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ALPS ALPINE CO., LTD.

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Securities Code: 6770, TSE Prime Market

www.alpsalpine.com/e/ir/index.html

The corporate governance of ALPS ALPINE CO., LTD. (the “Company”) is described below.

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

1. Basic Views

The Group defines corporate governance as the “establishment and operation of frameworks for realizing efficient and appropriate decision-making and execution of business affairs by senior management, prompt reporting of outcomes to stakeholders, and sound, efficient and transparent business administration, for the purpose of heightening corporate value.” Its basic approach, placing importance on maximizing benefits for stakeholders including shareholders, customers, local communities, and employees, is to maximize corporate value and deliver benefits directly or indirectly to stakeholders in a balanced way, satisfying their respective interests. Furthermore, in order to fulfill the responsibilities to all stakeholders and realize effective corporate governance as a business entity, the Company has established “ALPS ALPINE CO., LTD. Corporate Governance Policies” and disclosed the Policies on the Company’s website. (www.alpsalpine.com/e/ir/index.html)

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

The Company complies with every principle of corporate governance in accordance with Japan’s Corporate Governance Code (as revised in June 2021).

[Disclosure Based on the Principles of the Japan’s Corporate Governance Code]

Updated

[Principle 1.3 Basic Strategy for Capital Policy]

The Company’s basic policy for capital policy is to ensure sound finances by surely executing short and mid-term tasks, and to seek a balance between growth investments for future business development and strengthening competitiveness and shareholder returns in an aim to enhance corporate value.

(i) Growth investments

While selecting investments that match our business portfolio and being aware of capital efficiency, we will maximize corporate value by making growth investments such as investments to launch new businesses and new products, investments to expand production capacity for increasing production, investments in the automation of processes to address labor shortages, investments in DX to improve productivity, and M&As aimed at achieving discontinuous growth.

(ii) Sound finances

The Company is responsible for the long-term, stable supply of products to customers in the automotive, consumer product, and industrial machinery markets, and a sound financial base is required by our customers to win and maintain business. In addition, we need a sound financial base capable of handling unforeseen events such as sudden economic crises which are said to occur once in several decades or large-scale natural disasters. Our guidelines for a sound financial condition are the maintaining of a domestic credit rating of A, an equity ratio of approximately 50%, and a positive net cash balance.

(iii) Shareholder returns

We have adopted the dividend on equity (DOE) with a target of 3% in order to ensure stable and continuous returns over the medium to long term. This policy will be implemented for three years from fiscal 2025 in principle, and will be reviewed as needed when the Mid-Term Business Plan 2030 starts in fiscal 2028. Note that this policy may be revised in the event of unforeseen circumstances such as a major economic crisis during the relevant period. Regarding the acquisition of its own shares, the Company plans to repurchase its own shares for up to 20 billion yen by March 2026. As for other additional returns the Company’s policy is to make a comprehensive decision, taking into account comparisons with other investment projects, capital efficiency, and the financial position.

[Principle 1.4 Cross-Shareholdings]

The Company's basic policy is to hold cross-shareholdings only when it is judged that they will contribute to improving the Company's corporate value from a medium- to long-term perspective, with the aim of maintaining and strengthening strategic business relationships.

Furthermore, the Board of Directors annually confirms the necessity of continued holdings based on evaluation standards with respect to, among others, the purpose of holding, medium- to long-term outlook, and economic rationale, and shareholdings where the significance of holding is not recognized or shareholdings where the rationale has diminished will be sold or reduced after dialogue and negotiation with the counterparty.

The Company exercises the voting rights as to cross-shareholdings after considering the content of the proposal and determining whether the exercise will contribute to an increase in the value of stock of the company with which the Company has cross-shareholdings as well as in the Company's corporate value from the medium- to long-term perspective.

[Principle 1.7 Related Party Transactions]

The Company stipulates in the bylaws for the Board of Directors that when the Company or its related company has transactions with a Director or a company virtually controlled by a Director, approval of the Board of Directors for the transaction is required. For other related party transactions, the Board of Directors engages in deliberations regarding transactions that are worth a large amount or transactions that have a considerable impact on the company's management and credibility.

The Company has established related-party management rules as internal company rules. The Company ensures the rational justification of transactions (business necessity thereof) and the suitability of transaction conditions, and builds a system for appropriately keeping those transactions in check.

[Principle 2.4 Ensuring Diversity in Companies, Including Active Participation of Women]

The Company regards diversity, equity, and inclusion as the foundation for enhancing corporate value, and is committed to creating a workplace environment where everyone is respected and can demonstrate their abilities, regardless of race, nationality, gender, age, religion, sexual orientation, or disability. In this way, we aim to foster a creative and sustainable organization that makes the most of diverse values and perspectives.

In terms of systems, the Company has developed flexible work style arrangements tailored to life stages and individuals' values, as well as an internal job application system that facilitates autonomous career development and an educational program that supports employees' self-directed learning. These efforts are the foundation for encouraging the initiative of individual employees and facilitating the success of diverse human resources.

We are also emphasizing promotion of women's empowerment and have set targets for hiring and promotion of women, while strengthening initiatives. As a result, achievements are beginning to become evident, such as an increase in the ratio of women in management positions.

We will continue to maximize human capital and endeavor to achieve sustainable corporate growth by creating an environment in which diverse individuals respect one another, working with peace of mind and demonstrating their abilities.

[Supplementary Principle 2.4.1 Ensuring Diversity in the Promotion of Core Human Resources, such as the Promotion of Women, Foreign Nationals and Mid-career Hires to Middle Management Positions]

Based on the recognition that ensuring diversity of core human resources is the foundation for enhancing corporate value and achieving sustainable growth over the medium to long term, the Company has clearly stated its policy of accepting and promoting diverse human resources regardless of nationality, gender, age, work experience, and other factors. This policy is clearly stated in the Group's human resource policy and hiring policies, and the Company thoroughly implements fair personnel management based on ability and motivation.

Specifically, the Company is actively promoting women, foreign nationals, and mid-career hires, and the ratio of women in management positions is 4.0% in 2025. We are also strategically promoting foreign nationals and mid-career hires from the viewpoint of broadening the diversity of the perspectives of our organization, and have positioned these initiatives as part of our medium-term human resource strategy.

Furthermore, the Company has adopted "respect for humanity" as the philosophy of its personnel system and operates a treatment system based on individuals' roles, abilities and performance, regardless of age or attributes. We are also placing emphasis on supporting career design and offering diverse opportunities for self-realization so that all employees can chart their own careers, take on challenges, and grow.

As of March 31, 2025, the ratios of women, foreign nationals and experienced candidates in all management positions were as indicated in the table below.

Attributes	Ratio in management positions
Women	4.0%
Foreign nationals	1.2%
Experienced candidates	20.1%

[Principle 2.6 Fulfillment of roles as a Corporate Pension Asset Owner]

The Company's corporate pension fund is constituted of a board of representatives, an executive board and an asset management committee. The members of the board of representatives, the executive board and the asset management committee include the Company's officers of Corporate Accounting and Corporate Treasury Departments or those having expertise in management of funds including former officers of the departments. The asset management committee determines the management policy and checks the status of the fund management.

The Company's corporate pension fund selects instruments to invest in from the viewpoint of long-term and stable returns, and also ensures appropriate management after investments by monitoring the performance status of the invested instruments and compliance with the investment guidelines every month, and receiving reports from asset managers for the invested instruments every quarter over their management and performance.

[Principle 3.1 Full Disclosure]

(1) Company objectives (e.g., business principles), business strategies and business plans

The Company's corporate philosophy, management approach, and Vision 2035, and its medium- to short-term business plans are disclosed on the Company's website, in materials for briefings on earnings announcements, and in integrated reports.

The Company formulated the Mid-Term Business Plan 2027 targeting the enhancement of corporate value and achievement of a PBR of 1 or more, and ROE of 10% over the three-year period from fiscal 2024 to the end of fiscal 2027, and disclosed this plan at the financial results briefing FY2024 and at the Mid-Term Business Plan briefing held on May 29, 2025. The materials for the above briefings are available on our website.

* Corporate Philosophy, Management Approach, Vision 2035
<https://www.alpsalpine.com/e/company/vision/>

* Results Briefing FY2024 / Mid-Term Business Plan Briefing
<https://www.alpsalpine.com/e/ir/library/apx/>

(2) Basic views and guidelines on corporate governance based on each of the principles of the Code

Basic views and guidelines on corporate governance are presented in "1. Basic Views" above.

(3) Board policies and procedures in determining the remuneration of the senior management and Directors

Board policies and procedures in determining the remuneration of the senior management and Directors are presented in "II. 1. [Director Remuneration] Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof" of this report.

(4) Board policies and procedures in the appointment/dismissal of the senior management and the nomination of candidates for Directors

- Policy and procedures for the nomination

The Company has established criteria for appointment of senior management, including Directors, to ensure that individuals who have sufficient ability and qualifications are designated as Directors including the senior management. Meanwhile, the Company has made it a policy to nominate and appoint individuals who have strong capability to make management decisions, foresight, insight and other capacities as well as respect for legal compliance and high ethical standards as candidates for Director and senior management.

The Nomination Advisory Committee selects candidates for Directors and Vice Presidents through consultation with the Board of Directors by also taking into account discussions on a succession plan for the CEO and the composition of the Board of Directors, and makes recommendations to the Board of Directors.

Furthermore, in case that the Company finds any Vice Presidents not fitting the criteria for appointment, the Board of Directors resolves a dismissal.

(5) Board explanations with respect to the individual appointments/dismissals and nominations based on (4) above when appointing/dismissing senior management and nominating candidates for Directors

Explanations for the individual nominations of Directors and Audit and Supervisory Committee Members are included in the Notice of Convocation of the General Meeting of Shareholders, which is available on our website.

Notice of Convocation of the 92nd Ordinary General Meeting of Shareholders

<https://www.alpsalpine.com/e/ir/events/meeting/>

[Supplementary Principle 3.1.3 Disclosure of Sustainability Initiatives in Disclosure of Business Strategies, etc.]

The Company has set material issues (Materiality) for sustainable growth of the Company and maximization of its value, has incorporated the Materiality into policies and plans for the entire company and each division, and is promoting activities.

For details, please refer to the securities report and the Company's website.

* Securities Report (in Japanese)
<https://www.alpsalpine.com/j/ir/library/>

* Website (Sustainability activities)
<https://www.alpsalpine.com/e/csr/>

[Supplementary Principle 4.1.1 Scope of the Matters Delegated to the Management]

The Company has introduced a vice president system. By promoting substantial delegation of authority for business execution and positioning the Vice Presidents' Meeting as the main decision-making body for business execution, the Company aims to establish a flexible and strategic management system that can respond appropriately and promptly to rapid changes in the business environment.

The Board of Directors focuses on deliberation of matters stipulated by laws and regulations and the Articles of Incorporation, basic management policies, and the Mid-Term Business Plans and is strengthening monitoring and supervision of management.

Furthermore, the rules and bylaws for the Board of Directors clearly define the authority for decision-making in accordance with the scale

and nature of the business, and a system that enables efficient business execution has been established.

[Principle 4.9 Independence Standards and Qualification for Independent Outside Directors]

The Company has appointed Independent Outside Directors in accordance with requirements for Outside Directors stipulated in the Companies Act, the independence standards of Tokyo Stock Exchange, Inc. and the criteria for appointment of Directors including Outside Director independence criteria stipulated in the Company's Corporate Governance Policies. The criteria for appointment of Directors are presented in "II. 1. [Independent Officers] Matters relating to Independent Officers" of this report.

Regarding the qualifications of Outside Directors, the reasons for their appointment are stated in II 1 [Directors] Outside Directors' Relationship with the Company (2) of this report.

[Supplementary Principle 4.10.1 Involvement and Advice of Independent Outside Directors with regard to Nomination and Remuneration]

As advisory bodies to the Board of Directors, the Company has established Nomination Advisory Committee and Remuneration Advisory Committee. Independent Outside Directors form a majority on each advisory committee, which is chaired by an Independent Outside Director.

<Role of the Nomination Advisory Committee>

Through consultation with the Board of Directors, the Nomination Advisory Committee reports on matters related to the selection of candidates for and dismissal of Directors and Vice Presidents, the formulation and modification of criteria for independence of Outside Directors, the formulation and operation of a succession plan for the CEO, and the preparation and updating of the skills matrix of the Board of Directors, and so forth. This ensures the appropriateness of the decision of the Board of Directors on appointment of its members and enhances its transparency.

<Role of the Remuneration Advisory Committee>

Authorized by the Board of Directors, the Remuneration Advisory Committee deliberates on the officer remuneration system and sets specific amounts of remuneration for each Director (excluding Directors who are Audit and Supervisory Committee Members) within the limits determined by the General Meeting of Shareholders. This ensures the appropriateness of the decision of the Board of Directors on remuneration and enhances its transparency.

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

The Company has created a skills matrix listing knowledge and expertise that Directors are expected to harness in demonstrating their skills, and has disclosed it in the Notice of Convocation of the General Meeting of Shareholders, integrated reports, the Company's website, and so forth.

In addition, the appointment of candidates for Directors and Vice Presidents, the Nomination Advisory Committee recommends human resources who contribute to sustainable growth and medium to long-term creation of the corporate value of the Company to the Board of Directors in view of the balance of knowledge, experience, capabilities, diversity, etc., and the Board of Directors makes decisions.

The Company's Board of Directors consists of 11 Directors (including three women) including six Independent Outside Directors, who have extensive experience as lawyers, certified public accountants, business managers, or people with experience in the financial industry.

*** Skills Matrix**

<https://www.alpsalpine.com/e/csr/governance/>

[Supplementary Principle 4.11.2 Positions in Cases where Officers also Serve as Officers at Other Listed Companies]

The positions of the Company's officers who also serve as officers at other listed companies are presented in this report, the Notice of Convocation of the General Meeting of Shareholders, securities reports, and integrated reports, etc.

The current positions of the Company's officers who also serve as officers at other listed companies are as follows:

Noriko Oki, Outside Director	Outside Director, DISCO CORPORATION
Hidefumi Date, Outside Director	Outside Director (Member of Audit & Supervisory Committee), Sumitomo Mitsui Trust Bank, Limited
Yoko Toyoshi, Outside Director	Outside Director, Kokuyo Co., Ltd. Outside Director (Audit & Supervisory Committee Member), MABUCHI MOTOR CO., LTD.
Yuko Gomi, Outside Director	Outside Director, KOKUYO Co., Ltd.

[Supplementary Principle 4.11.3 Analysis and Evaluation of Effectiveness of the Board of Directors as a Whole]

The Company conducts an evaluation of the effectiveness of the Board of Directors once a year in order to realize effective corporate governance and further enhance the functioning of the Board of Directors by improving its effectiveness. The following is a summary of the evaluation of the effectiveness of the Board of Directors conducted in fiscal 2024.

[Objective and purpose]

The Company seeks to implement effective corporate governance and further improve the function of the Board of Directors in order to achieve sustainable growth and medium- to long-term improvement in its corporate value, while fulfilling its responsibilities to its shareholders,

customers, employees, the local community, and others. To such ends, the Company carried out an evaluation on the effectiveness of the Board of Directors of ALPS ALPINE CO., LTD. in fiscal 2024.

a. Evaluation process

- (1) The methodology and schedule for this evaluation of the effectiveness of the Board of Directors were reported at the February 2025 meeting of the Board of Directors.
- (2) In March 2025, a non-anonymous questionnaire survey of 11 members of the Company's Board of Directors regarding the evaluation of the effectiveness of the Board of Directors was conducted.
- (3) At the Management Committee meeting held on April 10, 2025 (attended by Inside Directors, Vice Presidents with special titles, and the Vice President of ESG and Legal Affairs), an exchange of opinions was held regarding the effectiveness of the Board of Directors.
- (4) At the Outside Director Liaison Meeting held on April 18, 2025 (attended by Outside Directors and Inside Audit and Supervisory Committee Members), an exchange of opinions was held regarding the effectiveness of the Board of Directors.
- (5) At the meeting of the Board of Directors held on April 22, 2025, the Board of Directors determined its evaluation of the effectiveness of the Board of Directors in fiscal 2024 after engaging in a discussion based on the content of the exchanges of opinions by the Management Committee and Outside Director Liaison Meeting.

b. Questionnaire items

The major items of the questionnaire for fiscal 2024 are as follows, with detailed subcategories under the major items to provide a multifaceted survey. The effectiveness evaluation questionnaire is reviewed annually to improve the quality of the evaluation, while certain questions are unchanged to allow for continuous measurement from year to year.

Note that in fiscal 2024, the same questions as in fiscal 2023 were asked in order to confirm the progress in resolving the issues of those items that received a low evaluation in the previous year.

In addition, free-entry questions are provided for the following items to allow the Company to absorb a variety of opinions and suggestions without being restricted by the survey items.

- Size and composition of the Board of Directors
- Operation of the Board of Directors
- Contents of deliberations of the Board of Directors
- Communication among Directors
- Support system for the Board of Directors
- Operation of the Nomination Advisory Committee and Remuneration Advisory Committee

c. Efforts in fiscal 2024 aimed at improving effectiveness

The Company's initiatives in fiscal 2024 based on the results of the evaluation of the effectiveness of the Board of Directors in fiscal 2023 are as described below.

<Improvement in the preparation of materials at management meetings, including those of the Board of Directors>

In fiscal 2024, the Company worked to provide sufficient information for the Board of Directors to deliberate on agenda and supervise the execution of business. Specifically, the Company described the content of resolutions in accordance with the management meeting agenda criteria to clarify what resolutions covered. The Company also prepared summary papers and made effective and proper use of both the main paper and its appendix.

With regard to the effectiveness evaluation questionnaire for fiscal 2024, although the Company received positive responses indicating improvement from fiscal 2023, the Company recognized the need for further improvement, as some respondents indicated that the use of many technical terms and abbreviations made it difficult to understand the information and that there were issues to be solved such as with the way materials were compiled.

<The provision of opportunities for discussion at meetings of the Board of Directors to enhance corporate value over the medium to long term>

In fiscal 2024, the order of agenda items for meetings of the Board of Directors was set according to the importance and priority of the agenda items so that important agenda items could be discussed first. In addition, important themes regarding the improvement of corporate value were set in advance as part of the annual plan to ensure that the time and opportunities for its discussion were provided.

With regard to the effectiveness evaluation questionnaire for fiscal 2024, the Company received positive responses indicating that time was secured for the discussion of important themes regarding the improvement of corporate value. On the other hand, some respondents indicated that they were sometimes unable to discuss matters as outlined in the annual plan due to the large number of items on the Board of Directors' agenda, and the Company recognized the need to review the management meeting agenda criteria (with the transfer of authority to the Vice Presidents).

<Review of the structure of the Board of Directors>

Previously, meetings of the Board of Directors were attended by Directors, with Vice Presidents also present, but in fiscal 2024, the structure of the Board of Directors was changed so that only Directors attend the meetings and Vice Presidents only attend the meetings when the agenda items are relevant to them.

With regard to the effectiveness evaluation questionnaire for fiscal 2024, the Company received positive responses indicating that communication between Inside and Outside Directors has improved and that discussions at meetings of the Board of Directors have been enhanced. On the other hand, there were also responses indicating that the above efforts have reduced opportunities for communication between Outside Directors and Vice Presidents, and the Company recognized the need for improvement in this area.

<Reviewing training opportunities and content for Directors>

In fiscal 2024, in addition to the regular Executive Training (attended by Directors and Vice Presidents), the Company conducted finance training for Vice Presidents, using an external instructor.

With regard to the effectiveness evaluation questionnaire for fiscal 2024, the Company received responses indicating that there is a need for ongoing training for Directors and Vice Presidents in order to improve the quality of discussions at management meetings.

d. Summary of the Evaluation Results of the Effectiveness for Fiscal 2024

Based on the results of the effectiveness evaluation questionnaire for fiscal 2024, the exchanges of opinions by the Management Committee and Outside Director Liaison Meeting, and discussion by the Board of Directors, the following details were confirmed regarding the effectiveness of the Board of Directors in fiscal 2024.

- The members of the Board of Directors are appropriate in number and rich in diversity, and a system is in place to ensure effective management supervision.
- Free and open discussion takes place among the Directors.
- Appropriate information disclosure and constructive responses are being provided to stakeholders (including employees, shareholders, and investors).
- The Board of Directors is able to engage in discussions regarding the Company's medium- to long-term direction and corporate strategies.

Based on a review of the above, the Company's Board of Directors has determined that the effectiveness of the Board of Directors for fiscal 2024 was properly secured. On the other hand, in order to further enhance effectiveness, it was recognized that there is a necessity to further deepen the following fiscal 2024 efforts.

- Continued improvement in the preparation of materials at management meetings, including those of the Board of Directors
- Securing time for the discussion of important themes regarding the improvement of corporate value, and enhancing content
- Providing further training opportunities for Directors and Vice Presidents
- Improving communication between officers (mainly Outside Directors and Vice Presidents)

The Company will continue to work to maintain and improve the effectiveness of the Board of Directors, including the above points, to ensure comprehensive supervision of management and to achieve the sustainable improvement of corporate value.

[Supplementary Principle 4.14.2 Policy on Training for Directors]

The Company provides opportunities for Directors and Vice Presidents to acquire knowledge so that they can fulfill their expected roles and duties appropriately. Through these efforts, the Company enhances the effectiveness of the Board of Directors.

[Directors and Vice Presidents]

In principle, we hold training for officers twice a year to acquire the knowledge necessary to solve medium to long-term management issues and to update the latest knowledge to respond to changes in the internal and external environment.

Each officer shall attend seminars and training sessions organized by external organizations as appropriate to acquire the knowledge required by each individual officer.

We conduct training for newly appointed officers when they assume office in order to facilitate their understanding of relevant laws such as the Companies Act, the corporate governance system, and important management issues.

We provide coaching opportunities and support aimed at deepening leadership and strengthening strategic thinking and decision-making skills.

[Outside Directors (including Audit and Supervisory Committee Members)]

Outside Directors shall be provided with explanations at the time of assuming office on matters such as the Company's business activities, management policies, and medium- to short-term business plans.

[Directors who are Members of Audit and Supervisory Committee]

Directors who are Members of Audit and Supervisory Committee shall make efforts to collect and share information on the audits conducted by the Audit and Supervisory Committee by joining related external organizations and other means, and to attend seminars and training programs hosted by those external organizations when needed.

[Principle 5.1 Policy for Constructive Dialogue with Shareholders]

The Company positions constructive dialogue with shareholders as an important opportunity that contributes to sustainable growth and medium to long-term improvement of the corporate value of the Company.

(1) From the perspective of emphasizing dialogue with shareholders, to the extent reasonable, Representative Directors, the Director in charge of finance, and others engage in continuing dialogues by attending results and business briefings, management meetings with investors in Japan and abroad, and so forth, and making an explanation there.

(2) For dialogue with shareholders (management meetings), taking into consideration with whom they want to talk and what are their main topics they want to talk about in the meeting, the Company determines appropriate attendees at the meeting, while the Corporate Communication Department acts as the contact point. In the selection of attendees, appropriate attendees including Outside Directors are determined.

- (3) As a means of dialogues other than individual meetings, a results briefing is held for analysts and investors after the announcement of results on a quarterly basis. In addition, opportunities for conversation with institutional investors are provided, including company information sessions utilizing conferences hosted by securities companies in Japan and abroad.
- (4) Information obtained through dialogue with shareholders is compiled by the Corporate Communication Department, the contact point for dialogue with shareholders, and reported to the management and relevant departments through Management Meetings such as the Board of Directors meetings.
- (5) The Company ensures complete control of insider information including fair dialogue (management meetings) with shareholders in accordance with the rules for controlling insider information.

[Action to Implement Management that is Conscious of Cost of Capital and Stock Price]

Content of Disclosure	Disclosure of Initiatives (Update)	Updated
Availability of English Disclosure	Available	Updated
Date of Disclosure Update	May 29, 2025	Updated

[Explanation of Actions]

Updated

Regarding our actions to implement management that is conscious of the cost of capital and stock price, we are implementing the Mid-Term Business Plan 2027 whose basic policies are to pursue high added value through the transformation of business and product portfolios, to prepare for the next main business, and to strengthen the management base so as to improve profitability and strengthen our ability to generate cash. Specifically, we will generate cash, including through the review of the business portfolio, practice of ROIC management, and the sale of non-core assets, and in addition to strengthening shareholder dividends, we will allocate resources for strategic investments in future growth areas. Through these initiatives, we aim for a PBR of 1 or more in the fiscal year ending March 31, 2027, and ROE of 10% or more in the fiscal year ending March 31, 2028.

Details of the Mid-Term Business Plan 2027 are provided in the materials for the results briefing FY2024 and in the materials for the briefing of the Mid-Term Business Plan, which are posted on the Company's website.

- * Results Briefing FY2024 / Mid-Term Business Plan Briefing
<https://www.alpsalpine.com/e/ir/library/apx/>

2. Capital Structure

Foreign Shareholding Ratio	More than 20% and less than 30%
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[Status of Major Shareholders]

Updated

Name	Number of Shares Owned (Shares)	Shareholding Ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	40,886,700	19.88
Custody Bank of Japan, Ltd. (trust account)	17,995,500	8.75
S-GRANT.CO.,LTD.	17,303,500	8.41
CITY INDEX ELEVENTH CO., LTD.	17,229,100	8.37
STATE STREET BANK AND TRUST COMPANY 505001	6,433,980	3.12
STATE STREET BANK AND TRUST COMPANY 505103	4,191,681	2.03
STATE STREET BANK AND TRUST COMPANY 505223	3,975,762	1.93
TAIJU LIFE INSURANCE COMPANY LIMITED	3,591,000	1.74
Nippon Life Insurance Company	2,750,208	1.33
JP MORGAN CHASE BANK 385781	2,738,215	1.33

Controlling Shareholder (except for Parent Company)	—
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Parent Company	None
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[Supplementary Explanation]

Updated

In the report of possession of large volume provided for public inspection, there are shareholders attributed as owning shares of the Company. However, since the Company is unable to confirm the actual number of shares held by said shareholders as of March 31, 2025, they are not included in the status of major shareholders above. The details are presented in “(1) Matters Relating to Shares (as of March 31, 2025)” of “2. Status of the Company” of the Notice of Convocation of the 92nd Ordinary General Meeting of Shareholders (available in Japanese only).

3. Corporate Attributes

Listed Stock Market and Market Section	Prime Market of Tokyo Stock Exchange
Fiscal Year-End	March
Type of Business	Electric Appliances
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net sales (Consolidated) for the Previous Fiscal year	From ¥100 billion to less than ¥1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 50 to less than 100

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

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

Updated

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

1. Organizational Composition and Operation

Organization Form	Company with audit and supervisory committee
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[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	15
Term of Office Stipulated in Articles of Incorporation	1 year
Chairman of the Board	President
Number of Directors	11
Appointment of Outside Directors	Appointed
Number of Outside Directors	6
Number of Independent Officers Designated from among Outside Directors	6

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company* ¹										
		a	b	c	d	e	f	g	h	i	j	k
Naofumi Fujie	From another company								△			
Noriko Oki	From another company											
Hidefumi Date	From another company								△			
Kazuya Nakaya	From another company								△			
Yoko Toyoshi	Certified public accountant											
Yuko Gomi	Attorney at law											

* 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; and

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

a. Executive (a person who executes business; hereinafter, the same) of the Company or its subsidiary

b. Executive or non-executive director of a parent company of the Company

c. Executive of a fellow subsidiary company of the Company

d. Party whose major client or supplier is the Company or an executive thereof

e. Major client or supplier of the Company or an executive thereof

f. Consultant, accounting professional or legal professional who receives a large amount of monetary consideration or other property from the Company besides compensation as a director

g. Major shareholder of the Company (or an executive of the said major shareholder if the shareholder is a corporation)

h. Executive of a client or supplier of the Company (which does not correspond to any of d., e., or f.) (the director himself/herself only)

i. Executive of a corporation, between which and the Company outside officers are mutually appointed (the director himself/herself only)

j. Executive of a corporation that receives a donation from the Company (the director himself/herself only)

k. Other

Outside Directors' Relationship with the Company (2)

Name	Designation as Member of Audit and Supervisory Committee	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment of the Outside Director (including reasons for designation as Independent Officer if the Outside Director has been designated as Independent Officer)
Naofumi Fujie		○	Although the Company has a transactional relationship with AISIN CORPORATION, where Mr. Naofumi Fujie formerly served as Representative Director, Executive Vice President, the Company has determined that the transactional relationship does not affect his independence given that the amount of such transactions is less than 1% of the consolidated net sales of AISIN CORPORATION and the Company for the most recent fiscal year, and given that such amount does not exceed the monetary threshold specified in the Outside Director Independence Criteria stipulated by the Company (presented in "4. Supplementary Explanation").	Mr. Naofumi Fujie satisfies the independence criteria specified in the Guidelines Concerning Listed Company Compliance, etc. as well as the Outside Director Criteria stipulated by the Company (presented in "4. Supplementary Explanation"). As such, the Company has designated him as an Independent Officer upon having accordingly determined that he is an Outside Director who does not warrant concern regarding potential conflict of interest with general shareholders.
Noriko Oki		○	—	Ms. Noriko Oki satisfies the independence criteria specified in the Guidelines Concerning Listed Company Compliance, etc. as well as the Outside Director Criteria stipulated by the Company (presented in "4. Supplementary Explanation"). As such, the Company has designated her as an Independent Officer upon having accordingly determined that she is an Outside Director who does not warrant concern regarding potential conflict of interest with general shareholders.
Hidefumi Date		○	Although the Company has transactional relationships with Mitsubishi Chemical Group Corporation and Nippon Sanso Holdings Corporation, where Mr. Hidefumi Date formerly served in executive roles, the Company has determined that the transactional relationships do not affect his independence given that the amounts of such transactions are less than 1% of the consolidated net sales of Mitsubishi Chemical Group Corporation, Nippon Sanso Holdings Corporation and the Company for the most recent fiscal year, and given that such amounts do not exceed the monetary threshold specified in the Outside Director Independence Criteria stipulated by the Company (presented in "4. Supplementary Explanation").	Mr. Hidefumi Date satisfies the independence criteria specified in the Guidelines Concerning Listed Company Compliance, etc. as well as the Outside Director Criteria stipulated by the Company (presented in "4. Supplementary Explanation"). As such, the Company has designated him as an Independent Officer upon having accordingly determined that he is an Outside Director who does not warrant concern regarding potential conflict of interest with general shareholders.

Name	Designation as Member of Audit and Supervisory Committee	Designation as Independent Officer	Supplementary Explanation of the Relationship	Reasons for Appointment of the Outside Director (including reasons for designation as Independent Officer if the Outside Director has been designated as Independent Officer)
Kazuya Nakaya	○	○	Although the Company has transactional relationships with PHC Corporation, Panasonic Corporation, and KONICA MINOLTA, INC. where Mr. Kazuya Nakaya formerly served in executive roles, the Company has determined that the transactional relationships do not affect his independence given that the amounts of such transactions are less than 1% of the consolidated net sales of PHC Corporation, Panasonic Corporation, KONICA MINOLTA, INC., and the Company for the most recent fiscal year, and given that such amounts do not exceed the monetary threshold specified in the Outside Director Independence Criteria stipulated by the Company (presented in “4. Supplementary Explanation”).	Mr. Kazuya Nakaya satisfies the independence criteria specified in the Guidelines Concerning Listed Company Compliance, etc. as well as the Outside Director Criteria stipulated by the Company (presented in “4. Supplementary Explanation”). As such, the Company has designated him as an Independent Officer upon having accordingly determined that he is an Outside Director who does not warrant concern regarding potential conflict of interest with general shareholders.
Yoko Toyoshi	○	○	—	Ms. Yoko Toyoshi satisfies the independence criteria specified in the Guidelines Concerning Listed Company Compliance, etc. as well as the Outside Director Criteria stipulated by the Company (presented in “4. Supplementary Explanation”). As such, the Company has designated her as an Independent Officer upon having accordingly determined that she is an Outside Director who does not warrant concern regarding potential conflict of interest with general shareholders.
Yuko Gomi	○	○	—	Ms. Yuko Gomi satisfies the independence criteria specified in the Guidelines Concerning Listed Company Compliance, etc. as well as the Outside Director Criteria stipulated by the Company (presented in “4. Supplementary Explanation”). As such, the Company has designated her as an Independent Officer upon having accordingly determined that she is an Outside Director who does not warrant concern regarding potential conflict of interest with general shareholders.

[Audit and Supervisory Committee]

Committee Composition and Attribute of Chairman

	Total Number of Members	Number of Full-time Members	Number of Inside Directors	Number of Outside Directors	Chairman
Audit and Supervisory Committee	4	1	1	3	Outside Director

Directors and Employees Assisting Duties of Audit and Supervisory Committee	Appointed
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Matters concerning the Independence of such Directors and Employees from Executive Director

The Company appoints assistants for Audit and Supervisory Committee Members, and establishes a secretariat for the Audit and Supervisory Committee. The independence of staff performing the relevant tasks from Directors (excluding Directors who are Members of Audit and Supervisory Committee) is ensured.

The details related to the staff who assists the duties of the Audit and Supervisory Committee are presented in “6. Matter regarding employees who assist duties of the Audit and Supervisory Committee” and “7. Matter regarding ensuring independence of the Company’s support staff for the Audit and Supervisory Committee from Directors and effectiveness of instructions for the support staff” in “IV. Matters Related to Internal Control System” below.

Cooperation among Audit and Supervisory Committee, Independent Auditing Firm, and Internal Audit Department

The Audit and Supervisory Committee regularly holds meetings with the independent auditing firm Ernst & Young ShinNihon LLC and the Compliance & Audit Office for the sake of appropriately engaging in information exchange and discussions for ensuring timely provision of mutually necessary information regarding audit plans and the status of their implementation.

Moreover, the committee aims to further improve the effectiveness of three-way audits and accordingly strives to collect information and maintain the audit environment by engaging in close communications with staff members.

[Voluntary Committees]

Voluntary Establishment of Committee(s) Equivalent to Nomination Committee or Remuneration Committee	Established
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Committee’s Name, Composition, and Chairman’s Attributes

	Committee Equivalent to Nomination Committee	Committee Equivalent to Remuneration Committee
Committee’s Name	Nomination Advisory Committee	Remuneration Advisory Committee
Total Number of Members	6	6
Number of Full-time Members	0	0
Number of Inside Directors	2	2
Number of Outside Directors	4	4
Number of Outside Experts	0	0
Other	0	0
Chairman	Outside Director	Outside Director

Committee’s Name, Composition, and Chairman’s Attributes

As advisory bodies to the Board of Directors, the Company has voluntarily established Nomination Advisory Committee and Remuneration Advisory Committee, which are designed to enhance the objectivity and transparency and improve corporate governance, with regard to matters concerning nomination and dismissal of Directors, appointment/dismissal of other officers and remuneration, etc. of Directors (excluding Directors who are Members of Audit and Supervisory Committee) and other officers.

[Independent Officers]

Number of Independent Officers	6
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Matters relating to Independent Officers

The Company has registered all six of its Outside Directors as Independent Officers with the Tokyo Stock Exchange given that they meet the requirements for Outside Directors stipulated in the Companies Act, the independence standards of Tokyo Stock Exchange, as well as the criteria for appointment of Directors including the Company’s Outside Director independence criteria.

The criteria for appointment of Directors are as follows.

ALPS ALPINE CO., LTD. Criteria for Appointment of Directors

<Provisions Common to Inside and Outside Directors>

1. The candidate has objective determination capabilities regarding management and has outstanding managerial judgment capabilities, foresight, and discernment.
2. The candidate has a strong respect for the law.
3. The candidate has an outstanding reputation and character, and a strong sense of morals.

4. The candidate is free of any health constraints that would impede the performance of duties.

<Outside Director>

1. The candidate has practical experience as a corporate manager or has experience and broad-ranging knowledge in specialized fields necessary for performing management supervisory functions.
2. The candidate is able to secure adequate time to perform duties as a Director.
3. The candidate satisfies the independence conditions concerning an independent Outside Director in light of the Independence Criteria set forth below.

<Outside Director Independence Criteria>

In the case where an Outside Director of the Company does not fall under any of the following criteria, the Company shall determine that the Director is independent and shall consider the Director to be an independent Outside Director.

1. The Director was previously employed by the Company or its consolidated subsidiary (the “Company Group”) (see note 1).
2. The Director is a major shareholder of the Company (see note 2).
3. The Director is engaged in the execution of business for a major business partner (see note 3) of the Company Group or engaged in the execution of business for a major lender (see note 4) of the Company Group.
4. The Director is a certified public accountant affiliated with an accounting firm that is an accounting auditor of the Company Group.
5. The Director is a specialist such as a consultant, attorney, judicial scrivener, tax accountant, or patent attorney who receives large amounts of money (see note 5) or other property from the Company Group.
6. The Director has received large amounts of donations from the Company Group (see note 6).
7. The Director is engaged in the execution of business for another company that has a reciprocal employment relationship of an Outside Director (see note 7).
8. The Director has a close relative (see note 8) who falls under any of 1 to 7 above.
9. The Director fell under any of 2 to 8 above within the past three years.
10. Notwithstanding the preceding items, the Company determines that there are special circumstances that give rise to a special relationship with the Company.

Note 1: A person who is currently an executive Director or in a similar position or an employee (a “Person Engaged in the Execution of Business”) or a Person Engaged in the Execution of Business who has ever been employed by the Company Group in the past.

Note 2: A major shareholder is a shareholder who holds 5% or more of the Company’s voting rights in his or her own name or in the name of a nominee at the end of the Company’s most recent business year. In the case where a major shareholder is a corporation, association, or other organization, a Person Engaged in the Execution of Business affiliated with such organization.

Note 3: A major business partner is a buyer or a supplier of the Company Group in the case where the annual transaction amount exceeds 2% of the Company’s or the other party’s consolidated net sales at the end of the Company’s most recent business year.

Note 4: A major lender is a financial institution from which the Company Group has borrowed money in the case where the balance of loans outstanding exceeds 2% of the Company’s consolidated total assets or the financial institution’s consolidated total assets at the end of the Company’s most recent business year.

Note 5: A large amount means the following according to the participation in the provision of services by the specialist.

(1) In the case where the relevant specialist provides services to the Company Group as an individual, consideration received from the Company Group (excluding Director compensation) in excess of 10 million yen annually constitutes a large amount.

(2) In the case where the relevant specialist is affiliated with a corporation, association, or other organization that provides services to the Company Group, when the total amount of consideration received by that organization from the Company Group exceeds 2% of that organization’s annual income, this constitutes a large amount; provided, however, that even if the amount of consideration does not exceed 2%, if the amount received by the organization as consideration for the provision of services in which the relevant specialist is directly involved exceeds 10 million yen annually, this constitutes a large amount.

Note 6: A person who receives donations in excess of 10 million yen annually from the Company Group (in the case of a corporation, association, or other organization, a person affiliated with such organization who is directly involved in research or other activities relating to those donations).

Note 7: The situation where a Person Engaged in the Execution of Business for the Company Group who is an Outside Director of another company and a Person Engaged in the Execution of Business for that other company is an Outside Director of the Company.

Note 8: A close relative means a spouse or a relative within two degrees of consanguinity.

[Incentives]

Implementation of Measures to Provide Incentives to Directors	Implementation of Performance-linked Remuneration and Stock Options
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Supplementary Explanation

The Company has introduced a restricted share-based remuneration system for Inside Directors other than Audit and Supervisory Committee Members with the objective of providing them with incentive to facilitate the Company's sustainable growth and increase its corporate value over the medium- to long-term, and also with the objective of facilitating further value sharing between the eligible Directors and shareholders. The details of the remuneration system for Directors are presented in "[Director Remuneration] Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof" below.

Recipients of Stock Options	
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Supplementary Explanation

[Director Remuneration]

Disclosure of Individual Directors' Remuneration	Certain details disclosed separately
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Supplementary Explanation

Updated

Details including remuneration of Directors of ALPS ALPINE CO., LTD. in the fiscal year ended March 31, 2025 are as follows.

- The total remuneration, etc. for all thirteen (13) Directors (including six (6) Outside Directors) was ¥313 million, of which, base remuneration was ¥252 million, remuneration in the form of bonuses was ¥26 million, and restricted share-based remuneration was ¥33 million.
- The total remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members; nine (9) persons, including three (3) Outside Directors) was ¥245 million, of which, base remuneration was ¥185 million, remuneration in the form of bonuses was ¥26 million, and restricted share-based remuneration was ¥33 million. Of these Directors, the total amount of remuneration for Outside Directors (three (3) persons) was ¥39 million, consisting entirely of base remuneration.
- The total remuneration, etc. for Directors who are Audit and Supervisory Committee Members (four (4) persons, including three (3) Outside Directors) was ¥67 million, consisting entirely of base remuneration. Of these Directors, the total amount of remuneration for Outside Directors (three (3) persons) was ¥41 million.
- As of March 31, 2025, ALPS ALPINE CO., LTD. has seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members and including three (3) Outside Directors) and four (4) Directors who are Audit and Supervisory Committee Members (including three (3) Outside Directors). The amount of remuneration paid to Directors (excluding Directors who are Audit and Supervisory Committee Members) does not include employee-portion salary for Directors who also serve as an employee.
- Bonuses indicate the amount of expenses recorded in fiscal 2024.
- Restricted Share-Based Remuneration indicates the amount of expenses recorded for this fiscal year.

Policy for Determining Remuneration Amounts or Calculation Methods Thereof	Established	Updated
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Disclosure of Policy for Determining Remuneration Amounts or Calculation Methods Thereof

- Policy for determining the remuneration

Under the remuneration structure focusing on linkage with performance in the short-term and the medium- to long-term, the Company stimulates actions of officers for increasing corporate performance and the share price to the maximum extent in order to sustainably improve the Group-wide corporate value. Specifically, the composition of remuneration is as follows:

- a) Remuneration for Inside Directors (excluding Directors who are Members of Audit and Supervisory Committee)

The Company's remuneration for Inside Directors (excluding Directors who are Members of Audit and Supervisory Committee) consists of fixed remuneration, performance-based bonuses and restricted shares. Performance-based bonuses are calculated based on a system that assigns points to the current performance of each performance indicator (operating income margin, profit attributable to owners of parent, return on equity) and varies within a range of 0 to 200% based on the bonus calculation criteria set in accordance with the medium to long-term business plan, relative to the standard payment amount set for each position. In addition, the Remuneration Advisory Committee evaluates individual Directors, adding or subtracting from the amount to be paid for each position calculated as described above, to reflect the achievements and performance of individual Directors in their bonuses.

Restricted shares are granted as remuneration linked to medium- to long-term performance, not only the merit of an increase in the price of the Company's stock but also the risk of a decrease in the stock price is shared with shareholders under this system. With respect to restricted shares, the Company will add ESG indicators from the perspective of medium- to long-term improvement in its corporate value and establish a system in which the share-based remuneration amounts determined by position varies within a range of 80% to 120%, based on comprehensive evaluations by multiple third-party organizations.

With respect to bonuses and restricted share remuneration for Executive Directors and Vice Presidents, the Company has introduced a clawback system under which, in the event of a serious violation of laws and regulations or other misconduct, a part or all of the

remuneration already paid is to be returned by the persons by resolution of the Board of Directors after deliberation by the Remuneration Advisory Committee. In addition, in the event of a downward revision of the business performance, which is the bonus calculation criterion, after payment, the Company will recalculate the payment rate and implement measures to require the return of all or a part of the bonuses that have already been paid.

b) Remuneration for Outside Directors and Directors who are Members of Audit and Supervisory Committee

The Company's remuneration for Outside Directors and Directors who are Members of Audit and Supervisory Committee consists only of fixed remuneration in light of their role in supervising the Company's management from an objective standpoint.

- Procedures for determining remuneration

The Company has the Board of Directors and the Audit and Supervisory Committee determine policy regarding the determination of the amount of remuneration, etc., for Directors and the method of calculation thereof. The Company determines the remuneration for Directors (excluding Directors who are Members of Audit and Supervisory Committee) at the Board of Directors meetings, and the remuneration for Directors who are Members of Audit and Supervisory Committee at the Audit and Supervisory Committee meetings, to the extent of the total amount of remuneration approved at a General Meeting of Shareholders.

Moreover, decisions on the remuneration of Directors (excluding Directors who are Members of Audit and Supervisory Committee) and other matters, within the limits of total remuneration for Directors (excluding Directors who are Members of Audit and Supervisory Committee) determined by a General Meeting of Shareholders, may be delegated with the consent of all Directors to the Remuneration Advisory Committee. Per resolution of the Board of Directors, the determination of the specific amounts, etc. of the remuneration allocation for Directors (excluding Directors who are Members of the Audit and Supervisory Committee) is carried out by the Remuneration Advisory Committee.

[Supporting System for Outside Directors (Outside Audit & Supervisory Board Members)]

To ensure appropriate and effective exercise of monitoring and overseeing of the management by Outside Directors from an independent standpoint, the Company has established a system where the Governance Promotion Department and Internal Audit Department provide Outside Directors necessary materials or explanation. The Company also provides opportunities to Outside Directors including offering tours of the Company's plants, subsidiaries and trade shows so that they can deepen their understanding.

[Status of Persons Who Have Retired from a Position Such as Representative Director and President]

Retired Representative Director and Presidents, etc. Holding Advisory or Any Other Position in the Company

Updated

Name	Title/ Position	Responsibilities	Working Form and Conditions (Full-time/Part-time, With/Without Remuneration, etc.)	Date of Retirement from Position Such as President	Term of Office
Masataka Kataoka	Honorary Advisor	Engage in activities for contributing to regional community and external activities	Part-time, Without Remuneration	June 23, 2017	Until March 31, 2026

Total Number of Retired Representative Director and Presidents, etc. Holding Advisory or Any Other Position in the Company	1	Updated
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Other Matters

Honorary Advisors are mainly involved in activities such as industry ceremonial occasions and local community group meetings and are not commissioned by the Company.

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

Updated

1) Directors, Board of Directors, Vice Presidents and Vice President Meeting, etc.

The Company's Board of Directors currently consists of seven (7) Directors (excluding Directors who are Members of Audit and Supervisory Committee and including three (3) Outside Directors) and four (4) Directors who are Members of Audit and Supervisory Committee (including three (3) Outside Directors.) Independent Outside Directors account for more than half of the Board of Directors. At meetings of the Board of Directors, decisions and reports on important matters related to management are made, and discussions are held on basic management policies, the Mid-Term Business Plan, and other matters aimed at enhancing corporate value.

In addition, in order to ensure sufficient time for discussions on initiatives related to these medium- to long-term issues, important business operations are delegated to executive directors, and the Board of Directors supervises the appropriateness of decisions and progress of matters related to business operations.

The Company has adopted a vice president system, in which the persons responsible for individual functions such as sales, technology, production, materials, quality, and management, etc., have been appointed from among them and the Directors delegated with the making of important decisions on the execution of business of the Board of Directors provide instruction and guidance to the Vice Presidents responsible so that the execution of business can be performed effectively, in accordance with the business type and size of the Company and each subsidiary. Also, by appointing a Vice President in charge of each business domain or business unit and significantly delegating executive authority to them, a system has been established that enables prompt and accurate decision-making.

Furthermore, the Company has put a system in place for Associate Vice Presidents to efficiently and swiftly execute business in specific business areas under entrustment or delegation of authority from Vice Presidents.

In addition to regular monthly Board of Directors meetings, extraordinary Board of Directors meetings are held as required to ensure that resolutions are passed following thorough deliberations. Important resolution matters are checked in advance by the Corporate Function so that legal compliance and reasonableness of the submitted proposals are ensured. Furthermore, opportunities are secured to hold discussions to deepen the deliberations on medium- to long-term management issues

The status of attendance at meetings of the Board of Directors in fiscal 2024 is as follows.

Classification	Name	Attendance at meetings of the Board of Directors
Representative Director	Toshihiro Kuriyama	7/7
Representative Director	Hideo Izumi	21/21
Representative Director	Satoshi Kodaira	21/21
Director	Koichi Endo	7/7
Director	Hiroshi Yamagami	14/14
Director	Junji Kobayashi	14/14
Director	Naofumi Fujie	21/21
Director	Noriko Oki	21/21
Director	Hidefumi Date	21/21
Director (Member of Audit and Supervisory Committee)	Kazuya Nakaya	21/21
Director (Member of Audit and Supervisory Committee)	Yasuo Sasao	21/21
Director (Member of Audit and Supervisory Committee)	Yoko Toyoshi	21/21
Director (Member of Audit and Supervisory Committee)	Yuko Gomi	21/21

* The attendance of Mr. Toshihiro Kuriyama and Mr. Koichi Endo reflects meetings of the Board of Directors held until June 26, 2024 only, as they served as Directors of the Company in fiscal 2024.

* The attendance of Mr. Hiroshi Yamagami and Mr. Junji Kobayashi reflects meetings of the Board of Directors held after their appointment as Directors on June 26, 2024.

Other matters related to the Board of Directors are as follows.

a) Number of Directors

The Articles of Incorporation state that the Company shall have up to eight (8) Directors (excluding Directors who are Members of Audit and Supervisory Committee) and up to seven (7) Directors who are Members of Audit and Supervisory Committee.

b) Resolution requirements for appointment/dismissal of Directors

The Articles of Incorporation state that Directors shall be appointed and dismissed by a resolution of a General Meeting of Shareholders passed by a majority of the votes of shareholders present, where shareholders holding one third or more of the voting rights of shareholders who are entitled to exercise their votes are present, and that cumulative voting shall not be used.

c) Matters to be resolved at a general meeting of shareholders which may be resolved at the Board of Directors

1. Acquisition of treasury shares

The Company, in order to enable the performance of flexible capital policy, and pursuant to the provisions of Article 165,

Paragraph 2 of the Companies Act, has prescribed in its Articles of Incorporation that the acquisition of treasury shares may be performed by resolution of the Board of Directors.

2. Dividend payment from surplus, etc.

As for matters listed in items of Article 459, Paragraph 1 of the Companies Act regarding dividend payment from surplus, etc., the Articles of Incorporation of the Company stipulate that the Board of Directors reserves the right to make a resolution unless otherwise provided for in laws and regulations in order to facilitate the implementation of flexible dividend and capital policies. Presently, however, year-end dividends will be deliberated, in principle, at the General Meeting of Shareholders. As for the reference dates for the dividend payment from surplus, the Articles of Incorporation of the Company stipulate that they shall be March 31 of each year for the year-end dividend and September 30 of each year for the interim dividend.

d) Overview of limited liability agreements

In accordance with the provisions of Article 29 of the Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act, the Company enters into agreements with Directors (excluding those who are executive Directors) limiting their liability for damages under Article 423, Paragraph 1 of the Companies Act. Accordingly, their liability for damages under the agreements is limited to the minimum amounts stipulated by laws and regulations.

2) Audit and Supervisory Committee

The Company's Audit and Supervisory Committee consists of a total of four (4) members, comprised of two (2) men and two (2) women, three (3) of whom are Outside Audit and Supervisory Committee Members with extensive experience as a business manager, certified public accountant, and lawyer, and one (1) of whom is an Inside Audit and Supervisory Committee Member who is familiar with our business. As an independent organization, the Audit and Supervisory Committee appoints an Outside Audit and Supervisory Committee Member as its Chairman in order to increase transparency of its activities and strengthen substantive governance. Audit and Supervisory Committee Members audit the state of business execution by Directors from an objective standpoint independent from the Board of Directors through attending important meetings, reviewing important documents, and interviewing Representative Directors, and other Directors, Vice Presidents, and employees. They also express opinions to management at meetings of the Board of Directors and other important meetings in close cooperation with the Internal Audit Department and the independent auditing firm.

The Company appoints full-time Audit and Supervisory Committee Members to strengthen the monitoring function of the Audit and Supervisory Committee, which entails obtaining information necessary for activities of the Audit and Supervisory Committee Members by exchanging information with Officers and employees on a daily basis and attending important meetings, etc. The full-time Audit and Supervisory Committee Members form audit opinions by sharing such information with other Audit and Supervisory Committee Members and exchanging information in meetings of the Audit and Supervisory Committee with a focus on key audit items.

Also, in order to assist the Audit and Supervisory Committee in its duties, full-time staff with appropriate knowledge, ability, and work experience are assigned to the Audit and Supervisory Committee, ensuring the independence of the employees in charge of said duties from Directors (excluding Directors who are members of the Audit and Supervisory Committee).

Meanwhile, the Company began conducting the evaluation of the effectiveness of the Audit and Supervisory Committee in fiscal 2022. An overview of the evaluation of the effectiveness of the Audit and Supervisory Committee for the current fiscal year is as follows.

<Overview of Effectiveness Evaluation of the Audit and Supervisory Committee>

For the purpose of improving the effectiveness of the Audit and Supervisory Committee, the Company conducts an evaluation of the effectiveness of the Audit and Supervisory Committee to review the activities in the current fiscal year and reflect the findings in the audit policy and plan for the next fiscal year. Evaluation and analysis of the effectiveness of the Audit and Supervisory Committee, which monitors and supervises the execution of duties by the Board of Directors, is a prerequisite for the effectiveness evaluation to be conducted by the Board of Directors. Furthermore, the purpose of conducting evaluation and discussions integrated with the evaluation of the effectiveness of the Board of Directors is to clarify the measures to be implemented for improvement of governance, which the Company targets, with a view to contributing to future management.

As for the methodology, four Audit and Supervisory Committee Members conducted self-evaluation of the composition and operation of the Audit and Supervisory Committee, auditing activities, accounting audits, and three-way audits, etc., including their impressions. The Audit and Supervisory Committee then discussed results of the evaluation, including verification of issues, such as management structure and management mindset, the nomination process for Directors and Vice Presidents, the Audit and Supervisory Committee's succession plan, cooperation with the Internal Audit Department, and comprehensive initiatives related to the Group's internal control using DX, and countermeasures. Then, a report will be made at a Board of Directors meeting to share the issues with management and discussions will be continued and efforts will be made to improve the Company's governance.

3) Nomination Advisory Committee and Remuneration Advisory Committee

The members of each advisory committee and the status of their attendance at such meetings in fiscal 2024 are as follows.

Position	Name	Nomination Advisory Committee		Remuneration Advisory Committee	
		Member	Attendance	Member	Attendance
Representative Director	Toshihiro Kuriyama	○	1/1		
Representative Director	Hideo Izumi	○	4/4	○	5/5
Representative Director	Satoshi Kodaira	○	3/3	○	5/5
Director	Naofumi Fujie	◎	4/4		
Director	Noriko Oki	○	4/4		
Director	Hidefumi Date			○	3/3
Director (Member of Audit and Supervisory Committee)	Kazuya Nakaya	○	4/4	◎	5/5
Director (Member of Audit and Supervisory Committee)	Yoko Toyoshi	○	3/3	○	5/5
Director (Member of Audit and Supervisory Committee)	Yuko Gomi			○	5/5

- * The “◎” symbol in the “Member” column indicates that the individual serves as the committee’s Chairman.
- * The attendance of Mr. Toshihiro Kuriyama reflects meetings of the Nomination Advisory Committee held until his retirement, as he served as a member of the Nomination Advisory Committee until June 26, 2024.
- * The attendance of Mr. Satoshi Kodaira reflects meetings of the Nomination Advisory Committee held after his appointment as a member of the Nomination Advisory Committee on June 26, 2024.
- * The attendance of Mr. Hidefumi Date reflects meetings of the Remuneration Advisory Committee held after his appointment as a member of the Remuneration Advisory Committee on June 26, 2024.
- * The attendance of Ms. Yoko Toyoshi reflects meetings of the Nomination Advisory Committee held after her appointment as a member of the Nomination Advisory Committee on June 26, 2024.

Details on deliberations of each advisory committee are as follows.

Classification	Deliberations
Nomination	<p>The Nomination Advisory Committee deliberates on CEO succession plans enlisting advice from the Board of Directors and also makes recommendations to the Board of Directors regarding candidates for Directors and Vice Presidents.</p> <p>In fiscal 2024, the Nomination Advisory Committee held four meetings, during which it organized issues related to the officer structure for fiscal 2026 and beyond and deliberated on the fiscal 2025 officer structure, and made recommendations to the Board of Directors.</p> <p>The Nomination Advisory Committee also deliberated on the introduction of an Associate Vice President system in order to strengthen the effectiveness (execution and speed) of business execution and to promote the enhancement of management areas in corporate governance.</p> <p>The Nomination Advisory Committee continues to discuss the succession plan and the selection of candidates for officers.</p>
Remuneration	<p>The Remuneration Advisory Committee, delegated by the Board of Directors, deliberates on the officer remuneration system, and furthermore determines specific amounts, etc. of remuneration for each Director (excluding Directors who are Members of Audit and Supervisory Committee) within the limits of total remuneration for Directors (excluding Directors who are Members of Audit and Supervisory Committee) determined by a General Meeting of Shareholders as delegated by the Board of Directors.</p> <p>The Remuneration Advisory Committee met five times in fiscal 2024 to deliberate on matters such as remuneration levels and remuneration composition, as well as indicators and evaluation standards for performance-linked remuneration, in light of survey data of external specialist organizations. In addition, the Committee evaluated the degree of contribution of each officer to performance in fiscal 2024 and reflected such results in each officer’s</p>

	<p>performance-linked remuneration.</p> <p>While promoting decisive decision-making by officers, the committee deliberated on the introduction of clawback provisions from the perspective of strengthening corporate governance and securing the trust of investors and stakeholders.</p>
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4) Sustainability Committee

The Sustainability Committee, consisting of all Vice Presidents, has been established as an organization to manage sustainability activities. Incorporating sustainability issues into mid-term and short-term business plans, each division addresses these issues. The Committee meets quarterly to manage the progress of initiatives, evaluate initiatives, and deliberate on individual measures. In addition, the Committee reports regularly to the Board of Directors four times a year.

5) Independent auditing firm

The Company has appointed Ernst & Young ShinNihon LLC as its independent auditing firm. The independent auditing firm deepens mutual cooperation by exchanging information with the Internal Audit Department and the Audit and Supervisory Committee in a timely manner.

6) Compliance & Audit Office

The Company has set up the Compliance & Audit Office as a body under the direct control of the Representative Director, President & CEO. In the internal audit area, the Compliance & Audit Office tests and evaluates effectiveness and efficiency of operations through internal auditing of the Company and domestic and overseas related companies. It also works to enhance the checking function and provide suggestions for business improvements, for example by reporting audit results to the Board of Directors and Audit and Supervisory Committee.

In the compliance area, the Compliance & Audit Office works to promote establishment and operation of systems for ensuring the appropriateness of operations to comply with corporate ethical standards, laws and regulations, social norms, the ALPS ALPINE GROUP CODE OF CONDUCT and in-house regulations, while aiming for business management ensuring legal compliance in cooperation with internal related departments.

7) Corporate Function

The Company's Corporate Function cross-functionally promotes various activities that include formulation and promotion of corporate strategies, planning, proposal and promotion of corporate governance, etc., performance management, public relations, IR and SR, and sustainability activities, and strengthens initiatives to appropriately disclose information.

3. Reasons for Adoption of Current Corporate Governance System

Through the corporate governance system described above, the Company strives to effectively and efficiently improve the functions of business execution and management oversight.

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures to Energize General Meeting of Shareholders and Smooth Exercise of Voting Rights

Updated

	Supplementary explanations
Early Notification of General Meeting of Shareholders	The Company strives to send out the Notice of Convocation as early as possible so that shareholders can exercise their voting rights after fully considering the status of the Group's business and the content of the proposals on the agenda. The Company also provides disclosures before sending out the Notice of Convocation. The Notice of Convocation of the 92nd Ordinary General Meeting of Shareholders was sent on June 4, 2025 and posted on the Company's website on May 28, 2025, prior to being sent out.
Scheduling General Meeting of Shareholders Avoiding the Peak Day	The Company set the date of the General Meeting of Shareholders each year to avoid peak days and semi-peak days. The 92nd Ordinary General Meeting of Shareholders of the Company was held on June 25, 2025.
Allowing Electronic or Magnetic Exercise of Voting Rights	The Company allows the exercise of voting rights via the Internet.
Participation in Electronic Voting Platform and Other Efforts to Enhance the Voting Environment for Institutional Investors	The Company has adopted the electronic voting rights exercise platform for institutional investors operated by ICJ, Inc.
Providing Notice of Convocation in English (Translated Fully or Partially)	The Company prepares the English version of the Notice of Convocation (summary) to facilitate exercise of voting rights by foreign shareholders. In 2025, it was disclosed on May 28, the same day as the Japanese version.

2. IR Activities

Updated

	Supplementary Explanations	Explanation by Representative
Preparation and Publication of Disclosure Policy	In accordance with relevant regulations and rules of securities exchanges, whether to disclose the important corporate information and the content, timing of such disclosure and others are examined under the leadership of the Corporate Communication Department. The Company has established the system for collecting information promptly and exhaustively in-house.	
Regular Investor Briefings for Analysts and Institutional Investors	Representative Directors and officers in charge of IR explain financial results at annual and quarterly briefings on earnings announcement. Each briefing is held after the announcement of the earnings summary, and the contents of the briefings are disclosed on the website of the Company, etc. In addition, officers in charge of IR and the General Manager of Corporate Communication Department hold individual meetings for analysts and institutional investors.	Yes
Regular Investor Briefings for Overseas Investors	The Representative, the General Manager of Corporate Communication Department and the IR department conduct individual meetings with overseas institutional investors several times a year.	Yes
Posting of IR Materials on Website	A webpage for IR library (www.alpsalpine.com/e/ir/index.html) has been set up within the Company's website. Timely disclosure information, materials for briefings on earnings announcement, bulletins for shareholders, the IR-related schedule, etc. are posted on the webpage.	

	Supplementary Explanations	Explanation by Representative
Establishment of Department and/or Manager in Charge of IR	In an effort to enhance strategic communication of information, the Corporate Communication Department was established in the Corporate Planning Department to assume IR function.	
Other	The Company issues and sends a bulletin for shareholders to them semi-annually. The content of the bulletin is also available on the Company's website.	

3. Measures to Ensure Due Respect for Stakeholders

Updated

	Supplementary Explanations
Provisions to Ensure Due Respect for Stakeholders in In-house Rules, etc.	The Company has established “Strive for Value,” “Harmony with Nature,” “Contribute to Society,” “Respect for the Individual,” and “Fair Management” as its Business Approach, under its corporate philosophy of “creating new value that satisfies stakeholders and is friendly to the Earth.” It has accordingly formulated the ALPS ALPINE GROUP CODE OF ETHICS to incorporate the commitment of the Company and the behavior that employees should bear in mind as it seeks to realize the corporate philosophy and the Business Approach. The Company is expanding this globally, and striving for management that respects the viewpoint of stakeholders.
Implementation of Environmental Activities, CSR activities, etc.	<p><Sustainability activities></p> <p>The Company believes that sustainability management is an important issue not only to meet the demands of society and customers and to comply with laws and regulations but also to achieve sustainable growth far into the future and to create social and economic value. By setting materiality including sustainability issues, incorporating them into the mid-term business plans of the entire company and each division and department, and promoting activities, we aim to realize our corporate philosophy of “creating new value that satisfies stakeholders and is friendly to the Earth.”</p> <p>The Sustainability Committee was reorganized in fiscal 2025 as a part of the Company's management meetings. The Board of Directors is responsible for supervising sustainability issues, while the Sustainability Committee manages the progress of activities at each division, discusses issues, and reports to the Board of Directors, thereby enabling management-level consideration of issues and increasing the speed of decision-making. At the same time, officers in charge of each materiality related to sustainability have been clarified in order to further strengthen sustainability management.</p> <p><Environmental activities></p> <p>With regard to environmental preservation activities, we have established “promotion of resource recycling,” “adaptation to and mitigation of climate change,” and “strengthening of chemical substance management to reduce environmental impact” as our materiality, and aim to achieve zero GHG emissions throughout our value chain in fiscal 2050.</p> <p>For the “adaptation to and mitigation of climate change,” we are working to reduce GHG emissions (Scope 1 and 2) through promotion of energy conservation, introduction of solar power generation equipment, and procurement of renewable energy sources. In addition, for the reduction of GHG emissions (Scope 3), we are also working to identify and reduce GHG emissions from purchased parts. Furthermore, in order to reduce GHG emissions in the products we sell, we are developing a system for calculating product carbon footprints and applying this system to our product development process.</p> <p>For the “promotion of resource recycling,” we are expanding our lineup of environmentally friendly products and promoting the recycling of waste.</p> <p>For the “strengthening of chemical substance management to reduce environmental impact,” we are working to strengthen management of chemical substances contained in products and chemical substances related to business sites.</p>
Formulation of Policies for Information Provision to Stakeholders	In each of operational rules, the disclosure in a timely and appropriate manner is prescribed as a policy regarding information provision to stakeholders.
Other	—

IV. Matters Related to Internal Control System

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

Updated

Acknowledging the Founding Spirit (ALPS ALPINE Precepts) as the origin of Group management, we have established its corporate philosophy, the ALPS ALPINE Business Approach, the ALPS ALPINE GROUP CODE OF CONDUCT and the ALPS ALPINE Group Management Regulations. We have established a fundamental philosophy and action guidelines relating to the Group management, compliance and environmental conservation that apply to the Company and its subsidiaries. The following section provides details on basic policy resolved by the Board of Directors in relation to putting in place systems for ensuring the appropriateness of operations, in line with the aforementioned principles, and an overview of the operating performance of such systems.

1. System for ensuring that Directors and employees of the Company and directors and employees of its subsidiaries conform to laws and regulations and to the Articles of Incorporation
 - (1) To act responsibly and sensibly in the aim of fair management in keeping with the purpose of laws and regulations, social requirements and corporate ethical standards, the Company has declared a statement of fundamental compliance philosophy and action guidelines and established in-house regulations clarifying specific contents of them.
 - (2) The Company designates candidates for Outside Directors that are independent with no interests (hereinafter referred to as “Independent Outside Directors”). To deliberate and make decisions on management policy and important managerial matters at the Board of Directors meetings that Independent Outside Directors attend, and to supervise each Director’s execution of duties, the Company has clearly defined specific contents and standards of matters to be resolved and reported in its rules for the Board of Directors and set criteria for appointment of candidates for Director so that a person who has ability and qualifications for such deliberation, decision-making and supervision is appointed as Director at the General Meeting of Shareholders.
 - (3) To assure legal compliance of resolution of the Board of Directors, the Company has put in place a check system for legal compliance of submitted proposals.
 - (4) To foster sound corporate climate, the Company provides compliance education to its officers and employees.
 - (5) In order to ensure compliance with laws, regulations, and the Articles of Incorporation in the performance of duties by Directors and Employees of the Company’s subsidiaries, the Company has put in place a system for providing guidance and management on business management of subsidiaries. In addition, the Company supports establishment of a structure for compliance and related activities, according to the status of the subsidiaries and other factors.

- Overview of operating status

The Company has established the ALPS ALPINE GROUP CODE OF CONDUCT, has prescribed various in-house regulations to clarify the specific details of the code, and aims to make officers and employees well aware through internal education, including compliance education. In addition, advice and support is provided to group companies, such as subsidiaries, for activities relating to the promotion of compliance and the construction of an internal control system, etc.

The Company has established the Nomination Advisory Committee and the Remuneration Advisory Committee as advisory bodies to the Board of Directors. Independent Outside Directors form a majority on the advisory committees, each of which is chaired by an Independent Outside Director. The Nomination Advisory Committee selects candidates for Directors and Vice Presidents through consultation with the Board of Directors and makes recommendations to the Board of Directors. Furthermore, the Remuneration Advisory Committee determines specific amounts, etc. of the remuneration allocation for Directors excluding Audit and Supervisory Committee Members after the resolution by the Board of Directors.

In fiscal 2024, management policies and specific important matters were deliberated and decided based on the agenda standards stipulated in the rules and bylaws for the Board of Directors, and in addition, reports were received from each Director and Vice President on the execution of business. In addition, in order to ensure the legality of resolutions of the Board of Directors, agenda items are checked beforehand by the Vice Presidents in charge of management and the Corporate Function, based on the prior confirmation regulations.

2. Structure for storage and management of information on execution of duties by the Company’s Directors and report of matters regarding execution of duties by its subsidiaries’ directors, etc. to the Company
 - (1) The Company has stipulated basic matters on document control in the in-house regulations, and appropriately records, stores, and manages information related to the execution of duties by Directors.
 - (2) The Company has put in place the reporting system for report of matters regarding execution of duties by its subsidiaries’ directors, etc. to the Company, taking into account each company’s role, function and other factors.

- Overview of operating status

Based on the rules and bylaws for the Board of Directors and the rules and bylaws for the Vice President Meeting, the Company creates and stores minutes and manages information pursuant to the Document Control Regulations and Information Management Regulations. In addition, the Company has established a basic policy for information security and is emphasizing education for employees and others to ensure appropriate information management.

The Company receives reports from its subsidiaries on important matters regarding group management based on the Management Policy.

3. Rules and other structures for managing risks of loss of the Company and its subsidiaries
 - (1) To manage risks of the Group as a whole integrally and share information, the Company has established in-house regulations on risk management and put in place the structure for management and reporting on various risks.

- (2) The Company has put in place the structure for prior deliberation with and reporting to the Company on certain risks relating to its subsidiaries. For its subsidiaries, the Company makes each company have in place the system in accordance with the Company's regulations on risk management and provides necessary support to them according to their situation.

- Overview of operating status

The Company, under the risk management basic policy, has prescribed Risk Management Policy and other regulations, and has established and operates a system for the management and reporting of risks that may have a significant effect on business. If an event occurs in a base or in a region where a base is located that involves the suspension of business activities or the possibility of such a suspension, a companywide Crisis Management Headquarters will be established and consider and make decisions on response policy, measures, and plans.

A risk management system has been established at each subsidiary of the Company, in accordance with the size and business type of the respective company. Subsidiaries hold discussions and file reports to the Company concerning risk, based on the Management Policy.

4. Structure for ensuring effective execution of duties by Directors of the Company and directors of its subsidiaries

- (1) The Company delegates part of execution of important duties of the Board of Directors to Directors, and Vice Presidents to whom authority has been delegated from Directors executes duties efficiently and promptly. A structure is built to ensure efficient business management by Directors and Vice Presidents reporting the status of duties being executed to the Board of Directors on a regular basis.
- (2) The Company deliberates and makes decisions on the Mid-Term Business Plan at the Board of Directors meeting, and each Director acts to achieve objectives set in the plan and reports the progress at the Board of Directors meeting.
- (3) The Company has established classification for operational management of subsidiaries based on the Group-wide basic policy and strategy and established a structure for ensuring effective execution of business affairs in consideration of this classification. In addition, the Company has in place a system for providing guidance on business management and operations and managing performance according to circumstances of each of the Company's subsidiaries.

- Overview of operating status

The Company has adopted a vice president system, and day-to-day business execution is handled by Vice Presidents to ensure efficient and swift decision-making. In addition, the Vice President Meeting deliberates on management policies and plans, makes decisions on important business execution, receives reports on the progress of management policies and budgets, and conducts evaluation, which will lead to improvement.

The Company holds quarterly meetings of the Outside Directors Liaison Meeting for the sake of sharing information between Independent Outside Directors and using such meetings as opportunities for exchange of opinions that transcends individual areas of expertise.

The Company's Board of Directors decides on a Mid-Term Business Plan once every three years and Directors and Vice Presidents report monthly to the Board of Directors and the Vice President Meeting on the progress status of the plan in their area of responsibility. The progress of the plan is also shared at quarterly meetings of the Management Meeting consisting of senior executives from domestic and overseas bases.

5. Other structures for ensuring the appropriateness of operations in the corporate group consisting of the Company and its subsidiaries

- (1) The Company has established a fundamental philosophy and action guidelines relating to the Group's compliance that apply to the Company and its subsidiaries and shares them within the Group as common values.
- (2) The Company has set appropriate standards for pricing of intra-group transactions.
- (3) To ensure prevention, early discovery and correction of violation of corporate ethical standards, in-house regulations and laws and regulations, the Company has put in place an internal reporting system and makes the contact point for reporting known regularly in the Company and its subsidiaries.
- (4) The Company's Internal Audit Department conducts an audit of overall activities relating to business management and businesses of the Company and its subsidiaries and reports results of the internal audit to the Board of Directors as well as the Audit and Supervisory Committee and independent auditing firm.
- (5) The Company's Audit and Supervisory Committee makes efforts to communicate and exchange information with directors and audit & supervisory board members, etc. of the Company's subsidiaries and receive a report on businesses from those subsidiaries where needed.

- Overview of operating status

The Company conducts transactions within the Group appropriately, based on the Group Company Transaction Pricing Standards.

The Company has established an Ethics Hotline as an internal reporting system, and the contact information for reports, etc. is made well known through publication in the company bulletin, as well as on the homepage of the Company's portal site, etc. The operating status of the Ethics Hotline is regularly reported to the Company's Board of Directors and the cumulative number of incidents handled during the respective fiscal year is posted on the Company's internal portal website, to report proper operating status of the hotline.

The Internal Audit Department conducts internal audits of the Company and its subsidiaries, pursuant to internal audit plans, including the effectiveness and efficiency of operations, reliability of financial reporting, and the status of design and operation of key compliance items. The internal audit results are reported to the Board of Directors and the Audit and Supervisory Committee.

The Company's Audit and Supervisory Committee Members regularly visit domestic subsidiaries and conduct interviews with their presidents and audit & supervisory board members, etc. In addition, the Audit and Supervisory Committee Members also engage in initiatives that involve conducting interviews with the presidents and other staff of overseas subsidiaries during their business trips to Japan and overseas onsite visits, gaining an understanding of local situations, the status of the execution of business plans, issues, etc., and providing advice and proposals. The results were reported to the Board of Directors, and in the event of issues such as those related to the internal control being identified, requests for the necessary improvements are made, and company-wide initiatives are embarked upon to correct such issues. Furthermore, full-time Audit and Supervisory Committee Members regularly share information with the executives of the business execution divisions and the Internal Audit Department.

6. Matter regarding employees who assist duties of the Audit and Supervisory Committee

The Company has set up a department assisting duties of the Audit and Supervisory Committee and appointed dedicated staff (hereinafter referred to as "support staff for the Audit and Supervisory Committee").

- Overview of operating status

Based on the rules for the Audit and Supervisory Committee, the Company has set up a department assisting duties of the Audit and Supervisory Committee and has appointed support staff for the Audit and Supervisory Committee, who have relevant knowledge, abilities, and job experience, as necessary.

7. Matter regarding ensuring independence of the Company's support staff for the Audit and Supervisory Committee from Directors and effectiveness of instructions for the support staff

- (1) Support staff for the Audit and Supervisory Committee shall not assume other duties and shall follow directions and orders solely from the Company's Audit and Supervisory Committee.
- (2) The Company makes a personnel change and conducts performance review for support staff for the Audit and Supervisory Committee with Audit and Supervisory Committee's agreement, etc.

- Overview of operating status

In accordance with the Audit and Supervisory Committee Audit Standards, the Company ensures the independence of support staff for the Audit and Supervisory Committee from executive departments, and personnel change and performance review are conducted under the consent, etc. of the Audit and Supervisory Committee.

8. Structure for reporting by the Company's Directors and employees to its Audit and Supervisory Committee

- (1) The Company has in place the structure for reporting on any serious internal misconduct or any important matter that may cause significant damage to the Company by Directors to the Audit and Supervisory Committee.
- (2) The Company has in place the structure that enables employees to directly or indirectly report any serious internal misconduct or any important matter that may cause significant damage to the Company to the Audit and Supervisory Committee through reporting to the Ethics Hotline contact point, etc.

- Overview of operating status

The Company regularly sets up a forum for the Directors in charge of the Corporate Function to explain and seek opinions of the Audit and Supervisory Committee in advance on proposals to be submitted to the Board of Directors. In addition, the Company has established an environment that enables Directors of the Company and its subsidiaries to report directly or indirectly to the Audit and Supervisory Committee in a timely manner if they become aware of or recognize any important matter that may significantly affect the Company's management or involve internal misconduct.

In the event that employees of the Company or its subsidiaries become aware of any serious internal misconduct or any important matter that may cause significant damage to the Company, the Company has in place and operates a system for reporting the incidents to the officer in charge as incident reports. In addition, the Company also has in place and operates an internal reporting system that allows reporting to the Ethics Hotline, whose contact points include Audit and Supervisory Committee Members.

9. Structure for reporting by directors, audit & supervisory board members, employees, etc. of the Company's subsidiaries or a person who received a report from any of them to the Company's Audit and Supervisory Committee

- (1) The Company has in place the structure for reporting on its subsidiary's serious internal misconduct or any important matter that may cause significant damage to the subsidiary by the subsidiary's directors and audit & supervisory board members directly or through the Company's Director in charge, etc. to the Company's Audit and Supervisory Committee.
- (2) The Company has in place the structure that enables employees of the Company's subsidiaries to report directly or indirectly to the Company's Audit and Supervisory Committee through reporting to the Ethics Hotline contact point, etc.

- Overview of operating status

For serious internal misconduct or an important matter that may cause significant damage to a domestic subsidiary of the Company, an

Incident Report Manual, an Ethics Hotline, etc. are established, operated and publicized as a system that allows for directors, audit & supervisory board members, employees or other people of the subsidiary to directly or indirectly report to the Audit and Supervisory Committee of the Company.

An internal reporting system has been established at major subsidiaries, guidance is provided so that their employees are able to use this, and in addition, the operation status of this is regularly monitored by the Ethics Hotline Secretary Office of the Company, and the results are reported to the Vice Presidents in charge of management of the Company and the Audit and Supervisory Committee.

10. Structure for ensuring that a person who reported to the Audit and Supervisory Committee is not treated unfavorably for the report

The Company has stipulated in in-house regulations that it is prohibited to treat Directors, Audit and Supervisory Committee Members, employees or other people at the Company and directors, audit & supervisory board members, employees or other people at its subsidiaries unfavorably because he or she reported to the Audit and Supervisory Committee.

- Overview of operating status

The Company has stipulated in its internal regulations that it is prohibited to treat Directors, Audit & Supervisory Board Members, employees or other people at the Company and its subsidiaries unfavorably because he or she reported to the internal reporting contact point, etc.

11. Other structure for ensuring that the audit by the Audit and Supervisory Committee is conducted effectively

- (1) Audit and Supervisory Committee Members may have meetings with Directors, Vice Presidents and executive-level employees regularly and as needed, for example by attending important in-house meetings such as business plan meetings.
- (2) The Audit and Supervisory Committee may use, if it is necessary in performing an audit, external experts in addition to an audit by Internal Audit Department by resolution of the Audit and Supervisory Committee.
- (3) The Audit and Supervisory Committee may have meetings regularly and as needed to ensure close cooperation with the Internal Audit Department and independent auditing firm.

- Overview of operating status

Audit and Supervisory Committee Members may have meetings with Directors, Vice Presidents and executive-level employees including managers of the Corporate Function regularly and as needed, for example by attending important meetings such as the Board of Directors and business plan meetings.

Per resolution of the Audit and Supervisory Committee, the Audit and Supervisory Committee Audit Standards expressly state the permissibility of using external experts. Meanwhile, the costs for audits by Audit and Supervisory Committee Members are budgeted for under the audit plan. The Company has established a policy regarding procedures for prepayment or reimbursement of expenses incurred in the performance of duties by Audit and Supervisory Committee Members, and implements such policy appropriately.

The Audit and Supervisory Committee holds meetings with the independent auditing firm and the Corporate Accounting Department to report the results of audits, etc. and holds additional meetings for discussions as needed. In addition, regular and ad hoc meetings are held with the Internal Audit Department, including monthly meetings and a Group Audit and Supervisory Committee Liaison Meeting, to share information and issues and hold discussions.

2. Basic Views on Eliminating Anti-Social Forces and Progress of Related Efforts

The Group adheres to its policy of having no relation with anti-social forces and groups that pose a threat to order or safety in civil society and steadfastly refusing any request from such forces and groups.

The Group has set up a body that controls handling of anti-social forces and groups in the Human Resources and General Affairs Departments and put in place a structure for cooperation with relevant internal departments and external specialized agencies including the police. To respond to unreasonable demands, education is also provided, such as by carrying out in-house training for the corresponding departments.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not adopted
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2. Other Matters Concerning Corporate Governance System

Updated

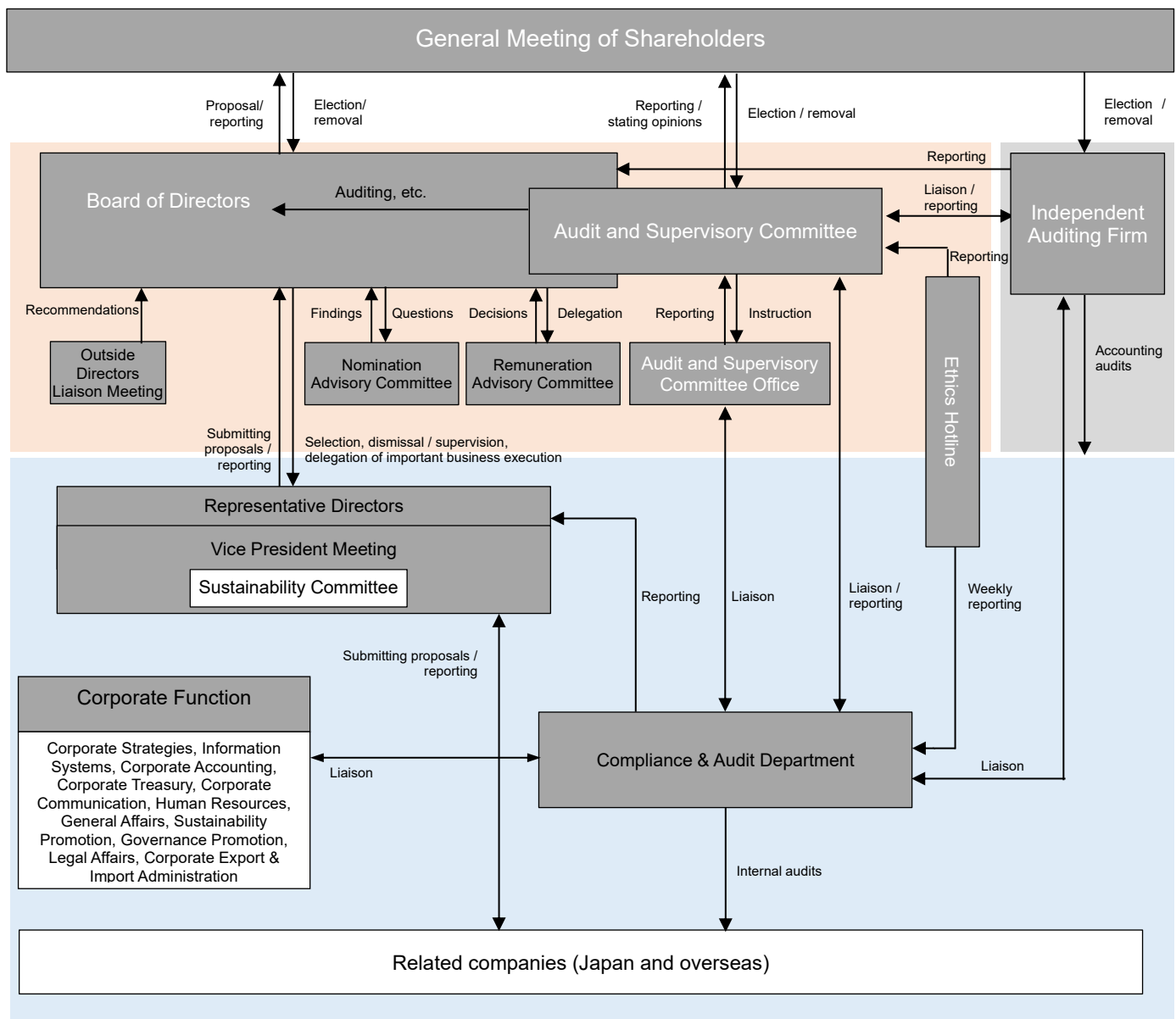
- Overview of the timely disclosure system

1. Establishment of a body responsible for disclosure

- (1) The General Manager of Corporate Communication Department is responsible for handling information in timely disclosure, and the Corporate Communication Department is in charge of inquiries on the timely disclosure guidebook of the Tokyo Stock Exchange (the “Timely Disclosure Guidebook”).
- (2) For corporate information produced in and out of the Group including subsidiaries, each department in the Administrative Function endeavors to collect facts from the department managing the information and shares them in the Administrative Function.
- (3) For corporate information on financial results, the Director in charge of finance reports the progress and definitive results on a quarterly basis to the Board of Directors, which subsequently resolves such matters.

2. Establishment of procedures for timely disclosure

- (1) The General Manager of Corporate Communication Department discloses corporate information deliberated at the Board of Directors meetings in accordance with the Timely Disclosure Guidebook.
- (2) The General Manager of Corporate Communication Department discloses corporate information produced internally and externally after discussions at the Board of Directors meetings, etc. by Directors and Vice Presidents (or responsible persons) in accordance with the Timely Disclosure Guidebook.
- (3) Financial closing information is shared by the Director in charge of finance with the Corporate Function after deliberations and decisions on such information at the Board of Directors meeting, and is disclosed in accordance with the Timely Disclosure Guidebook. This corporate information is reported to all Directors and persons in charge, etc. of consolidated companies by email simultaneously with being made public, and the Company also swiftly discloses the information on its website.



Explanatory notes: Monitoring Operation Accounting audits

[In-house Structure for Timely Disclosure]

