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SINKO INDUSTRIES LTD.

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<https://www.sinko.co.jp/>

The state of corporate governance of SINKO INDUSTRIES LTD. (the “Company”) is as described below.

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

1. Basic Views

The Company believes that ensuring sound and transparent management and creating an agile business structure are essential to fulfilling its social responsibility for shareholders, employees, business partners, and other stakeholders while increasing its corporate value in a sustainable manner. We regard corporate governance as a mechanism that enables us to achieve these goals.

Reasons for Noncompliance with the Principles of Japan’s Corporate Governance Code

The Company complies with all the principles of Japan’s Corporate Governance Code.

Disclosure Based on Each Principle of Japan’s Corporate Governance Code **Updated**

Principle 1.4: Cross-Shareholdings

The Company’s cross-holding of shares in other listed companies is limited to cases where such cross-shareholding is expected to increase its corporate value and benefit stakeholders, for example through better and smoother transactions, if the Company is mindful of the need to reduce cross-shareholding.

We scrutinize each cross-shareholding in terms of economic rationality and future outlook over the medium to long term, weighing contribution to earnings through better transactional relationships while considering return, risk, and other factors. Based thereon, the Board of Directors verifies the appropriateness of each cross-shareholding once a year, in principle.

With regard to proposals submitted by companies in which we hold shares, our standard approach is to approve them. However, if proposals, etc. may affect corporate value and shareholders’ interests, our policy is to examine the purposes of the proposals, etc., the proposing company’s thinking about corporate value enhancement, and other details before deciding whether to vote for or against them from a comprehensive perspective.

Principle 1.7: Related Party Transactions

The Company’s Board of Directors Rules dictate that a transaction between the Company and its directors, major shareholders, or other related parties requires the Board of Directors’ resolution to approve it.

Supplementary Principle 2.4.1: Ensuring Diversity in the Promotion to Core Human Resources

The Company is committed to ensuring that all employees are treated fairly and equally without regard to gender, nationality, age, and other factors. We have identified advancing diversity as one of our materialities, and set up a Diversity Promotion Committee with the primary aim of enhancing employees’ work-life balance. Toward that end, the committee strives to “create a happy environment for all,” in order to realize a working environment and corporate culture that treasures the personalities, abilities, and thinking of all employees and enables them to work “vibrantly.”

Ensuring diversity and setting voluntary and measurable goals

With an eye to facilitating promotion to core human resources such as managers, the Company endeavors to hire more women and train them for the future. Our goals by the end of the fiscal year ending March 31, 2027, are to have four women in manager positions and 20 in leader positions. As of the end of the fiscal year ended March 31, 2026, we have two female managers and 25 female leaders, representing the achievement of our goal for women in leader positions.

To hire outstanding human resources without regard to nationality, we have been making active efforts since the fiscal year ended March 31, 2014, such as by setting goals for non-Japanese national hires. Our goals by the end of the fiscal year ending March 31, 2027, are to have two non-Japanese nationals in a manager position and three in leader positions. As of the end of the fiscal year ended March 31, 2026, we have one non-Japanese manager and two non-Japanese leaders.

Seeking external talent to expand business, we make active efforts to hire mid-career specialists as well. Our goal by the end of the fiscal year ending March 31, 2027, is to have 25 mid-career hires in manager positions; and as of the end of the fiscal year ended March 31, 2026, we have achieved our goal with 35 such managers.

Policies for human resource development and internal environment development to ensure diversity, as well as the status of their implementation

In keeping with its management philosophy of “Prolific creativity and quality to be proud of” and in view of business continuity, the Company works to create an environment conducive to human resource development with the goal of maintaining the quality of the Company and the integrity of its employees. Specifically, our aims are to develop a working environment where all employees—from young personnel anticipating the era of 100 years of life to middle- and senior-aged employees—can keep growing and work safely, happily, and vibrantly and to establish a corporate culture that encourages each employee to take on a new personal challenge. In doing so, we seek to build diverse and inclusive teams that are underpinned by expertise so that both the Company and employees can grow by taking on a variety of challenges.

In pursuit of these policies, we eliminate any discrimination, whether by reason of ethnicity, nationality, gender, or disability, to hire diverse human resources and operate a personnel system that embraces diversity. At the same time, we provide employees with wide-ranging training programs, along with opportunities to grow through work, so that diverse employees from new hires to veterans can gain the skills and knowledge necessary for their work.

For further details, see “Initiatives to secure human capital and ensure diverse human resources” under “2. Sustainability Approach and Initiatives” in our annual securities report (in Japanese).

Principle 2.6: Roles of Corporate Pension Funds as Asset Owners

The Company has a defined-contribution pension plan in place. As we do not manage a corporate pension reserve fund, there is no financial impact therefrom. We periodically provide employees with investment education to help them form financial assets.

Principle 3.1: Full Disclosure

In the interest of proactive information provision, the Company discloses the following matters:

- (1) Company objectives (e.g., business principles), business strategies, and business plans
The Group’s management philosophy, long-term vision, and Medium-term Management Plan are disclosed on our website.
Management philosophy: <https://www.sinko.co.jp/company/philosophy.html>
Long-term vision: <https://www.sinko.co.jp/company/vision.html>
Medium-term Management Plan: <https://www.sinko.co.jp/ir/management/strategy.html>
- (2) Basic views and guidelines on corporate governance based on each principle of Japan’s Corporate Governance Code
These are as stated in “I. 1. Basic Views” above.
- (3) Board of Directors’ policies and procedures in determining the compensation for the senior management and directors
Our policy in determining the amount of compensation, etc. for directors is presented in “Director Compensation” of “II. 1. Organizational Composition and Operation” below.

- (4) Board of Directors' policies and procedures in the election or dismissal of the senior management and the nomination of director candidates

When electing senior management members and nominating director candidates, the Company's Board of Directors comprehensively examines them based on their capabilities and characters, in particular whether they have the qualities needed to help the Company grow sustainably and increase corporate value.

If a senior management member is found to have committed misconduct or a material violation of laws, regulations, or the Company's Articles of Incorporation, or have exhibited a significant lack of business acumen, among other problems, in the execution of their duties, the senior management member will be dismissed.

Each election, dismissal, or nomination requires a resolution of the Board of Directors in accordance with the policy stated above.

- (5) Explanations with respect to the individual elections, dismissals, and nominations based on (4) above

Explanations with respect to individual elections and dismissals of directors are presented in our notices of annual general meetings of shareholders.

Supplementary Principle 3.1.3: Initiatives on Sustainability

As a provider of air conditioning, the Group promotes management with a focus on sustainability under the slogan "CONDITIONING FUTURE," as it takes responsibility for the future. Further details are presented in the Integrated Report and disclosed on our website.

In terms of human capital investment, we endeavor to develop the human resources, organization, and culture necessary to achieve our Medium-term Management Plan "move.2027," by improving the overall employee performance through the creation of an environment conducive to human resource development and instilling the Group's management philosophy. As part of these efforts, we have set up a Diversity Promotion Committee to create workplaces where everyone can perform to the best of their ability irrespective of gender, nationality, age, and other differences.

We position investment in intellectual properties as one of the key pillars of the Medium-term Management Plan, and we continuously promote it. As a concrete measure, we have positioned three DX strategies at the core of our efforts. Firstly, "SIMA"—or SINKO Innovative Manufacturing of AHU (air handling units)—aims to break away from the labor-intensive production system. Secondly, SSA (SINKO Scalable Architecture) aims to advance research and development through the use of simulation technology. Thirdly, SWA (SINKO Web Architecture) leverages data assets for the future to enhance sales and after-sales services. By promoting these initiatives in an integrated manner, we aim to strengthen our business foundation and achieve sustainable growth.

We recognize "responses to climate change through the promotion of decarbonization" as one of our management priorities. Toward that end, we identify risks and opportunities and conduct scenario analysis to assess the resilience of our strategies in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and disclose the results on our website.

Disclosure in compliance with the TCFD recommendations:

<https://www.sinko.co.jp/sustainability/environment/tcfd.html>

Supplementary Principle 4.1.1: Scope of Delegation from the Board of Directors to the Management

The Company's Board of Directors oversees a mechanism whereby the Group's directors, and operating officers and other employees, act in compliance with its management philosophy, code of conduct, and Articles of Incorporation, as well as with laws, regulations, and social norms. In addition, the Board of Directors works to build and maintain the Group's compliance framework by developing an internal control system and establishing a Compliance Office, and to safeguard all the information held by the Group by creating an Information Security Management Department.

The Board of Directors meets monthly, in principle, to make decisions on matters statutorily required to be decided by the Board of Directors, as well as matters related to important management policy or to the execution of important duties. Having clarified responsibilities and roles for business execution, the Board of Directors delegates day-to-day decision-making to operating officers and supervises the execution of duties by directors and operating officers. Directors participate in important meetings, such as Business Supervision Meetings attended by operating officers, to seek reports on the status of business execution from, and supervise, operating officers and other employees.

Principle 4.9: Independence Standards and Qualification for Independent Directors

When appointing candidates for outside director, the Company places emphasis on whether the candidates possess the high-level expertise and ample experience that are needed to provide candid and constructive advice for and supervise its management, on top of the fulfilment of the requirements for outside directors specified in the Companies Act and the independence criteria set by securities exchanges.

Supplementary Principle 4.10.1: Establishment, Mandates, Roles, etc. of a Nomination and Compensation Committee

The Company has established a Nomination and Compensation Committee as an advisory body to the Board of Directors in order to strengthen the transparency, independence, and objectivity of procedures for nomination (including succession plans), compensation, and other matters relating to directors, and to enhance corporate governance. The committee comprises five directors who are appointed by a resolution of the Board of Directors; and, to ensure its independence, the majority of the committee members are independent outside directors, from whom the chair is appointed.

In response to consultation by the Board of Directors, the committee deliberates, with attention paid to gender and other diversity aspects and skills, on policy for the appointment and removal of representative directors, the contents of proposals regarding the election and dismissal of directors to be submitted to general meetings of shareholders, policy for director compensation, and other matters; and reports the results to the Board of Directors.

Supplementary Principle 4.11.1: Views on the Balance between Knowledge, Experience, and Skills, the Diversity, and the Size, of the Board of Directors as a Whole

The Company's Articles of Incorporation dictate that the number of directors (excluding directors who are Audit and Supervisory Committee members) be 10 or fewer and that the number of directors who are Audit and Supervisory Committee members be five or fewer. We consider that these numbers are appropriate to facilitate swift decision-making on a continuous basis. In electing director candidates, we first identify the skills and other expertise required of us in light of management strategies; then, considering our operational environment, business characteristics, and other elements, we elect candidates who possess a wealth of experience in and outstanding insight into corporate management, sales, manufacturing and technology, legal affairs and compliance, finance and accounting, or other fields. As a result, the Company currently has three female directors out of a total of 13, and four independent outside directors who have served as directors at other companies out of a total of six.

The skills matrix of our directors is presented in the Integrated Report and the notice of the annual general meeting of shareholders and also disclosed on our website.

Skills matrix: <https://www.sinko.co.jp/sustainability/governance/corporate-governance.html>

Supplementary Principle 4.11.2: Status of Concurrent Positions of Directors

Each year, the Company discloses how its directors concurrently serve as officers for other listed companies, in the notice of the annual general meeting of shareholders, the annual securities report, and the Integrated Report.

Supplementary Principle 4.11.3: An Overview of the Analysis and Evaluation of the Effectiveness of the Board of Directors as a Whole

The Company carried out a survey of all directors (including directors who are Audit and Supervisory Committee members), in order primarily to confirm the effectiveness of the Board of Directors and identify issues and matters requiring improvement; and, based on the results thereof, conducted analysis and evaluation.

In the survey, the directors themselves were asked to evaluate 17 items spanning five categories: the Board of Directors composition, its operation, the status of discussions and deliberations at Board meetings, information provision to outside directors, and overall assessment. The results reveal that the directors consider the effectiveness of the Board of Directors to have been largely ensured.

In regard to the issues pointed out in the survey, we will carefully consider them and institute corrective measures as required, so as to render the Board of Directors more effective. For further details, see "Evaluation of the Effectiveness of the Board of Directors" in the Integrated Report.

Supplementary Principle 4.14.2: Training Policy for Directors

The Company's directors are elected from among persons who have extensive knowledge about overall corporate

management. If needed, they also participate in external training after taking office. We offer a menu of training programs from which directors can choose and attend.

Principle 5.1: Policy for Constructive Dialogue with Shareholders

The Company creates opportunities for constructive dialogue with shareholders in an effort to achieve sustainable growth and increase corporate value over the medium to long term. With the Representative Director and Deputy President and the general manager of the Administration Division serving as the chief information disclosure officer, meetings with shareholders are arranged by the Administration Division or the Corporate Planning Division and conducted by investor relations (IR) personnel and others as a rule. IR meeting minutes are prepared and reported to the Board of Directors meeting in the following month. We give appropriate consideration to opinions and requests that we think will be beneficial.

Status of Implementation of Dialogue with Shareholders

As a means of dialogue with institutional investors, the Company held some 120 one-on-one IR meetings in the fiscal year ended March 31, 2026 in addition to holding IR meetings twice a year. Furthermore, as a means of dialogue with individual shareholders, we organize factory tours, showroom visits, and informal gatherings to enhance disclosure to and dialogue with them. In parallel, we endeavor to make corporate information more accessible, for example by disclosing medium-term management plans and IR meeting materials on our website. We have begun to disclose supplementary materials beginning with the Summary of Consolidated Financial Results for the fiscal year ended March 31, 2025, and we have also begun to disclose these materials in English beginning with the fiscal year ended March 31, 2026, improving our information disclosure through dialogue with shareholders.

Action to Implement Management That Is Conscious of Cost of Capital and Stock Price

Content of Disclosure	Disclosure of initiatives (update)
Availability of English Disclosure	Available
Date of Disclosure Update Updated	June 25, 2026

Explanation for Applicable Items **Updated**

Based on the Medium-term Management Plan “move.2027” announced in November 2023, we are promoting management that is conscious of cost of capital. Our management indicators include a target return on equity (ROE) of 10% or higher and a price-to-book ratio of 1.0 or higher, and we have adopted a dividend policy with a minimum payout ratio of 50% and a minimum DOE of 3.5%.

We will strive to further increase corporate value based on our value creation story by raising profitability in existing markets and venturing into new markets through investment in growth areas.

The Medium-term Management Plan “move.2027” is available on our website at:

<https://www.sinko.co.jp/ir/management/strategy.html>

2. Capital Structure

Foreign Shareholding Ratio	10% or more but less than 20%
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Status of Major Shareholders **Updated**

Name or Company Name	Number of Shares Owned	Percentage (%)
Meiko Co., Ltd.	13,521,000	19.85
The Master Trust Bank of Japan, Ltd. (trust account)	7,772,300	11.41
Daikin Industries, Ltd.	4,050,000	5.94

State Street Bank and Trust Company 505025 (standing proxy: Settlement & Clearing Services Department of Mizuho Bank, Ltd.)	3,322,400	4.87
MUFG Bank, Ltd.	2,231,451	3.27
Custody Bank of Japan, Ltd. (trust account)	2,131,600	3.13
Nippon Life Insurance Company	1,864,317	2.73
SINKO Employees' Shareholding Association	1,144,835	1.68
(Holding an equal number of shares) F Holdings Co., Ltd. Northern Trust Co. (AVFC) RE UKAI AIF CLIENTS NON LENDING 10PCT TREATY ACCOUNT (standing proxy: Tokyo Branch of the Hongkong & Shanghai Banking Corporation Limited)	900,000	1.32

Name of Controlling Shareholder (Excluding Parent Companies)	—
Name of Parent Company	None

Supplementary Explanation

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3. Corporate Attributes

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

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

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5. Other Special Circumstances Which May Have a Material Impact on Corporate Governance

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

1. Organizational Composition and Operation

Corporate Governance System	Company with audit and supervisory committee
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Directors

Number of Directors Stipulated in Articles of Incorporation	15
Directors' Term of Office Stipulated in Articles of Incorporation	One year
Chairperson of the Board	Chief executive officer
Number of Directors	13
Election of Outside Directors	Elected
Number of Outside Directors	6
Number of Outside Directors Designated as Independent Director	6

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Minako Adachi	From another company											
Yoshio Nakagawa	Attorney											
Shinichi Hirano	From another company											
Itsuko Fukuda	From another company											
Emiko Ikigoshi	Certified public accountant (CPA)											
Hideo Eirai	From another company					Δ						

* **Categories for Relationship with the Company:**

* “○” means that the director presently falls or has recently fallen, while “Δ” signifies the director having fallen in the past, under the category.

* “●” means that a close relative of the director presently falls or has recently fallen, while “▲” signifies a close relative of the director having fallen in the past, under the category.

- Person who executes business for the Company or its subsidiary
- Person who executes business for, or is a nonexecutive director of, the Company's parent company
- Person who executes business for the Company's sister company
- Person for which the Company is a major client or a person who executes business for said person
- Major client of the Company or a person who executes business for said client
- Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to compensation as a director or Audit and Supervisory Committee member
- Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above; applies to the director himself only)
- Person who executes business for another company with which the Company holds cross-directorships or cross-auditorships (applies to the director himself only)
- Person who executes business for an entity receiving donations from the Company (applies to the director himself only)
- Other

Name	Membership of the Audit and Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Election and Designation
Minako Adachi		○	—	<u>Reason for Election as Outside Director</u> Ms. Adachi possesses a wealth of experience and track record in corporate management accumulated as an officer for other companies, and has extensive international experience in particular. As she can be expected to advise the Company on overall management and contribute to further enhancement of its management supervisory function, the Company elected her as an outside director. <u>Reason for Designation as Independent Director</u> As Ms. Adachi has neither a special interest with the Company nor a conflict of interest with general shareholders, the Company designated her as an independent director.
Yoshio Nakagawa	○	○	—	<u>Reason for Election as Outside Director</u> Mr. Nakagawa possesses ample experience and expertise accumulated as a public prosecutor and an attorney. As he can be expected to provide objective and appropriate advice on such matters as improving the Company's internal control and enhancing its compliance, the Company elected him as an outside director who is an Audit and Supervisory Committee member. <u>Reason for Designation as Independent Director</u> As Mr. Nakagawa has neither a special interest with the Company nor a conflict of interest with general shareholders, the Company designated him as an independent director.

Name	Membership of the Audit and Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Election and Designation
Shinichi Hirano		○	—	<u>Reason for Election as Outside Director</u> Mr. Hirano possesses a wealth of experience, track record, and broad knowledge in corporate management accumulated over many years of his service as an officer for other companies. As he can be expected to advise the Company on overall management and contribute to further enhancement of its management supervisory function, the Company elected him as an outside director. <u>Reason for Designation as Independent Director</u> As Mr. Hirano has neither a special interest with the Company nor a conflict of interest with general shareholders, the Company designated him as an independent director.
Itsuko Fukuda		○	—	<u>Reason for Election as Outside Director</u> Ms. Fukuda possesses a wealth of experience and a track record in corporate management accumulated as an officer for other companies and has a high level of knowledge about the information technology field. As she can be expected to advise the Company on overall management and contribute to further enhancement of its management supervisory function, the Company elected her as an outside director. <u>Reason for Designation as Independent Director</u> As Ms. Fukuda has neither a special interest with the Company nor a conflict of interest with general shareholders, the Company designated her as an independent director.

Name	Membership of the Audit and Supervisory Committee	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Election and Designation
Emiko Ikigoshi	○	○	—	<u>Reason for Election as Outside Director</u> Ms. Ikigoshi has ample experience and broad insight gained as a CPA. As she can be expected to utilize them to enhance the Company's audit system, the Company elected her as an outside director who is an Audit and Supervisory Committee member. <u>Reason for Designation as Independent Director</u> As Ms. Ikigoshi has neither a special interest with the Company nor a conflict of interest with general shareholders, the Company designated her as an independent director.
Hideo Eirai	○	○	Mr. Eirai formerly worked for The Mitsubishi Bank, Ltd. (currently, MUFG Bank, Ltd.), one of the banks the Company mainly does business with. However, after leaving the bank, he was employed by other companies for more than 10 years before assuming the post of outside director for the Company. Also, the Company considers that the outstanding balance of the Group's loans from the bank amounting to ¥932 million as of March 31, 2026, is not significant in light of the size of its total assets.	<u>Reason for Election as Outside Director</u> Mr. Eirai possesses many years of experience at financial institutions, deep insight and abundant achievements from his service as an officer for other companies, and considerable knowledge about finance and accounting. As he can be expected to audit and supervise overall management from a wide-ranging and high-level perspective, the Company elected him as an outside director who is an Audit and Supervisory Committee member. <u>Reason for Designation as Independent Director</u> Mr. Eirai formerly worked for The Mitsubishi Bank, Ltd. (currently, MUFG Bank, Ltd.), one of the banks the Company mainly does business with. However, after leaving the bank, he was employed by other companies for more than 10 years before assuming the post of outside director for the Company. Thus, as he has neither a special interest with the Company nor a conflict of interest with general shareholders, the Company designated him as an independent director.

Audit and Supervisory Committee

Composition of the Audit and Supervisory Committee and Attributes of the Chairperson

	All Members	Full-time Members	Inside Directors	Outside Directors	Committee Chair
Audit and Supervisory Committee	5	2	2	3	Inside director

Appointment of Directors and/or Staff to Support the Audit and Supervisory Committee	Not appointed
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Reasons for Adopting the Current System

The Company has two full-time Audit and Supervisory Committee members as well as a well-functioning system that facilitates coordination and information sharing between the committee and the Internal Audit Office. For that reason, the Company has not assigned employees who assist with the committee's duties. If the committee finds it necessary to have employees who support its duties, such employees will be assigned after consultation of the Board of Directors.

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

The Audit and Supervisory Committee strives for effective coordination with the Internal Audit Office through the internal control system. Also, to ensure proper audits, the committee holds periodical meetings to exchange views and makes other efforts pursuant to the audit plan summary prepared by the Accounting Auditor.

Voluntarily Established Committee

Voluntary Establishment of Committee Equivalent to Nomination Committee or Remuneration Committee

Established

Status of Voluntarily Established Committee, and Attributes of Members Constituting the Committee and the Committee Chairperson

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Nomination and Compensation Committee	5	0	2	3	0	0	Outside director
Voluntarily Established Committee Equivalent to Remuneration Committee	Nomination and Compensation Committee	5	0	2	3	0	0	Outside director

Supplementary Explanation **Updated**

The Company has established a Nomination and Compensation Committee as an advisory body to the Board of Directors in order to strengthen the transparency, independence, and objectivity of procedures for nomination (including succession plans), compensation, and other matters relating to directors, and to enhance corporate governance. The committee comprises directors who are appointed by a resolution of the Board of Directors; and to ensure its independence, the majority of the committee members are independent outside directors, from whom the chair is appointed.

The committee's composition is as follows:

Chair: Independent Outside Director Shinichi Hirano

Members: Representative Director and Deputy President Tokuji Aota

Inside Director Masakazu Sano

Independent Outside Director Minako Adachi

Independent Outside Director Hideo Eirai

In response to consultation by the Board of Directors, the Nomination and Compensation Committee deliberates the matters listed below and reports the results to the Board of Directors.

- (1) Policy for the appointment and removal of representative directors
- (2) Contents of proposals regarding the election and dismissal of directors to be submitted to general meetings of shareholders
- (3) Policy for director compensation, etc.
- (4) Contents of proposals regarding director compensation, etc. to be submitted to general meetings of shareholders
- (5) Matters related to management governance

Matters concerning Independent Directors

Number of Independent Directors

6

Other Matters concerning Independent Directors

The Company designates all the outside directors who meet the independence criteria as independent director.

Incentives

Implementation Status of Measures Related to Incentives Granted to Directors

Introduction of performance-linked compensation and other plans

Supplementary Explanation for Applicable Items

Compensation for the Company's executive directors comprises fixed compensation, performance-linked monetary compensation, and share-based compensation (restricted share-based compensation and performance-linked share-based compensation). For further details, see "Disclosure of Policy on Determining Compensation Amounts or Calculation Methods" under "Director Compensation" below.

Persons Eligible for Stock Options

Supplementary Explanation for Applicable Items

Director Compensation

Status of Disclosure of Individual Directors' Compensation

No disclosure for any directors

Supplementary Explanation for Applicable Items **Updated**

Total annual director compensation: ¥256 million

Policy on Determining Compensation Amounts or Calculation Methods **Updated**

Established

Disclosure of Policy on Determining Compensation Amounts or Calculation Methods

The Company's 67th Annual General Meeting of Shareholders of June 28, 2016, resolved that the maximum total amount of compensation for directors (excluding directors who are Audit and Supervisory Committee members) be ¥300 million per annum (excluding the portion of employee's salary for directors who concurrently serve as employees; the number of directors [excluding directors who are Audit and Supervisory Committee members] being seven at the time of the resolution); and that the maximum total amount of compensation for directors who are Audit and Supervisory Committee members be ¥50 million per annum (the number of directors who are Audit and Supervisory Committee members being five at the time of the resolution).

In addition, the 68th Annual General Meeting of Shareholders of June 28, 2017, resolved that a restricted share-based compensation plan be introduced for the directors remunerated by the Company (excluding directors who are Audit and Supervisory Committee members; hereinafter "Eligible Directors") and that the maximum total amount of this compensation be ¥90 million per annum. The plan is aimed at incentivizing Eligible Directors to make efforts for a sustainable increase in the Company's corporate value and at aligning Eligible Directors' values more closely with those of shareholders. Under the plan, an amount corresponding to the compensation for the execution of duties for three fiscal years is paid in full in the first year of the three fiscal years, in principle (the number of Eligible Directors being six at the time of the resolution). Furthermore, the 75th Annual General Meeting of Shareholders of June 24, 2024, resolved that a performance-linked share-based compensation plan be introduced for the Company's directors (excluding directors who are Audit and Supervisory Committee members, outside directors, and non-residents) and certain senior vice presidents (excluding non-residents; hereinafter, together with directors, collectively "Director(s), etc."). The plan is aimed at motivating directors to help improve business performance and enhance corporate value over the medium to long term, by granting shares in the Company as compensation. Specifically, as the compensation for three consecutive fiscal years, the Company contributes the maximum total of ¥648 million and Directors, etc. are granted the maximum total of 324,000 shares in the Company, etc. (after adjustment for the stock split that took effect on December 1, 2024). These shares in the Company, etc. will be

delivered to Directors, etc. at the time of their retirement from the position of director or senior vice president, in principle (the number of Eligible Directors being five at the time of the resolution).

The Company's Nomination and Compensation Committee deliberates, in response to consultation by the Board of Directors, on policy for director compensation, etc. and reports the results to the Board of Directors, which in turn resolves a Policy on the Determination of the Details of Compensation, etc. for Individual Directors.

In the process of determining the compensation amounts of each director (excluding directors who are Audit and Supervisory Committee members), the director in charge of personnel matters, first of all, prepares a draft of the compensation amounts within the given limit based on the business environment, the individual's achievements, and other factors, which is then deliberated by the Nomination and Compensation Committee and the Audit and Supervisory Committee to ensure objectivity and transparency; and, referring to their opinions, the final decision is made by a resolution of the Board of Directors including outside directors.

The compensation amount of each director who is an Audit and Supervisory Committee member is determined within the given limit through discussions by directors who are Audit and Supervisory Committee members.

The compensation of executive directors comprises fixed compensation, performance-linked monetary compensation, and share-based compensation. For the fiscal year ended March 31, 2024, the ratio of fixed compensation to performance-linked one was roughly 6 to 4. The metrics for the performance-linked monetary compensation mainly consist of the Company's non-consolidated operating profit and consolidated operating profit. The reason why these profit indicators were chosen as metrics for performance-linked monetary compensation is that they best reflect the profitability of the Company's core business. Performance-linked monetary compensation is determined by multiplying the fixed compensation amount, which has been set for each position, by the performance-based payment ratio, which has been determined by comprehensively taking into account multiple factors—including the year-on-year changes in non-consolidated operating profit and consolidated operating profit, and the personal performance evaluation of each director, for that fiscal year, and the outlook on the Company's performance in and after the following fiscal year—and paid out in the following fiscal year together with the fixed compensation as monthly compensation. Furthermore, share-based compensation comprises restricted share-based compensation and performance-linked share-based compensation. Restricted share-based compensation is a scheme where shares whose transfer is restricted for a certain period are granted to each director during their term in office. Performance-linked share-based compensation is a scheme where multiple performance targets are set for each segment for which each Director, etc. is in charge, and points determined in advance are granted according to the number of performance targets achieved. The Company's shares, etc. equivalent to these points are delivered to the Director, etc. at the time of their retirement. The performance targets for each segment for which each Director, etc. is in charge are set individually for the eligible Director, etc., based on the performance targets set in the Medium-term Management Plan, and consist mainly of financial indicators related to the cost of capital, such as consolidated ROE, along with non-financial indicators relating to human capital that contributes to sustainability. From the perspective of encouraging efforts to improve corporate value, the system is designed so that any target that is not achieved is excluded entirely from the number of achieved targets.

Outside directors are paid fixed compensation only in view of their roles and independence.

In regard to the compensation, etc. of individual directors for the fiscal year ended March 31, 2024, the Board of Directors has confirmed that both the method to determine the details of compensation, etc. and the determined details of compensation, etc. are consistent, and has considered them to be in compliance, with the aforementioned Policy on the Determination of the Details of Compensation, etc. for Individual Directors.

Support System for Outside Directors

The Company supports outside directors in a variety of ways—from the provision of Board of Directors meeting materials ahead of each meeting, which is held monthly in principle, to regular communication and information sharing—mainly through the Administration Division.

Status of Persons Who Have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (Counselor, Adviser, etc.) after Retiring as Representative Director and President, etc.

Name	Job Title or Position	Responsibilities	Terms and Conditions of Employment (Full- or Part-time, with or without Remuneration, etc.)	Date When Former Role as President, etc. Ended	Term
—	—	—	—	—	—

Number of Persons Holding Advisory Positions after Retiring as Representative Director and President, etc. None

Other Related Matters

The Company presently does not retain in an advisory position any person who was its representative director and president, etc.

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

The Company has adopted, as its organizational design, the company with audit and supervisory committee system to strengthen the Board of Directors' audit and supervisory functions and enhance corporate governance further. Our corporate governance structure consists of the following bodies: the Board of Directors that makes decisions on management policy and other important matters while conducting supervision; the Audit and Supervisory Committee that audits and supervises management; and the Operating Officer System that facilitates agile operational management. In addition, we have the Nomination and Compensation Committee as a voluntarily established body that advises the Board of Directors.

The Company's Board of Directors is composed of eight directors who are not Audit and Supervisory Committee members and five directors who are Audit and Supervisory Committee members. Of the eight directors who are not Audit and Supervisory Committee members, three are outside directors of whom two are women. Of the five directors who are Audit and Supervisory Committee members, three are outside directors of whom one is a woman. Consisting of these members, the Board of Directors supervises a mechanism whereby the Group's directors, and operating officers and other employees, act in compliance with our management philosophy, code of conduct, and Articles of Incorporation, as well as with laws, regulations, and social norms.

The Board of Directors meets monthly, in principle, to make decisions on matters statutorily required to be decided by the Board of Directors, as well as matters related to important management policy or to the execution of important duties. Having clarified responsibilities and roles for business execution, the Board of Directors delegates day-to-day decision-making to operating officers and supervises the execution of duties by directors and operating officers.

Directors participate in important meetings, such as Business Supervision Meetings attended by operating officers, to seek reports on the status of business execution from, and supervise, operating officers and other employees. Moreover, the Company has signed a legal advisory agreement with a law firm, thereby securing a system in which advice can be obtained from lawyers specialized in relevant areas as needed to ensure proper business operation.

Furthermore, the Board of Directors works to build and maintain the Group's compliance framework by developing an internal control system and establishing a Compliance Office, and to safeguard all the information held by the Group by creating an Information Security Management Department.

For the fiscal year ended March 31, 2026, each director attended the following number of meetings of the Board of Directors and/or the Audit and Supervisory Committee:

- Chief Executive Officer Satoshi Suenaga
17 of 17 Board of Directors meetings
- Representative Director and Deputy President Tokuji Aota
17 of 17 Board of Directors meetings
- Director and Senior Executive Vice President Takenori Taniguchi
17 of 17 Board of Directors meetings

- Director and Senior Executive Vice President Tomoaki Fujii
17 of 17 Board of Directors meetings
- Director and Executive Vice President Noriaki Michibata
17 of 17 Board of Directors meetings
- Director Minako Adachi
17 of 17 Board of Directors meetings
- Director Shinichi Hirano
17 of 17 Board of Directors meetings
- Director Itsuko Fukuda
17 of 17 Board of Directors meetings
- Director and Full-time Audit and Supervisory Committee Member Masakazu Sano
17 of 17 Board of Directors meetings and 13 of 13 Audit and Supervisory Committee meetings
- Director and Full-time Audit and Supervisory Committee Member Hisao Kitadono
17 of 17 Board of Directors meetings and 13 of 13 Audit and Supervisory Committee meetings
- Director and Audit and Supervisory Committee Member Kenichiro Mizumura
17 of 17 Board of Directors meetings and 13 of 13 Audit and Supervisory Committee meetings
- Director and Audit and Supervisory Committee Member Yoshio Nakagawa
17 of 17 Board of Directors meetings and 13 of 13 Audit and Supervisory Committee meetings
- Director and Audit and Supervisory Committee Member Emiko Ikigoshi
17 of 17 Board of Directors meetings and 13 of 13 Audit and Supervisory Committee meetings

Note

1. Directors Minako Adachi, Shinichi Hirano, Itsuko Fukuda, Kenichiro Mizumura, Yoshio Nakagawa, and Emiko Ikigoshi are outside directors.

The Company's Audit and Supervisory Committee is composed of two full-time members, including Director Masakazu Sano who chairs the committee, and three outside members. To strengthen corporate governance and ensure statutory compliance within the Group, the committee conducts thorough audits of the operation of the internal control system and supervises day-to-day business operations, such as by attending Board of Directors meetings and other important forums and by conducting on-site audits of the Company's offices and Group companies. At the same time, the committee works hand in hand with the Internal Audit Office and Ernst & Young ShinNihon LLC, the Accounting Auditor of the Company, to enhance the effectiveness of its audits and other duties. The committee's audits and supervision are designed to ensure that the Group creates a system conducive to consistent growth and target achievement and thereby develops into a corporate group capable of contributing to a wider society.

The Audit and Supervisory Committee meets monthly in principle, and met 13 times in the fiscal year ended March 31, 2026.

The Company's Nomination and Compensation Committee is composed of two inside directors and three independent outside directors, including Independent Outside Director Shinichi Hirano who chairs the committee. The committee comprises directors who are appointed by a resolution of the Board of Directors; and to ensure its independence, the majority of the committee members are independent outside directors, from whom the chair is appointed. The committee aims to strengthen the transparency, independence, and objectivity of procedures for nomination (including succession plans), compensation, and other matters relating to directors and enhance corporate governance. Toward that end, the committee deliberates, in response to consultation by the Board of Directors, on policy for the appointment and removal of representative directors, policy for director compensation, matters related to management governance, and so forth, and reports the results to the Board of Directors.

The Company's Internal Audit Office is staffed by six personnel including the general manager. Tasked with internal audits of the Group, the office carries out those audits in accordance with its internal audit plan and reports the results to the Company's chief executive officer and Audit and Supervisory Committee members. In parallel, the office shares information and otherwise collaborates with Ernst & Young ShinNihon LLC to increase audit effectiveness.

The Company has established a Compliance Office, which is staffed by three personnel and headed by the deputy general manager of the Administration Division. The office works to build and maintain the Group's compliance framework and serves as a contact point for employees to directly communicate and consult with if they discover the possible or actual occurrence of an action that violates laws, regulations, the Articles of Incorporation, and social norms.

The Company has also established an Information Security Management Department, which is staffed by seven personnel and headed by the general manager of the Administration Division. The department aims to raise the quality of business management, primarily by properly utilizing, safeguarding, and managing the information held by the Group.

Pursuant to Article 427, paragraph 1, of the Companies Act, the Company has entered into agreements with its outside directors in regard to their liability for damages under Article 423, paragraph 1, of the act. Specifically, the agreements stipulate that, if the outside directors have acted in good faith and without gross negligence in performing their duties, their aforementioned liability for damages be limited to the total of the amounts specified in the items of Article 425, paragraph 1, of the act.

Accounting audits of the Company have been performed by Ernst & Young ShinNihon LLC, the Accounting Auditor. The state of accounting audits is as outlined below.

State of accounting audits

- Names, etc. of CPAs: Yasuhiro Takata, designated and engagement partner with limited liability; and Satoko Kawase, designated and engagement partner with limited liability
- Name of their accounting firm: Ernst & Young ShinNihon LLC
- Consecutive audit period: Since 1982
- Composition of assistants involved in audit work: Five CPAs and 19 other personnel

3. Reasons for Adoption of Current Corporate Governance System

The Company has adopted the company with audit and supervisory committee system. The reason for adopting the current system is that the establishment of the Audit and Supervisory Committee, the majority of whose members are outside directors, is expected to help us to strengthen the Board of Directors' audit and supervisory functions and enhance corporate governance further.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

	Supplementary Explanation
Early Posting of Notice of the General Meeting of Shareholders	The Company endeavors to send out notices of general meetings of shareholders as early as possible, preferably a few days earlier than statutorily required. For the 77th Annual General Meeting of Shareholders held on June 24, 2026, we sent out the notice on June 8, one day earlier than statutorily required.
Scheduling of the General Meeting of Shareholders on a Nonpeak Day	In setting the date for a general meeting of shareholders, the Company avoids dates on which other companies' shareholders meetings are generally expected to be concentrated.
Electronic Exercise of Voting Rights	The Company's shareholders can electronically exercise their voting rights via the internet, etc.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The Company has participated in the Electronic Voting Platform for institutional investors operated by ICJ, Inc.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	For each general meeting of shareholders, the Company prepares an English version of the notice (in the narrow sense) and the reference documents. The English version of these materials is submitted to the Tokyo Stock Exchange while being posted on the Electronic Voting Platform.
Other	The Notice of the 77th Annual General Meeting of Shareholders was, in advance of being sent out, posted on the Tokyo Stock Exchange's website, as well as on the IR page of the Company's website on May 29, 2026. (https://www.sinko.co.jp/ir/stock/shareholders.html)

2. Status of IR-related Activities Updated

	Supplementary Explanation	Explanation by a Representative Director or a Representative Executive Officer
Online Disclosure of IR Information	The Company posts its Summary of Consolidated Financial Results and other disclosure documents on the IR page of its website. (https://www.sinko.co.jp/ir/library/earning.html)	
Establishment of Department and/or Placement of a Manager in Charge of IR	The Administration Division or the Corporate Planning Division is in charge of investor relations, and a manager in charge of investor relations has been appointed.	

3. Status of Measures to Ensure Due Respect for Stakeholders Updated

	Supplementary Explanation
Implementation of Environmental Preservation Activities, CSR Activities, etc.	The Company has established an Environmental Policy that sets out its basic approach to environmental contribution. We have obtained ISO 14001 certification for our Headquarters in Osaka, Tokyo Headquarters, Nagoya Branch, Kanagawa Factory, Okayama Factory, and SINKO Technical Center. By leveraging that, we work to reduce, and constantly monitor, the environmental impact of our business activities ranging from manufacturing to sales. At the same time, we strive to develop, and expand sales of, products that contribute to energy conservation. The SINKO Group is also committed to fulfilling its corporate social responsibility (CSR) through business activities. We believe that environmental, social, and governance efforts are essential to our sustainable growth as a company, and thus undertake initiatives that pay attention to societal challenges. The Sustainable Development Goals (SDGs) adopted by the United Nations are aimed at creating a sustainable society. In order to contribute to the achievement of the SDGs as much as possible and help realize its vision for 2030, the Group endeavors to address societal challenges through its business activities and community outreach programs. For further details of these efforts and our other CSR activities, see the Sustainability page of our website at https://www.sinko.co.jp/sustainability/.

IV. Matters concerning the Internal Control System

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

Pursuant to the Companies Act and the Regulations for Enforcement of the Companies Act, the Group creates the following systems that ensure proper business activities:

1. Systems to ensure that the execution of the duties of the directors, etc. and employees of the Company and its subsidiaries complies with laws and regulations and the Articles of Incorporation
 - (1) The Company's Board of Directors oversees the initiatives aimed at ensuring that the Group's directors, and operating officers and other employees, act in compliance with its management philosophy, code of conduct, and Articles of Incorporation, as well as with laws, regulations, and social norms. In doing so, the Board of Directors reviews the Company's compliance framework on a periodic basis and endeavors to enhance its internal control system.
 - (2) The Board of Directors establishes a Compliance Office and seeks to build and maintain the Group's compliance framework. The Compliance Office serves as a contact point for employees to directly communicate and consult with if they discover the possible or actual occurrence of an action that violates laws, regulations, the Articles of Incorporation, and social norms.
 - (3) The Board of Directors establishes an Information Security Management Department, and endeavors to manage and safeguard the information held by the Group and the environment in which it is stored, in the interest of the maintenance, management, and improvement of the Group's information security. The Information Security Management Department works hand in hand with the Internal Audit Office to audit and supervise the information security management practices of, and provide proper advice and recommendations to, the Company's departments and offices.
2. Systems regarding retention and management of information in relation to the execution of the duties of the Company's directors

Information in relation to the directors' execution of duties are properly retained and managed in accordance with the Company's Document Management Rules. A review is made, as needed, of the efficient utilization of and security for documents as well as information recorded on electronic or magnetic media.
3. Rules and other systems related to management of the risk of loss of the Company and its subsidiaries
 - (1) Corporate risks are controlled by assessing and managing them in accordance with the Risk Management Rules.
 - (2) The Company builds and operates a risk management system so that various issues—whether related to sales, management, or overseas business conditions—are discussed and assessed at Business Supervision Meetings, in addition to Board of Directors meetings, from a Group-wide perspective, and effective measures to mitigate the risks the Group may face can be taken.
 - (3) In the event that the Group faces a crisis, the Risk Management Committee, which is overseen by the Company's chief executive officer and chaired by the director in charge of the Administration Division, takes the helm in addressing the crisis.
 - (4) The Company's Board of Directors formulates business continuity plans (BCPs) to prepare for a situation where business continuity is at risk. The Board of Directors creates and operates systems to address emergencies for quick business recovery and continuity while creating and operating BCP management systems in normal times.
4. Systems to ensure that the execution of the duties of the directors, etc. of the Company and its subsidiaries is performed efficiently
 - (1) The Company's Board of Directors meets monthly, in principle, to make decisions on matters statutorily required to be decided by the Board of Directors, as well as matters related to important management policy or to the execution of important duties. Also, it supervises the execution of duties by the Group's directors, etc.
 - (2) Under the supervision of the Board of Directors, operating officers execute their duties so that the management targets are achieved in an efficient and appropriate manner.
5. Systems to ensure proper business activities in a business group comprised of the Company and its subsidiaries
 - (1) The administration of Group companies is conducted by the department in charge thereof established pursuant to the Group Company Management Rules and is overseen by the director in charge of the Administration Division.

- (2) The Company's chief executive officer creates an Internal Audit Office that directly reports to him and is tasked with examining and assessing the status of business execution in the Group.
 - (3) Based on the reports received from the Internal Audit Office, the chief executive officer discusses how the Group's business should be improved and provides instructions on necessary actions, at Board of Directors meetings.
 - (4) The Internal Audit Office advises individual departments on the matters to be improved that were discovered through its examination of the status of business execution, and helps enhance the systems that ensure proper business activities.
6. Systems related to reporting to the Company of particulars regarding the execution of the duties of the directors, etc. of the Company's subsidiaries

The director in charge of the Corporate Planning Division has Group companies report on their operating results, financial position, and other important business matters on a regular and continuous basis.
7. Particulars related to employees to assist with the duties of the Audit and Supervisory Committee, particulars regarding independence of such employees from other directors of the Company (excluding directors who are Audit and Supervisory Committee members), and particulars related to ensuring the effectiveness of instructions given to such employees
 - (1) If the Audit and Supervisory Committee requires employees who assist with its duties, such employees will be assigned after consultation of the Board of Directors with their independence from directors (excluding directors who are Audit and Supervisory Committee members) ensured.
 - (2) Such employees will be placed under the direction of the Audit and Supervisory Committee in terms of their duty of assisting the committee.
8. Systems for the directors (excluding directors who are Audit and Supervisory Committee members) and employees of the Company and its subsidiaries, or persons who receive reports from them, to report to the Audit and Supervisory Committee, and systems for ensuring that persons who make a report are not treated disadvantageously due to making the report
 - (1) The Audit and Supervisory Committee members stay informed about how the entire Group is managed primarily by attending Board of Directors meetings and other important forums, exchanging views with the management, and inspecting important documents related to corporate decision-making.
 - (2) The Group's directors (excluding directors who are Audit and Supervisory Committee members), and operating officers and other employees, can report to the Audit and Supervisory Committee at any time regarding the matters listed below. The Company's Board of Directors establishes Rules on the SINKO Group Compliance Hotlines that apply to the entire Group and prohibit persons making reports from being treated disadvantageously.
 - Misconduct relating to the execution of duties by, as well as the violation of laws, regulations, and the Articles of Incorporation and other noncompliance committed by, directors (excluding directors who are Audit and Supervisory Committee members)
 - Facts that may cause significant damage to the Company
 - Material disclosures
 - (3) If the Audit and Supervisory Committee investigates the state of the Company's business and assets, directors (excluding directors who are Audit and Supervisory Committee members), and operating officers and other employees, will cooperate with the investigation in a swift and accurate manner.
9. Particulars related to policies concerning the procedure for advance payment or reimbursement of expenses, or any other processing of expenses or obligations, that arise with regard to execution of the duties of the Company's Audit and Supervisory Committee members (limited to the execution of the Audit and Supervisory Committee's duties); and other systems to ensure that audits by the Audit and Supervisory Committee are performed effectively
 - (1) If Audit and Supervisory Committee members request the expenses necessary for the execution of their duties, the Company will quickly process the expenses or obligations.
 - (2) In accordance with the Audit and Supervisory Committee Rules as well as with the Japan Audit & Supervisory Board Members Association's Code of Audit and Supervisory Committee Auditing and Supervising Standards, the Audit and Supervisory Committee ensures audit effectiveness and carries out proper audits in close collaboration with the Internal Audit Office and the Accounting Auditor.
10. Systems to eliminate anti-social forces

The Group severs any ties with anti-social forces that pose a threat to the order and safety of civil society, and does not take any action whatsoever that may encourage their activity. We stipulate in the SINKO Group

Code of Conduct how to deal with anti-social forces, and familiarize all Group employees with the provisions. If contacted by anti-social forces, we will deal with it in a systematic manner in cooperation with the police and other relevant bodies as needed.

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

Building on the systems to eliminate anti-social forces outlined in the Basic Views on Internal Control System and Status of Development above, the SINKO Group explicitly states in its Code of Conduct that it has no ties whatsoever with anti-social forces, and familiarizes all Group employees with this policy. We endeavor to gather information on anti-social forces through our own investigations and from relevant organizations, while developing manuals on how to deal with anti-social forces if contacted by them. In the event that they do contact us, the general affairs department and other departments will deal with it in a systematic manner in cooperation with the police and other relevant bodies.

V. Other

1. Adoption of Anti-takeover Measures

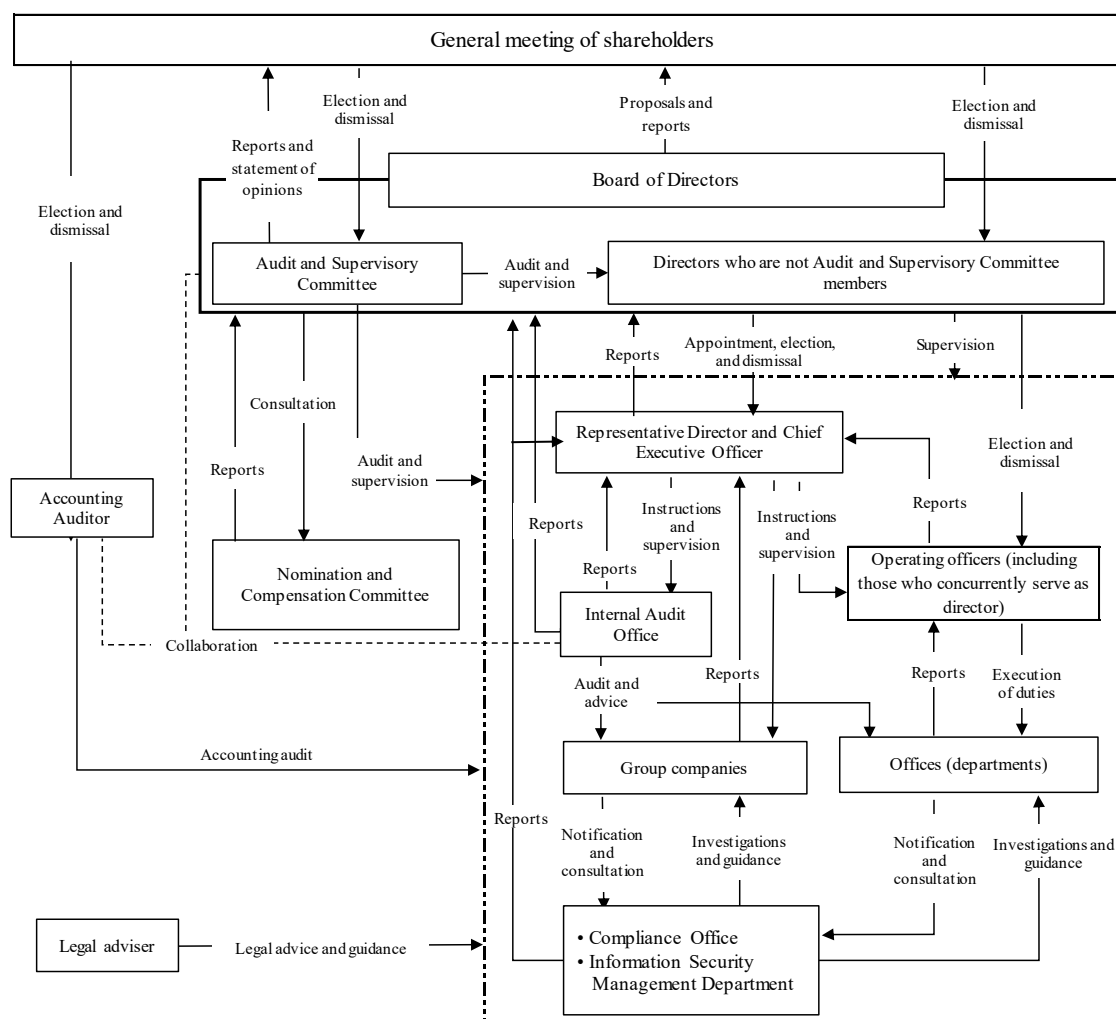
Adoption of Anti-takeover Measures	Not adopted
Supplementary Explanation for Applicable Items	

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2. Other Matters concerning the Corporate Governance System

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1. Diagram of Corporate Governance System



2. Summary Diagram of Timely Disclosure System

