www.meiko-elec.com/ir/policy.html">https://www.meiko-elec.com/ir/policy.html</a>  | 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 16 and November 14.) |                                 |
| Posting of IR Materials on the Company Website                      | We post financial statements, timely disclosure materials, financial results briefings, etc.<br><a href="https://www.meiko-elec.com/english/ir/">https://www.meiko-elec.com/english/ir/</a>   |                                 |
| Establishment of Department and/or Manager in Charge of IR          | Office of the President & CEO<br>(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: <a href="https://www.meiko-elec.com/english/csr/">https://www.meiko-elec.com/english/csr/</a> |
| Development of Policies on Information Provision to Stakeholders          | Our policies on information provision to stakeholders are on the Company website: <a href="https://www.meiko-elec.com/english/ir/policy.html">https://www.meiko-elec.com/english/ir/policy.html</a>  |

## 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 understanding potentially serious risks to the business continuity and stable growth of our Group. These risks include quality issues, environmental preservation, violations of laws, ordinances, and regulations, accidents and disasters, system malfunctions, information security, errors in financial reporting, safety and hygiene, and pandemics, etc. The Committee is also tasked with formulating, etc. 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

