

Corporate Governance Report		Toyoda Gosei Co., Ltd.
CORPORATE GOVERNANCE		Last Update: January 28, 2026
Toyoda Gosei Co., Ltd.		Katsumi Saito, President & CEO
Contact: Corporate Planning Division		Securities code: 7282
		https://www.toyoda-gosei.com/

The corporate governance of Toyoda Gosei (the “Company”) is described below.

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

1. Basic Views [Updated]

Under the Company Creed “Boundless Creativity and Social Contribution”, we, Toyoda Gosei Co., Ltd. (the “Company”), embody the Management Philosophy. To continue as a company that is trusted and valued by all stakeholders, including society, shareholders, suppliers, customers, and employees, the Company aims to grow as a global company. The Toyoda Gosei Group harnesses the power of all employees in Group companies and acts flexibly and swiftly in today’s dramatically changing business environment, and we have and will continue to deliver satisfaction to customers worldwide in the form of safety, comfort, well-being, the environment, and decarbonization to enrich transportation and people's lives.

We recognize that the most important management issue to achieve this is to enhance and reinforce our corporate governance with the aim of ensuring sound and efficient corporate management, and strive to build and maintain an organizational structure that can respond appropriately to changes in the environment and fair and transparent management systems.

In addition, we support the Corporate Governance Code established by the Financial Services Agency and the Tokyo Stock Exchange, and are striving to enhance our corporate governance by autonomously implementing various measures based on the intent and spirit of its philosophy and principles.

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

The Company fully complies each principle of the Corporate Governance Code.

Disclosure Based on each Principle of the Corporate Governance Code [Updated]

[Principle 1-4 Cross-Shareholdings]

- Policies on strategic shareholdings

We thoroughly investigate the significance of holding stocks (promotion of business alliances, maintenance and strengthening of business relationships) and their economic benefits (dividends) from a medium- to long-term perspective, and hold those judged to be necessary from a policy perspective.

[Translation]

As necessary, we will reduce holdings for which the significance of ownership is not judged to be significantly clear.

- Verification

We carefully examine the value of holding of each stock from both the qualitative viewpoints such as promoting of business alliance, maintaining and strengthening the business relationship and ensuring the stability of the supply chain, and quantitative considerations such as the transaction status and investment yield (dividend). Whether or not to hold such stock is examined at a meeting of the Board of Directors each year.

- Policy on the exercise of voting rights

We exercise voting rights for stocks held for strategic purposes comprehensively considering whether each proposed resolution will contribute to sustainable growth by increasing the medium-to-long-term corporate value of the issuing company. When we exercise our voting rights on (i) a resolution with regard to appointment of, or compensations for, directors and/or Audit & Supervisory Board members of a company that has major concerns in corporate governance, such as the occurrence of social scandals or whose very poor performance has continued for certain period of time, or (ii) a resolution that will have a significant impact on corporate value or interests of shareholders such as mergers or other restructuring proposals, we will make inquiries to such company about the plan for improving corporate value before exercising our voting rights.

[Principle 1-7 Related Party Transactions]

When the Company enters into a transaction with a director, the Board of Directors monitors the transactions (pre-approval and confirmation of results) in accordance with the Companies Act.

When the Company enters into a transaction with a major shareholder or the like, if such transaction has high importance in light of certain prescribed judging criteria, such transaction is subject to a prior approval that may be given after full discussion among the relevant departments in the Company. The terms and conditions of transactions with such parties shall be equal to those of arms-length transactions.

[Principle 2-4 Ensuring Diversity, Including Active Participation of Women]

[Supplementary Principle 2-4①]

<Basic Philosophy>

At Toyoda Gosei, under the 2030 Business Plan, we are redefining social and economic value while advancing reforms to our business structure. In doing so, we aim to adapt flexibly to environmental changes and foster a polymer-like organization capable of creating new value by energizing both people and the organization.

To incorporate diverse values and fresh perspectives into management, the Company has actively implemented the recruitment, development, and promotion of individuals from a wide range of backgrounds and attributes. Since 2020, the Company has focused on creating spaces and opportunities where diverse talents are welcomed and can thrive. Efforts have been directed toward fostering a culture of inclusion by developing systems, policies, and educational frameworks to support this goal. In 2023, to further embed the Company's diversity initiatives, employees were invited to propose ideas for a symbolic logo and slogan, "Let's advance together towards a diverse future through DE&I." The logo can be seen on the Social page of the Toyoda Gosei Website.

(<https://www.toyoda-gosei.com/csr/social/report2/>)

[Translation]

<Key Initiatives for Diversity, Equity, and Inclusion (DE&I)>

To ensure the success of DE&I initiatives, we have developed an action plan centered on the principles of understanding and learning about diversity, supporting one another, and translating these efforts into meaningful actions.

We are implementing the following key initiatives to raise awareness among all employees, including lectures by external speakers, conducting training sessions to promote women's participation in the workforce, and the establishment of "Empathy Month" as an awareness-raising event.

<In creating a positive corporate culture>

We analyze the results of regular experience surveys, organize issues at the companywide level and workplace level, and we aim to achieve well-being by carrying out improvement activities in a planned manner for each after labor and management recognize the issues. To "create places where people feel safe", "create platforms where they can display their talents", and "shine a light on each individual", we provide education through the "Bright Workplace Cheering Squad" (a textbook from the Ministry of Health, Labor and Welfare) for communication training for all managers and workplace leaders, as well as for the purpose of educating employees.

[Principle 2-6 Roles of Corporate Pension Funds as Asset Owners]

The Company's pension funds are managed by the Toyoda Gosei Corporate Pension Fund. Given that the management of corporate pension funds affects not only the stable asset formation of employees but also the Company's own financial position, we dispatch personnel with the necessary expertise from the finance and human resources departments to the said pension funds managing entity. In addition, the said entity is monitored by the Asset Management Committee, whose meeting is held every month.

[Principle 3-1 Full Disclosure]

The Company is making the following efforts to enhance information disclosure in order to ensure transparency and fairness in the Company's decision-making and to achieve effective corporate governance.

[Principle 3-1(i) Company objectives (e.g., business principles), business strategies and business plans]

We have formulated a Management Philosophy ((1) Good Corporate Citizenship, (2) Proper Business Operation, (3) Sustainable Growth, (4) Customer Satisfaction, (5) Conservation of Global Environment and Resources, and (6) Respect for the individual) that embodies the Company Creed "Boundless Creativity and Social Contribution," and are striving to achieve sustainable growth and increase corporate value over the medium to long term through proper collaboration with a wide range of stakeholders.

In August 2023, the 2030 Business Plan was formulated as a medium-to-long-term business plan to provide social values for changing mobility society and achieve sustainable growth in the future. Please see the Company on the company's website. (<https://www.toyoda-gosei.com/>)

The 2030 Business Plan sets forth our vision of becoming a company that pursues the possibilities of polymers to contribute to a future of better mobility and living, and we aim to further enhance our strengths by expanding our business domain using polymer technologies such as rubber and plastics. Our specific growth areas are (1) safety, (2) comfort, and (3) decarbonization, and we

[Translation]

aim to achieve sustainable business development by focusing on fields that balance social and economic value. We aim to achieve sales revenue of 1,200 billion yen, operating profit of 100 billion yen, operating profit ratio of 8%, and ROE of 10% by increasing our economic value while enhancing our presence value.

[Principle 3-1 (ii) Basic views and guidelines on corporate governance based on each of the principles of the Code]

Such matters are described in “I-1 Basic Philosophy” above in this Report.

[Principle 3-1 (iii) Board policies and procedures in determining the remuneration of the senior management and directors]

• Policies

Compensation for Directors consists of ‘Monthly Remuneration (Fixed Remuneration)’, ‘Cash Bonus (Short-term Incentive)’ and ‘Share-based Remuneration (Long-term Incentive)’ based on the thinking that compensation should serve as an appropriate incentive to try to sustainably raise the value of the company. The standard allocation of Monthly Remuneration: Cash Bonus: Share-based Remuneration shall be in ratio of approximately 70%:20%:10%.

Monthly Remuneration shall be awarded reflecting responsibilities, experience and payment trends at other companies.

Cash Bonus shall be determined based on consolidated operating profit for the fiscal year, taking into comprehensive account factors such as achievement status of annual plan, the level of employee bonuses, payment trends at other companies, medium-to long-term business result, past payments and ESG management contribution, etc.

With regard to Share-based Remuneration, company introduced Compensation for Granting of Restricted Shares to further promote sharing value with shareholders and to achieve sustained improvement of the corporate value of the Company.

The amount of monetary remuneration for directors was decided at the 97th Ordinary General Shareholders’ Meeting, held on

June 12, 2020, to be no more than 650 million yen annually (for outside directors it shall be no more than 65 million yen annually).

(This does not include amounts paid as employee salaries to directors who serve concurrently as employees.) The number of directors at the conclusion of the 2020 Ordinary General Shareholders’ Meeting was nine (of whom three were outside directors).

At the 101st Ordinary General Shareholders’ Meeting held on June 14, 2024, a decision was made to revise the amount for outside directors to no more than 100 million yen annually. The number of directors at the conclusion of this Ordinary General Shareholders’ Meeting was 10 (of whom five were outside directors).

Separate from the said monetary remuneration, at the 97th Ordinary General Shareholders’ Meeting held on June 12, 2020, it was decided that stock remuneration would be no more than 100 million yen annually, and the number of shares would be limited to no more than 100,000 per year (outside directors are not eligible for this).

Outside Directors and Audit & Supervisory Board members shall not receive payment of Cash Bonuses nor Share-based Remuneration as they fulfill monitoring and supervisory function from an independent standpoint.

• Procedures

After contingent upon fair and transparent deliberation by the Executive Compensation Committee (established in 2019) of which majority is outside directors, within the range determined by a decision at the shareholders’ meeting, compensation is determined by a chair of the Board of Directors based on a delegation resolution of the Board of Directors. In March 2020, the chairperson of the committee was changed from internal director to an outside director to enhance transparency and fairness further.

[Translation]

At the Executive Compensation Committee, compensation levels, the background and thinking that led to decisions on compensation are confirmed, and their appropriateness is reviewed and reported.

[Principle 3-1 (iv) Board policies and procedures in the appointment/dismissal of the senior management and the nomination of directors and Audit & Supervisory Board Members candidates]

- Policies

When the Board of Directors appoints or nominates senior officers or candidates for directors or Audit & Supervisory Board members, the Board of Directors shall comprehensively consider the following factors: the balance of knowledge, experience, and capabilities of the entire management team and the Board of Directors, ability to make accurate and prompt decisions, reputations in the Company and their capability in complying with laws and corporate ethics.

Candidates for Audit & Supervisory Board members are nominated considering various factors comprehensively so as to ensure the right person in the right place, procuring the balance of diversity of perspectives regarding business management such as knowledge of finance, accounting, legal affairs, and other knowledge about the Company's business.

If senior officers or candidates for directors are found to have committed fraudulent acts or seriously violated laws and regulations or the Articles of Incorporation, we will take procedures for their dismissal.

- Procedures

The candidates are nominated by a resolution of the Board of Directors based on a recommendation of an Executive Appointment Committee (established in 2019) of which a majority of members are outside directors, and then are finally appointed by a resolution of the General Meeting of Shareholders.

In March 2020, the chairperson of the committee was changed from internal director to an outside director to enhance transparency and fairness further.

[Principle 3-1 (v) Explanations with respect to the individual appointments/dismissals and nominations based on (iv)]

The career history and the reasons for the selection of candidates for director and of Audit & Supervisory Board member are posted on the website of the Company for the General Meeting of Shareholders.

(<https://www.toyoda-gosei.com/ir/shares/meeting/>)

[Supplementary Principle 3-1③]

Please see the Sustainability section on Toyoda Gosei's website for more on our thoughts and efforts with regard to sustainability.

(<https://www.toyoda-gosei.com/csr/>)

We have identified important areas where we can contribute to solving social issues as materiality. Based on these, we have organized strategies for effectively allocating management resources, including human capital and intellectual capital, and leveraging competitive advantages. In August 2023, we have also formulated the 2030 Business Plan (medium- to long-term management plan), which includes content regarding reorganization of our business portfolio. For details on our investment in human capital, please see Supplementary Principle 2-4 ①. About investment in intellectual capital, we proceed with our efforts using the IP landscape, and then we analyze our position and continue to link to intangible asset formation in existing businesses

[Translation]

and the creation of new businesses.

(<https://www.toyoda-gosei.com/csr/governance/chizai/>) .

In responding to climate change, we identified risks and opportunities, including those associated with resource depletion, in agreement with and based on the guidelines of the TCFD in May 2019. We consider responding to this to be an important business challenge, and we are strengthening our efforts from a global perspective. For details, please see the Sustainability section of the Toyoda Gosei website and our securities reports.

(<https://www.toyoda-gosei.com/>)

In May 2022, we have formulated the “Toyoda Gosei Group Human Rights Policy” to further accelerate human rights initiatives. We will continue to promote such efforts in the future. For details, please refer to the “Social –Employee Relations” page on our website.

(<https://www.toyoda-gosei.com/csr/social/report2/>)

[Principle 4-1 Roles and Responsibilities of the Board of Directors (1)]

[Supplementary Principle 4-1 ①]

The Board of Directors has established the “Board of Directors Rules” and other internal regulations, which clarifies matters that should be judged and decided by the Board of Directors and the matters that should be judged and decided by the management members of the Company.

With regard to matters other than certain the execution of important operations, authorities may be delegated to the management members of the Company depending on the amount and nature of the relevant transaction.

[Principle 4-9 Independence Standards and Qualification for Independent Directors]

The details are provided in “II.1 Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members” in this report. Please refer to it.

[Principle 4-10 Use of Optional Approach]

[Supplementary Principle 4-10①]

We have appointed four independent outside directors with deep experience and expertise in company management, manufacturing, international business, government administration, advanced IT, DX, new business creation, human resources development, organizational management, and other areas. Decisions on appointment of director and senior management (including succession plans) and compensation are made after deliberations and reports of the "Executive Appointment Committee" and "Executive Compensation Committee", which are chaired by an independent outside director, with the majority being independent outside directors in order to enhance independence and objectivity. At the Executive Appointment Committee, in recognition of the skills and circumstances necessary to achieve the management policy, considers whether such appointments are in alignment with the management policy, and whether candidates are suitable based on their personality, career, and the skills they possess. At the Executive Compensation Committee, the compensation levels, the background and thinking that led to those decisions are explained, and actively seeks the opinions of independent outside directors on the appropriateness of those compensation levels.

[Principle 4-11 Preconditions for Board and Audit & Supervisory Board Effectiveness]

[Supplementary Principle 4-11①]

- Philosophy with regard to overall balance, diversity, and scale

The Board is composed with consideration of mobility, expertise, and diversity.

Toyoda Gosei Board of Directors consists nine Directors and five Audit & Supervisory Board Members, for a total of 14 people. The Board of Directors considers various factors comprehensively including the balance of expertise and the fields of specialty of the Board members so as to cover the functions and business fields of the Company, the principle of “the right person in the right place” that is required for accurate and quick decision making as well as the diversity of the Board members.

We appoint independent outside directors with management experience and insight developed at other companies, and one of the directors and one of the Audit & Supervisory Board members is a woman. For details, please see II 1. “Relationship between Directors and company (1) (2), relationship between Audit & Supervisory Board Members and company (1) (2).” The skill matrix of Toyoda Gosei directors and Audit & Supervisory Board members is described on the company website.

(<https://www.toyoda-gosei.com/ir/shares/meeting/>)

(<https://www.toyoda-gosei.co.jp/csr/governance/corporate/>)

- Policy and procedures for appointment of directors

As described in Principle 3-1 (iv).

[Supplementary Principle 4-11②]

Important concurrent positions held by each director and each Audit & Supervisory Board member including concurrent positions at listed companies are disclosed in the Business Report and Reference Materials for the General Meeting of Shareholders. Please see the company website.

(<https://www.toyoda-gosei.com/ir/shares/meeting/>)

[Supplementary Principle 4-11③]

To raise the effectiveness of the Board of Directors, we interview Board members every year. All ten directors and five Audit & Supervisory Board members were interviewed in FY2024 and their effectiveness was examined. As a result, it was reported to the Board of Directors that improvement was seen in each item and that effectiveness was judged to have been achieved.

We continue to be highly rated for the “composition and size of the Board of Directors,” “active discussion and ease of speaking out” and “support for outside directors.” “Discussions on medium- and long-term strategy” have been considered an issue, and discussions on the policy (direction) for efforts linked to the company’s 2030 Business Plan in each business and functional area were begun in FY2024, and will be continued. Together with this, the meeting agenda was made more focused based on a review of the criteria for presenting items for the agenda, and time for discussion was ensured. Efforts were also made to raise the effectiveness of future Board of Directors meetings, including continuing investigations with a view to the optimum structure, while remaining aware of future issues such as improving the proportions of inside and outside officers, hiring foreign nationals,

[Translation]

and the proportion of women for diversity among members.

[Principle 4-14② Training policy for Directors and Audit & Supervisory Board Members]

We appoint, as directors and Audit & Supervisory Board members, persons eligible to fulfill their duties and responsibilities (including legal liabilities) and familiar with the Company's business, finance, and organization. In addition, we provide continuous training opportunities to them.

Directors attend lectures by internal and external instructors with content appropriate to the Companies Act and occasional circumstances, and are provided opportunities to participate in external seminars. By providing such opportunities, we facilitate the directors' acquisition of necessary knowledge and understanding of their roles and responsibilities.

Audit & Supervisory Board members attend lectures by instructors from inside and outside the Company and are provided opportunities to participate in external seminars. By providing such opportunities, we facilitate Audit & Supervisory Board members' acquisition of necessary knowledge and understanding of their roles and responsibilities.

As we believe it is important for outside directors to have a deep understanding of our company in making important decisions, we arrange opportunities to visit each business location and suppliers and provide information related to each of our functions and business areas.

To help Outside Audit & Supervisory Board Members obtain a deeper understanding of Status of Toyoda Gosei, we provide opportunities for feedback on the content of audits performed by full-time auditors in each division of the company's Headquarters and in domestic and overseas subsidiaries. We also provide opportunities to training sessions, seminars by internal and external instructors, and inspect plants and subsidiaries.

[Principle 5-1 Policy for Constructive Dialogue with Shareholders]

The officer in charge of finance and accounting oversee communications with shareholders and investors, and actively respond through various initiatives including financial results briefings.

Related departments in the Company that support such communications, establish infrastructure for such communications under close cooperation within the Company through planning of communication opportunities and sharing of relevant information in the Company in order to realize constructive communications.

As measures for communications with shareholders, we hold financial results briefings for institutional investors and small briefing sessions (small meetings), facility tours for institutional investors guided by the officer in charge, individual meetings with institutional investors and ESG session. The president, the chief of corporate strategy headquarters, the officer in charge of finance and accounting officers or persons responsible from related departments, and outside directors participate depending on the purpose of the dialog. Based on the opinions and requests from shareholders and investors gained through these opportunities, we will further enhance opportunities for dialogue.

Opinions and requests received through such dialog are reported to management in companywide meetings, while feedback is also given and information shared with Outside Directors, Outside Audit & Supervisory Board Members and related departments. As stated in our disclosure policy, during the "silent period" before the announcement of financial results, communications with shareholders and investors are restricted, and internal information is strictly managed. When the Company has any insider information, the insider information is controlled and internal information is strictly managed.

(<https://www.toyoda-gosei.com/ir/disclosurepolicy/>)

[Disclosure of Dialogue with Shareholders] **[Updated]**

Toyoda Gosei discloses information in a timely, appropriate and fair manner, and actively engage in dialogue with shareholders and investors to ensure that the opinions we receive are appropriately reflected in our corporate activities and lead to increased corporate value.

The status of dialogue between shareholders/investors and management, etc. during the immediately preceding fiscal year is as follows.

(1) Main respondents and means of dialogue with shareholders and investors

Please refer to Principle 5-1

(2) Summary of shareholders and investors with whom we have had dialogue

Domestic and foreign institutional investors, Major shareholders, Analysts, Individual shareholders, etc.

(3) Main themes and concerns of the dialogue

Medium- to long-term strategy, Business Strategy (business axis, regional axis, customer axis, and electrification support), Business portfolio improvement, ESG (business opportunities triggered by decarbonization, Relationship between management strategy and human resource strategy, reduction of cross-shareholdings, etc.)

(4) Status of feedback of shareholders and investors' opinions to management

- Report at management meeting for each quarterly financial results, etc.

(5) Items incorporated based on dialogue

- Promote business portfolio improvement

- Review of financial policy (Management with attention paid to balance sheet, Efficient administration of businesses with attention paid to cost of capital(asset efficiency and capital efficiency), Strategically cash allocation, etc.)

- Measures to exceed 1x PBR (FY2024 business briefing, etc.)

- Disclosure of human resource strategies linked to business plans (Integrated Report (Toyoda Gosei Report 2025))

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

[Contents] Disclosure of Initiatives (Update)

[Availability of English disclosure] Disclosed

[Last Update] **[Updated]** January 28, 2026

Explanation of the relevant item **[Updated]**

In August 2023, Toyoda Gosei prepared the 2030 Business Plan and updated our financial policy.

We endeavor to boost business growth through a balance of growth potential, soundness, and efficiency, and to increase corporate value through efficient administration of businesses with attention paid to cost of capital.

① Achieve efficient balance sheet management

Introduction of TG-ROIC for 10% ROE (More efficient use of non-current assets and inventories), Reduction of cross-shareholdings

② Implement returns to shareholders that reflect capital efficiency

Steady and continuous dividend increases (Lowest target: DOE2.5%), Flexible acquisition of treasury shares

Through these shareholder return initiatives, we will be more conscious than ever of improving capital efficiency and will

[Translation]

achieve and improve a total shareholder return (TSR) that exceeds our cost of shareholders' capital in a stable, long-term manner.

③ Reduction of cost of equity

Proactive disclosure of financial and non-financial information, Diversification of shareholder base

Please see below for details.

- 2030 Business Plan

(<https://www.toyoda-gosei.com/kigyou/rinen/>)

- Integrated Report (Toyoda Gosei Report 2025)

(<https://www.toyoda-gosei.com/csr/dl/>)

- FY2024 financial results briefing materials

(<https://www.toyoda-gosei.com/ir/document/presentation/>)

In addition, we will analyze and evaluate the cost of capital, return on capital, and market valuation once a year at the Board of Directors meeting in the future to promote improvements.

[Translation]

2. Capital Structure [Updated]

Foreign Shareholding Ratio	30% or more
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Status of Major Shareholders [Updated]

Name or Company Name	Number of Shares Owned	Percentage (%)
Toyota Motor Corporation	25,459,486	20.00
The Master Trust Bank of Japan, Ltd. (Trust account)	11,731,900	9.21
Custody Bank of Japan, Ltd. (Trust account)	10,000,600	7.85
JP JPMSE LUX RE UBS AG LONDON BRANCH EQ CO	3,623,451	2.84
MSCO CUSTOMER SECURITIES	2,748,839	2.16
Toyoda Gosei Employee Stock Ownership association	2,297,541	1.80
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	2,204,824	1.73
STATE STREET BANK AND TRUST COMPANY 505223	2,108,861	1.65
Custody Bank of Japan, Ltd. (Trust account 4)	1,890,700	1.48
JP JPMSE LUX RE BARCLAYS CAPITAL SEC LTD EQ CO	1,759,283	1.38

Name of Controlling Shareholder, if applicable (excluding Parent Companies)	None
Name of Parent Company, if applicable	None

Supplementary Explanation [Updated]

1. In the large shareholding report (change report) provided for public viewing dated July 23, 2025, Sumitomo Mitsui DS Asset Management Co., Ltd. and joint holder Sumitomo Mitsui Banking Corporation were reported as owning the respective shares below as of July 15, 2025. We were unable to confirm the real number of shares as of December 31, 2025, and so it is not included in the status of the major shareholders mentioned above. The content of that large shareholding report (change report) is as follows.

· Individual or company name Sumitomo Mitsui DS Asset Management Co., Ltd.

No. of share certificates, etc. held (thousand shares) 2,278

Share certificate ownership ratio (%) 1.79

· Individual or company name Sumitomo Mitsui Banking Corporation

No. of share certificates, etc. held (thousand shares) 4,207

Share certificate ownership ratio (%) 3.30

2. In the large shareholding report (change report) provided for public viewing dated September 19, 2025, Sumitomo Mitsui Trust Asset Management Co., Ltd. and joint holder Amova Asset Management Co., Ltd. were reported as owning the respective shares below as of September 15, 2025. We were unable to confirm the real number of shares as of December 31, 2025, and so it is not included in the status of the major shareholders mentioned above. The content of that large shareholding report (change report)

[Translation]

is as follows.

· Individual or company name Sumitomo Mitsui Trust Asset Management Co., Ltd.

No. of share certificates, etc. held (thousand shares) 1,829

Share certificate ownership ratio (%) 1.43

· Individual or company name Amova Asset Management Co., Ltd.

No. of share certificates, etc. held (thousand shares) 5,457

Share certificate ownership ratio (%) 4.28

3. In the large shareholding report (change report) provided for public viewing dated December 5, 2025, SMBC Nikko Securities Inc. and joint holder Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui DS Asset Management Co., Ltd. were reported as owning the respective shares below as of November 28, 2025. We were unable to confirm the real number of shares as of December 31, 2025, and so it is not included in the status of the major shareholders mentioned above. The content of that large shareholding report (change report) is as follows.

· Individual or company name SMBC Nikko Securities Inc.

No. of share certificates, etc. held (thousand shares) 818

Share certificate ownership ratio (%) 0.64

· Individual or company name Sumitomo Mitsui Banking Corporation

No. of share certificates, etc. held (thousand shares) 4,207

Share certificate ownership ratio (%) 3.30

· Individual or company name Sumitomo Mitsui DS Asset Management Co., Ltd.

No. of share certificates, etc. held (thousand shares) 3,333

Share certificate ownership ratio (%) 2.61

4. In the large shareholding report (change report) provided for public viewing dated December 22, 2025, Sumitomo Mitsui DS Asset Management Co., Ltd. was reported as owning the respective shares below as of December 15, 2025. We were unable to confirm the real number of shares as of December 31, 2025, and so it is not included in the status of the major shareholders mentioned above. The content of that large shareholding report (change report) is as follows.

· Individual or company name Sumitomo Mitsui DS Asset Management Co., Ltd.

No. of share certificates, etc. held (thousand shares) 3,405

Share certificate ownership ratio (%) 2.67

5. In the large shareholding report (change report) provided for public viewing dated January 8, 2026, Sumitomo Mitsui Trust Asset Management Co., Ltd. and joint holder Amova Asset Management Co., Ltd. were reported as owning the respective shares below as of December 31, 2025. We were unable to confirm the real number of shares as of December 31, 2025, and so it is not included in the status of the major shareholders mentioned above. The content of that large shareholding report (change report) is as follows.

· Individual or company name Sumitomo Mitsui Trust Asset Management Co., Ltd.

No. of share certificates, etc. held (thousand shares) 2,396

[Translation]

Share certificate ownership ratio (%)	1.88
· Individual or company name	Amova Asset Management Co., Ltd.
No. of share certificates, etc. held (thousand shares)	6,185
Share certificate ownership ratio (%)	4.85

6. In the large shareholding report (change report) provided for public viewing dated January 8, 2026, Nomura Securities Co., Ltd. and joint holder NOMURA INTERNATIONAL PLC and Nomura Asset Management Co., Ltd. were reported as owning the respective shares below as of December 31, 2025. We were unable to confirm the real number of shares as of December 31, 2025, and so it is not included in the status of the major shareholders mentioned above. The content of that large shareholding report (change report) is as follows.

· Individual or company name	Nomura Securities Co., Ltd.
No. of share certificates, etc. held (thousand shares)	5,070
Share certificate ownership ratio (%)	3.97
· Individual or company name	NOMURA INTERNATIONAL PLC
No. of share certificates, etc. held (thousand shares)	659
Share certificate ownership ratio (%)	0.52
· Individual or company name	Nomura Asset Management Co., Ltd.
No. of share certificates, etc. held (thousand shares)	2,278
Share certificate ownership ratio (%)	1.79

[Translation]

3. Corporate Attributes

Listed Stock Exchange and Market Segment	Tokyo Stock Exchange: Prime Market Nagoya Stock Exchange: Premier Market
Fiscal Year-End	March
Business Sector	Transportation Equipment
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	¥1 trillion or more
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	50 or more but fewer than 100

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

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5. Other Special Circumstances which May have a Material Impact on Corporate Governance [Updated]

5-1. Listed affiliated company

The company has Ashimori Industry Co., Ltd.

As stated in the "Notice Regarding Result of Tender Offer for Share Certificates, Etc. of Ashimori Industry Co., Ltd. (Securities Code 3526) and Change in Subsidiary" dated October 31, 2025, the tender offer for Ashimori Industry Co., Ltd. has been successful, and that company is scheduled to be delisted after completing the required procedures.

5-2. Other affiliated company

Toyota Motor Corporation is an "other affiliated company" that holds 20.0% of our voting rights (as of December 31, 2025). The company's main business is the manufacture and sale of automotive parts in the polymer field of rubber and resin, while achieving steady growth as a member of the Toyota Group, we aim to achieve further growth by strengthening our business with a wide range of other customers. Although the proportion of sales to the Toyota Group is high, the company's sell various automotive parts to the Group after conducting own product development, production, and sales activities. In addition, the transaction price and terms are the same as those for other general transactions. There are no restrictions from Toyota Motor Corporation, such as approval requirements for business activities, and the company maintains a highly transparent governance system.

As a member of the Toyota Group, the company share the broad direction outlined in the Toyota Group Vision and will work together with other Toyota Group companies to improve the company's corporate value. The company will also strive to build a better management structure while giving due consideration to the interests of all shareholders, including minority shareholders.

II. Business Management Organization and Other Corporate Governance Systems regarding

[Translation]

Decision-making, Execution of Business, and Oversight

1. Organizational Composition and Operation

Corporate Governance System

Company with Audit and Supervisory Board*

*Referred to as "Company with *Kansayaku* Board" in the Corporate Governance Code reference translation

Directors [Updated]

Number of Directors Stipulated in Articles of Incorporation	15 persons
Directors' Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Chairperson (excluding those concurrently serving as President)
Number of Directors	9 persons
Election of Outside Directors	Elected
Number of Outside Directors	4 persons
Number of Independent Directors	4 persons

Outside Directors' Relationship with the Company (1) [Updated]

Name	Attributes	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Takashi Wada	From another company								△			
Masanori Furukawa	Other											
Shigeki Maeda	Other								△			
Makoto Aou	From another company								○			

*Categories for "Relationship with the Company".

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

- Person who executes business for the Company or its subsidiary
- Person who executes business for or a non-executive director of the Company's parent company
- Person who executes business for a fellow subsidiary
- Person/entity for which the Company is a major client or a person who executes business for said person/entity
- Major client of the Company or a person who executes business for said client
- Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/Audit and Supervisory Board Member
- Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- Person who executes business for a client of the Company (excluding persons categorized as any of d, e, or f above) (applies to director him/herself only)
- Person who executes business for another company that holds cross-directorships/cross-auditormships with the Company (applies to director him/herself only)
- Person who executes business for an entity receiving donations from the Company (applies to director him/herself only)
- Other

Outside Directors' Relationship with the Company (2) [Updated]

[Translation]

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
Takashi Wada	○	Although he served as an executive (Chairman and Representative Director) of Sanken Electric Co., Ltd., 3 years have passed since his retirement in June 2022. Although the Company has a transactional relationship with said company, the transactional amount is 0.1% or less of the Company's consolidated net sales, and 0.3% or less of the said company's consolidated net sales.	He holds experience working in the corporate management of manufacturing company for many years. We expect him to supervise the management of the Company and offer advice based on his extensive experience and high-level insight. The Company has designated him as an independent director because the Company judges that he satisfies the requirement to be an independent director and there is no conflict of interest between him and general shareholders.
Masanori Furukawa	○	—	He holds experience of being engaged in local government and municipal administration as Council Member of Tajimi City, Assembly Member of Gifu Prefecture, and Mayer of Tajimi City, across a total of nine terms for 36 years. We expect him to supervise the management of the Company and offer advice based on his extensive experience and high-level insight. The Company has designated him as an independent director because the Company judges that he satisfies the requirement to be an independent director and there is no conflict of interest between him and general shareholders.
Shigeki Maeda	○	The Company entered into a part-time advisory agreement with	In addition to his excellent international perspective based

		<p>him in 2023 to obtain general management advice from an independent standpoint. However, this agreement was terminated upon approval of his appointment at the 101st Ordinary General Meeting of Shareholders held on June 14, 2024. The amount of compensation paid to him by the Company in accordance with this agreement is less than 7 million yen per year. In addition, although he served as an executive (Executive Director) of JETRO, 6 years have passed since his retirement in July 2019. In the fiscal year ended March 31, 2025, the Company is enrolled in JETRO's membership-based information provision service, although the transaction amount is less than 100 thousand yen per year.</p>	<p>on his many years of experience working overseas in international endeavors, and his extensive network with government agencies and the business community, he also holds experience in organizational operations and management throughout JETRO as Executive Director (executive officer). We expect him to supervise the management of the Company and offer advice based on his extensive experience and high-level insight. The Company has designated him as an independent director because the Company judges that he satisfies the requirement to be an independent director and there is no conflict of interest between him and general shareholders.</p>
Makoto Aou	○	<p>In 2021, the Company entered into a consulting agreement with LEO co., ltd., the company where she serves as an executive (Representative Director and CEO), to obtain advice on upcycling initiatives. However, the amount of compensation paid to LEO co., ltd. is 10 million yen or less per year. She also served as an executive (Director) at Pasona Tech, Inc., although 7 years have passed since her</p>	<p>In addition to her experience as an entrepreneur and manager of a cutting-edge IT business, she holds extensive experience in human resource development through corporate support that includes new business creation, DX, and diversity promotion. We expect her to supervise the management of the Company and offer advice based on her extensive experience and high-level insight.</p>

[Translation]

		<p>retirement in December 2018 (the said company's name is currently Pasona Inc. due to a corporate reorganization). The Company and the said company currently have a transactional relationship, although the transaction amount is 0.1% or less of the Company's net sales and said company's net sales, respectively.</p>	<p>The Company has designated her as an independent director because the Company judges that she satisfies the requirement to be an independent director and there is no conflict of interest between her and general shareholders.</p>
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<p>Voluntary Establishment of Committee(s) equivalent to Nomination Committee or Remuneration Committee</p>	Established
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Status of Voluntarily Established Committee(s), Attributes of Members Constituting the Committee and the Committee Chairperson[Updated]

	Committee's Name	All Members	Full-time Members	Inside Directors	Outside Directors	Outside Experts	Other	Chairperson
Voluntarily Established Committee Equivalent to Nomination Committee	Executive Appointment Committee	6	0	2	4	0	0	Outside Director
Voluntarily Established Committee Equivalent to Remuneration Committee	Executive Compensation Committee	6	0	2	4	0	0	Outside Director

Supplementary Explanation

Audit and Supervisory Board Member*

*Referred to as "kansayaku" in Corporate Governance Code reference translation

Establishment of Audit and Supervisory Board	Established
Number of Audit and Supervisory Board Members	8 persons

[Translation]

Stipulated in Articles of Incorporation	
Number of Audit and Supervisory Board Members	5 persons

Cooperation among Audit and Supervisory Board Members, Accounting Auditors and Internal Audit Departments

Audit & Supervisory Board members, Internal Audit Department and accounting auditors have regular meetings on their audit systems, audit policies, audit plans, implementation status, audit results, etc., and have contact, exchange opinions and share information with each other so as to promote efficient and effective audits.

Appointment of Outside Audit and Supervisory Board Members	Appointed
Number of Outside Audit and Supervisory Board Members	3 persons
Number of Independent Audit and Supervisory Board Members	2 persons

Outside Audit and Supervisory Board Members' Relationship with the Company (1)

Name	Attributes	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Chika Kako	From another company							○		○				
Hitoshi Kuwayama	Lawyer													
Masahiko Yokoi	From another company													

*Categories for "Relationship with the Company".

(Use "○" when the director presently falls or has recently fallen under the category; "△" when the director fell under the category in the past; "●" when a close relative of the director presently falls or has recently fallen under the category; and "▲" when a close relative of the director fell under the category in the past.)

- a. Person who executes business for the Company or its subsidiary
- b. A non-executive director or an accounting advisor of the Company or its subsidiaries
- c. Person who executes business for or a non-executive director of the Company's parent company
- d. An Audit and Supervisory Board Member of a parent company of the Company
- e. Person who executes business for a fellow subsidiary
- f. Person/entity for which the Company is a major client or a person who executes business for said person/entity
- g. Major client of the Company or a person who executes business for said client
- h. Consultant, accounting expert, or legal expert who receives large amounts of cash or other assets from the Company in addition to remuneration as a director/ Audit and Supervisory Board Member
- i. Major shareholder of the Company (in cases where the shareholder is a corporation, a person who executes business for the corporation)
- j. Person who executes business for a client of the Company (excluding persons categorized as any of f, g, or h above) (applies to the auditor him/herself only)
- k. Person who executes business for another company that holds cross-directorships/cross-auditorships with the Company (applies to the director/auditor him/herself only)
- l. Person who executes business for an entity receiving donations from the Company (applies to the person him/herself only)
- m. Other

Outside Audit and Supervisory Board Members' Relationship with the Company (2)

[Translation]

Name	Designation as Independent Audit and Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons for Appointment
Chika Kako		—	<p>She holds experience mainly in the vehicle development and materials development divisions of Toyota Motor Corporation, as well as experience with management of Toyota Motor Corporation as a Managing Officer.</p> <p>The Company expects her to reflect her such extensive experience and high-level insight on the audit of the Company.</p>
Hitoshi Kuwayama	○	—	<p>The Company expects him to reflect his extensive experience and high-level insight as a lawyer on the audit of the Company.</p> <p>The Company has designated him as an independent Audit & Supervisory Board member because the Company judges that he satisfies the requirement to be an independent Audit & Supervisory Board member and there is no conflict of interest between him and general shareholders.</p>
Masahiko Yokoi	○	—	<p>To reflect his wealth of experience and deep insight in management in the auditing of Toyoda Gosei.</p> <p>The Company has designated him as an independent Audit & Supervisory Board member because the Company judges that he satisfies the requirement to be</p>

			an independent Audit & Supervisory Board member and there is no conflict of interest between him and general shareholders.
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Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members [Updated]

Number of Independent Directors and Independent Audit and Supervisory Board Members	6 persons
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Other Matters Concerning Independent Directors and Independent Audit and Supervisory Board Members

- All Outside Directors and Independent Audit & Supervisory Board Members who qualify as independent officers are designated as independent officers.
- Outside officers who satisfy the requirements stipulated in the Companies Act and to whom none of the following apply are deemed to be independent.
 - (1) Persons who currently serve as a Director, Audit & Supervisory Board Member (excluding Outside Directors and Audit & Supervisory Board Members), Corporate Officer, or employee of the Company or any of its consolidated subsidiaries; or who served as a Director, Audit & Supervisory Board Member (excluding Outside Directors and Audit & Supervisory Board Members), Corporate Officer, or employee of the Company or any of its consolidated subsidiaries in the past ten years.
 - (2) Business partners or executives in those businesses (executive directors, executive officers, operating officers, or employees; the same shall apply hereunder) with whom the business volume between the Company and that company has exceeded 2% of the said company's consolidated net sales in recent business years.
 - (3) Business partners or executives in those businesses (executive directors, executive officers, operating officers, or employees; the same shall apply hereunder) with whom the business volume between the Company and that company has exceeded 2% of the Company's consolidated net sales in recent business years.
 - (4) Lenders or executives in such companies from which the Company borrowed amounts exceeding 2% of the Company's consolidated total assets on the final day of recent business years.
 - (5) Consultants, accountants, or legal experts (in the case any of these have corporate status, persons belonging to that corporation) who earn annual remuneration exceeding 10 million yen from the Company (excluding officer compensation) in recent business years.
 - (6) Persons (or, in the case of organizations, persons belonging to the said organization) who received contributions amounting to more than 10 million yen in one year from the Company in any recent business year.
 - (7) Shareholders or executives in those shareholding companies who, either directly or indirectly, held voting rights of 10% or more of the total voting rights in the Company on the final day of any recent business year.
 - (8) Persons who belong or belonged to the auditing firm that serves as the Company's accounting auditor at present or at some time in the past 10 years.

[Translation]

(9) Spouses or close relatives within the second degree of kinship to whom any of (1)–(8) above apply (excluding non-key persons).

Persons to whom any of the above apply may still be deemed independent under the condition that the Company discloses the reason for its judgment when such persons satisfy the requirements for outside executives stipulated in the Companies Act and are substantially independent. In such cases, a conflict of interest against general shareholders is deemed not to exist.

Incentives

Implementation Status of Measures related to
Incentives Granted to Directors

Compensation for Granting of Restricted Shares (Other)

Supplementary Explanation for Applicable Items

The policy of compensations for directors is as described in Chapter I-1 【Disclosure based on the principles of the Corporate Governance Code】 【Principle 3-1 Effective Disclosure of Information】 【Principle 3-1 (iii) Policies and Procedures of the Board in determining Compensations for Senior Officers and Directors】 of this Report. Compensation for Directors consists of ‘Monthly Remuneration (Fixed Remuneration)’ , ‘Cash Bonus (Short-term Incentive)’ and ‘Share-based Remuneration (Long-term Incentive)’ . The standard allocation of Monthly Remuneration: Cash Bonus: Share-based Remuneration shall be in ratio of approximately 70%:20%:10%.

Persons Eligible for Stock Options

—

Supplementary Explanation for Applicable Items

—

Director Remuneration

Status of Disclosure of Individual Director's
Remuneration

No Disclosure for any Directors

Supplementary Explanation for Applicable Items

The total amount of compensations for directors is disclosed in the securities report.

Policy on Determining Remuneration Amounts and
Calculation Methods

Established

Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

[Translation]

The policy of compensations for directors is as described in Chapter I-1 【Disclosure based on the principles of the Corporate Governance Code】 【Principle 3-1 Effective Disclosure of Information】 【Principle 3-1 (iii) Policies and Procedures of the Board in determining Compensations for Senior Officers and Directors】 of this Report

Support System for Outside Directors and/or Outside Audit and Supervisory Board Members

Explanations are given in advance to outside directors and outside Audit & Supervisory Board members regarding important matters in the Board of Directors.

Audit & Supervisory Board Department has been established as a dedicated organization to assist the execution of duties by Audit & Supervisory Board members.

Status of Persons who have Retired as Representative Director and President, etc.

Information on Persons Holding Advisory Positions (*Sodanyaku, Komon, etc.*) after Retiring as Representative Director and President, etc.

Name	Job title/ position	Responsibilities	Terms and Conditions of Employment (Full/part time, with/without remuneration, etc.)	Date when former role as president/CEO ended	Term
Toru Koyama	Chairperson of Toyoda Gosei North America Corporation, Executive Adviser to Toyoda Gosei	upon request, handover of history and giving advice	full-time, with Remuneration	June 15, 2023	1 year

Number of Persons Holding Advisory Positions (*Sodanyaku, Komon, etc.*)

After Retiring as Representative Director and President, etc.

1 person

Other Related Matters

- A person is asked to serve as executive adviser to Toyoda Gosei after a review by the Executive Appointment Committee and a decision by the Board of Directors.
- An executive adviser to Toyoda Gosei relates the history of Toyoda Gosei when he or she is consulted by officers of Toyoda Gosei and Toyoda Gosei group companies. He also utilizes his experiences and human network from his tenure as a Toyoda Gosei officer to give advice on Toyoda Gosei business.
- An executive adviser to Toyoda Gosei does not have the authority to engage in decision-making for the management of Toyoda Gosei.

Gosei.

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

[Overview of the Current Corporate Governance System and Reasons for Adopting the System]

We have selected company with Audit & Supervisory Board and have established General Meeting of Shareholders, Board of Directors, Audit & Supervisory Board, and accounting auditors as statutory bodies. We have also established and operated an internal control system including internal audits.

The Board of Directors consists of nine Directors, and reports, deliberations and resolutions are made on matters stipulated by law and important management matters at monthly meetings of the Board of Directors (or extraordinary meetings of the Board of Directors when necessary). The Board of Directors deliberates from many different angles on the direction of management, including management and business strategies, then reports and discusses on progress after any necessary resolutions have been passed. In such a way, the Board supervises from a number of different viewpoints on whether management strategies are being executed appropriately. In addition to strengthening the Company's internal control system and risk management system, in recent years the Board of Directors has been working to achieve sustainable corporate growth amid a chaotic business environment of political instability, worsening environmental problems, and COVID-19 pandemic.

A corporate officer system has also been introduced to speed up decision-making and business execution. In addition, a Chief officer system has been introduced, which transfers some of the authority and responsibility of the President to Chief officers. With this system, key functions will be managed globally beyond the framework of existing Business Headquarters and regional headquarters to execute highly strategic operations and speed up management. For important management matters, a management meeting is held each month, and functional meetings and various committees on key functions including technology, cost, and personnel are held as needed to make accurate management decisions. In addition, we promote activities regarding key sustainability-related initiatives at the Sustainability Conference (held twice a year), chaired by the President and attended by all directors, Audit & Supervisory Board members (including outside directors and Audit & Supervisory Board members), chief officers and headquarters chiefs. In addition, we established an Important Matters Decision Meeting in June 2024 and transfer some of the decision-making authority of the Board of Directors to the executive side, in order to enhance discussions at the Board of Directors meetings on the direction of corporate strategy, business portfolio, and other matters.

The Audit & Supervisory Board consists of five Audit & Supervisory Board members. It holds regular meetings and performs management monitoring functions through attendance at important meetings, including the meetings of the Board of Directors and audits of each department and subsidiary of the Company, which, together with the accounting audit by outside independent accounting auditors, enables the Company to secure an independent and fair audit system. Note that, appointment, dismissal and audit compensation of Audit & Supervisory Board members and external accounting auditors, too, judging by following discussion by the Audit & Supervisory Board.

The legality and efficiency of the decision-making and execution of duties of the Company is sufficiently secured based on these institutional designs under which audit, supervision and business execution of the Company is efficiently coordinated and

functioning so that the Company has adopted the current system.

[Strengthening the Functions of Audit & Supervisory Board]

In order to enhance the effectiveness of audits by Audit & Supervisory Board members, we have established auditing standards for Audit & Supervisory Board members that stipulate basic matters related to audits, and audits are conducted based on those standards. Each Audit & Supervisory Board member conducts surveys and interviews with the Company and its subsidiaries in accordance with the audit policy and audit plan established by Audit & Supervisory Board members, and actively participates in important meetings and various committees such as the meetings of the Board of Directors and management meetings, and performs audits on the execution of duties of directors including audits of business reports from directors, inspection of important documents such as approval documents, inspection of offices and subsidiaries of the Company from the perspective of ensuring legality, ensuring appropriateness, protecting property and rights and prevention of loss.

In addition, a dedicated department that assists Audit & Supervisory Board members has been established so as to enables Audit & Supervisory Board members to perform audits more effectively.

[Internal Audits]

For internal audits, we have established an internal audit department consisting of nine members. We conduct internal audits from the perspective of legality and rationality for all operations of the Company with the aim to achieve management goals and prevent fraud and errors based on internal audit plans reported at the Board of Directors Meeting of the Company at the beginning of the fiscal year. In addition, each functional department has established internal controls in accordance with their respective functions, and internal audit activities by the internal audit department include monitoring the status of maintenance and operation of internal controls of each functional department.

The results of internal audit activities are reported to the President, the Board of Directors, the Audit & Supervisory Board, and Internal Control Committee. In addition, the effectiveness of the internal audits is increased by giving recommendations for improvements to audited departments based on the audit results, and confirming their improvement plans and results. Internal audit plans are created through the exchange of opinions with Audit & Supervisory Board Members, and the status of internal audit activities and audit results are reported to Audit & Supervisory Board members so as to share information as needed.

The Audit & Supervisory Board Members, the Internal Audit Department, and the Accounting Auditor hold regular meetings regarding their respective audit systems, audit policies, audit plans, implementation status, audit results, etc., and contact each other as necessary. In this way, these three parties exchange opinions and share information, and work together to promote efficient and effective audits.

[Limited Liability Agreement]

So that directors and Audit & Supervisory Board members can perform their essential duties more smoothly, pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, it is stipulated in the Articles of Incorporation that liability of directors (including past directors) and Audit & Supervisory Board members (including past Audit & Supervisory Board members) for damages of the Company under Article 423, Paragraph 1 of the Companies Act can be exempted within legal limits. In addition, the Company, outside directors and outside Audit & Supervisory Board members have entered into a respective contract that limits liability for damages under Article 423, Paragraph 1 of the Companies Act, pursuant to Article 427, Paragraph

[Translation]

1 of the Companies Act. The maximum amount of liability for damages under such contract is the amount specified in Article 425, Paragraph 1 of the same law.

The liability of a certain director or Audit & Supervisory Board member who has entered into a contract that limits the amount of liability for damages can be limited only in cases where there were no willful misconduct and gross negligence in the course of performance of the execution of duties of such director or Audit & Supervisory Board member and it is deemed particularly necessary to limit the amount of liability for damages in consideration of the factual content that was the cause of the liability, the circumstances of the execution of duties by such director or Audit & Supervisory Board member in question, and other circumstances.

3. Reasons for Adoption of Current Corporate Governance System

As mentioned above, the Company has adopted the current system based on the recognition that the management supervision system is fully prepared and functioning.

III. Implementation of Measures for Shareholders and Other Stakeholders

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

Supplementary Explanation	
Early Posting of Notice of the General Meeting of Shareholders	The Company has traditionally sought to disclose and send the notice of convocation as early as possible while ensuring the accuracy of information included therein (the notice is sent prior to the legal deadline both provided electronically and as a paper document).
Scheduling of the General Meeting of Shareholders on a Non-Peak Day	Full consideration is given to the audit schedule of Audit & Supervisory Board Members and accounting auditors in deciding the date for the annual shareholders' meeting, and a date is set that avoids the dates when general shareholders' meetings are most or second most concentrated.
Electronic Exercise of Voting Rights	Voting rights may be exercised electronically, and an electronic voting rights platform has been introduced.
Participation in a Platform for the Electronic Exercise of Voting Rights and Other Initiatives to Enhance Environment for Institutional Investors to Exercise Voting Rights	The Company participates in an electronic voting platform operated by ICJ, Inc.
Provision of Notice (or Summary of Notice) of the General Meeting of Shareholders in English	The Company prepares English-language convocation notices and posts them on the electronic voting platform and the website of the Company. (https://www.toyoda-gosei.com/)
Other	—

2. Status of IR-related Activities [Updated]

Supplementary Explanation		Explanation by a representative director or a representative executive officer
Formulation and Publication of Disclosure Policies	“The Disclosure Policy for Investors” are prepared and posted on the website of the Company. (https://www.toyoda-gosei.com/ir/disclosurepolicy/)	
Regular Investor Briefings held for Individual Investors	Four online briefing sessions were held in FY2025, during which business strategy, the company's performance trends and other matters were explained by president and the person in charge of finance and accounting.	Held
Regular Investor Briefings held for Analysts and Institutional Investors	The following activities are implemented as regular briefings and similar activities: -Holding financial results briefings for institutional investors in which the president or related officers provide	Held

	<p>explanations four times a year;</p> <p>-Holding small briefings (small meetings) at multiple times a year;</p> <ul style="list-style-type: none"> - Individual meetings with domestic and international institutional investors are held directly or online each quarter by departments involved in IR; - At respective business briefings, facility tours, and technology exhibitions multiple times each year as IR events for institutional investors. During these events, relevant officers explain the company's business strategy, developed technology, and more; - For domestic institutional investors, a shareholder relations (SR) meeting is held for dialog on sustainability efforts, voting policy and other matters; 	
Regular Investor Briefings held for Overseas Investors	<p>The Company participates in IR events for overseas investors about four times a year.</p> <p>IR interviews are conducted according to the requests of institutional investors.</p>	Not Held
Online Disclosure of IR Information	<p>Financial results briefing materials, earnings summaries and other performance information are posted on the Toyoda Gosei website. The company's operations, products, technologies, and our sustainability efforts and thinking are clearly presented. The Company has also expanded our explanations for individual investors.</p> <p>On the website of the Company, movies of presentations at financial results briefings are distributed and applications for registration for the latest IR information mail delivery service are received.</p>	
Establishment of Department and/or Placement of a Manager in Charge of IR	<p>Finance and Accounting Planning Department which consists of 3 managers (2 managers are full-time position) and 2 staff (full-time position) is established. The Company has established the system under which other related departments participates in IR activities as needed.</p>	
Other	—	

3. Status of Measures to Ensure Due Respect for Stakeholders

		Supplementary Explanation
Establishment of Internal Rules Stipulating Respect for the Position of Stakeholders		<p>We have formulated a Management Philosophy ((1) Good Corporate Citizenship, (2) Proper Business Operation, (3) Sustainable Growth, (4) Customer Satisfaction, (5) Conservation of Global Environment and Resources, and (6) Respect for the individual) that embodies the Company Creed “Boundless Creativity and Social Contribution,” and are striving to achieve sustainable growth and increase corporate value over the medium to long term through proper collaboration with a wide range of stakeholders.</p> <p>We have formulated the “Toyoda Gosei Group Charter for Business Ethics” and “Toyoda Gosei Guidelines for Business Ethics” as a supplement to the Management Philosophy, and we make efforts to appropriately collaborate with stakeholders and respect their interests through providing a guide on (a) ethical standards and values that should be shared and (b) specific action, from the five perspectives of “Corporate Social Responsibility, Company-Employee Relationships, Company Business Activity, Relationship with Society and Private Activity” and having all employees and group companies in Japan and overseas comply with the said guide.</p>
Implementation of Environmental Preservation Activities and CSR Activities, etc.		<p>Through our business activities, we contribute to the creation of a better society and the realization of a sustainable world, and meet the expectations of our customers, shareholders, employees, local communities and other stakeholders. For details on the results of these efforts, please see our integrated report (Toyoda Gosei Report), available on the company’s website. (https://www.toyoda-gosei.com/csr/dl/)</p>
Formulation of Policies, etc. on Provision of Information to Stakeholders		<p>As a company that is trusted by society, we have a policy of proactive and fair information disclosure and dialogue.</p> <p>“Toyoda Gosei Group Charter for Business Ethics” (https://www.toyoda-gosei.com/csr/governance/compliance/charter/)</p> <p>About our relationships with stakeholders, please refer to "Stakeholders Relations."</p> <p>(https://www.toyoda-gosei.com/csr/think/stakeholders/)</p>
Other		<p>[Promotion of Diversity]</p> <p>At Toyoda Gosei, under the 2030 Business Plan, we are redefining social and economic value while advancing reforms to our business structure. In doing so, we aim to adapt flexibly to environmental changes and foster a polymer-like organization capable of creating new value by energizing both people and the organization.</p>

To incorporate diverse values and fresh perspectives into management, the Company has actively implemented the recruitment, development, and promotion of individuals from a wide range of backgrounds and attributes. Since 2020, the Company has focused on creating spaces and opportunities where diverse talents are welcomed and can thrive. Efforts have been directed toward fostering a culture of inclusion by developing systems, policies, and educational frameworks to support this goal. In 2023, to further embed the Company's diversity initiatives, employees were invited to propose ideas for a symbolic logo and slogan, "Let's advance together towards a diverse future through DE&I." The logo can be seen on the Social page of the Toyoda Gosei Website.

[\(https://www.toyoda-gosei.com/csr/social/report2/\)](https://www.toyoda-gosei.com/csr/social/report2/) .

To ensure the success of DE&I initiatives, we have developed an action plan centered on the principles of understanding and learning about diversity, supporting one another, and translating these efforts into meaningful actions.

We are implementing the following key initiatives to raise awareness among all employees, including lectures by external speakers, conducting training sessions to promote women's participation in the workforce, and the establishment of "Empathy Month" as an awareness-raising event.

In creating a positive corporate culture, we analyze the results of regular experience surveys, organize issues at the companywide level and workplace level, and we aim to achieve well-being by carrying out improvement activities in a planned manner for each after labor and management recognize the issues.

To "create places where people feel safe", "create platforms where they can display their talents", and "shine a light on each individual", we provide education through the "Bright Workplace Cheering Squad" (a textbook from the Ministry of Health, Labor and Welfare) for communication training for all managers and workplace leaders, as well as for the purpose of educating employees.

To facilitate the success of women in the company, we have set a target of promoting, from 41 (FY2024 results) to 45 female managers by 2025 and 100 by 2030, accelerating initiatives to support women's empowerment.

As one specific measure for administrative staff, we launched the Encourage Program, which helps participants better understand themselves, identify their strengths, and envision leadership roles that align with those strengths. For employees in manufacturing roles, we have started initiatives led by female leaders to create workplaces where everyone can work comfortably.

Recent measures to create better workplaces for women include installing

shelves for sanitary products in women's restrooms and assigning female consultants at each factory to create an environment where employees can easily seek advice. To further boost motivation, we actively organize exchange programs with other manufacturing companies. These programs provide opportunities for employees to learn from and engage with diverse role models of women thriving in manufacturing settings.

The Company has consistently conducted hiring of individuals with disabilities, particularly in manufacturing environment entails, we conduct pre-employment internships in collaboration with special support schools. By experiencing practical work during these internships, candidates are able to adapt more quickly to the workplace after joining the Company, setting the stage for their success. From FY2024, we are enhancing our efforts to hire individuals for staff roles. This includes expanding the range of job categories available and actively participating in job fairs specifically designed for individuals with disabilities. These efforts aim to position the Company as an employer of choice. To ensure long-term employee satisfaction, we have assigned life consultants at each business site. These consultants conduct regular care meetings to address concerns and help create a more supportive and accommodating workplace environment. In FY2024, we hired 113 people with disabilities, for a hiring rate of 2.1%. For the Toyoda Gosei Group, the hiring rate with the Group special provision reached 2.7%, exceeding the target (statutory employment rate of 2.5%).

We aim to create systems that enable employees to balance their careers with childcare, caregiving, or medical treatment while staying true to themselves. Additionally, we are fostering a workplace culture rooted in mutual support, reflecting the Japanese “otagaisama” spirit. Since 2023, we have been holding seminars for employees aged 55 and above to equip them with foundational knowledge for balancing caregiving and work. These seminars cover topics such as collaboration with local community support centers and basic caregiving techniques. For childcare support, we have implemented policies that exceed the standards set by the Childcare and Caregiver Leave Act. These include extended childcare leave until a child turns two years old and special leave that can be used for school events, among other purposes. We have also actively promoted awareness campaigns targeting supervisors and workplace teams to encourage greater usage of childcare leave. These efforts have led to a significant increase in male employees taking childcare leave. Recognizing

these initiatives, we were awarded the Platinum Kurumin Certification in FY 2024.

The rate of childcare leave taken by men is 64% (FY2024 results), and we are pursuing initiatives with the aim of 75% in FY2025 and 100% in FY2030.

IV. Matters Concerning the Internal Control System

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

The Company is striving to establish and operate a system which ensures the propriety of business activities of the Company and the entire group companies through formulating a “Basic Policy on Development of Internal Controls System” in accordance with the provisions of the Companies Act and deliberating important matters at meetings, checking the status of business execution, managing risks, ensuring compliance and establishing an internal control system including internal audits in compliance with the said basic policy.

The status of the operation and development of the internal control system is reviewed annually in the meetings of the Board of Directors, and the internal control system is further improved and strengthened based on the status of operation.

- Basic Policy on Development of Internal Control System

1. Systems to ensure that the execution of duties by Members of the Board of Directors complies with relevant laws and regulations and the Articles of Incorporation

(1) The Company shall thoroughly ensure that Members of the Board of Directors take actions in compliance with relevant laws and regulations and the Articles of Incorporation through training on legal knowledge required for Members of the Board of Directors.

(2) In the execution of duties by Members of the Board of Directors, decisions shall be made after comprehensive considerations at the Board of Directors and cross-organizational meetings and committees. The items to be discussed at those meetings and committees shall be properly submitted as prescribed by relevant company rules.

(3) The Company shall establish a committee regarding corporate ethics to discuss and determine actions for complying with relevant laws and regulations and corporate ethics.

2. Systems related to the retention and management of information pertaining to the execution of the duties by Members of the Board of Directors

Information relating to the execution of duties by Members of the Board of Directors shall be properly retained and managed by each responsible division based on relevant laws and regulations as well as applicable company rules.

3. Rules and other systems related to the management of risk of loss at the Company

(1) Risks related to business and investment, and risks related to safety, quality, the environment, etc., shall be managed company-wide at the Board of Directors and various cross-organizational meeting based on company rules, and appropriate decisions shall be made with regards to comprehending and responding to those risks.

(2) Risks related to business and investment shall be managed properly for the area of responsibility of each business headquarters chief. For risks related to safety, quality, the environment, etc., the division in charge of each function shall properly manage the risks for which it is responsible.

(3) The Company shall establish and operate guidelines regarding risk management for such as safety, quality, and environment.

(4) In preparation for the occurrence of disasters, the Company shall formulate business continuity plans and conduct disaster drills. In addition, the Company shall attempt to diversify risks by such as effecting insurance if necessary.

(5) The Company shall timely and properly disclose information as well as work on ensuring the accuracy of financial reporting

by the Company through such as documenting a flow of funds and a system of management.

4. Systems to ensure that the execution of the duties by Members of the Board of Directors at the Company and its Subsidiaries is performed efficiently

(1) Members of the Board of Directors shall set management policy by maintaining an overview of the entire Toyoda Gosei Group, consisting of the Company and the Subsidiaries, and provide direction and supervision for each business. Based on medium and long term management policies and annual corporate policies, the Company shall embody policies at each level of the organization and perform consistent policy management.

(2) Based on corporate policies, Members of the Board of Directors shall direct and supervise Corporate Officers and conduct swift and flexible decision making. Corporate Officers shall execute their duties with swiftness and flexibility based on the direction and supervision by Members of the Board of Directors.

(3) The Company shall clarify authorities and responsibilities for executing duties by company rules, and duties and budgets shall be executed based on such rules. Important matters shall be properly referred to the Board of Directors and relevant meetings and committees based on applicable referring standards.

5. Systems to ensure that the execution of the duties by the Company's employees and by the Subsidiaries' directors and employees complies with relevant laws and regulations and the Articles of Incorporation

(1) The Company shall clarify allocation of duties and approval authorities for managerial positions at each organization, establish compliance action guidelines such as charter for business ethics and guide for business ethics, and ensure dissemination to all employees through stratified education programs.

(2) Divisions in charge of each function at the Company shall establish and expand company rules and manuals for responsible functions, and ensure effectiveness by such as inspection. In addition, internal audit divisions at the Company shall check the status of implementation on a regular basis.

(3) The Company shall establish organizations responsible for compliance and attempt to foster consciousness of compliance among the Company through providing information on complying with relevant laws and regulations.

(4) The Company shall establish internal and external consulting hotlines for compliance, grasp information promptly, and attempt to develop a solution.

6. Systems to enable the Company to receive reports of matters regarding the execution of duties by the Subsidiaries' directors and others.

The Company shall attempt to create healthy environment of internal control at the Company and the Subsidiaries through sharing the management philosophy with the Subsidiaries and establishing the Toyoda Gosei Group Charter for Business Ethics, which is a common code of conduct, and expanding it to the Subsidiaries. The Company shall dispatch part-time Directors and part-time Audit & Supervisory Board Members to the important Subsidiaries and monitor and restrain the execution of duties by the Subsidiaries. The Company shall establish divisions in charge of managing the Subsidiaries, and confirm that the business of the Subsidiaries is appropriate through exchange of information regularly and as needed with the Subsidiaries.

1) Systems to enable the Company to receive reports of matters regarding the execution of duties by the Subsidiaries' directors and others

[Translation]

The Company shall require the Subsidiaries to establish and operate a prior approval and report system based on the Company's manuals. Important matters at the Subsidiaries shall be properly referred to the Company's Board of Directors and relevant meetings and committees based on applicable referral standards.

2) Rules and other systems related to management of the risk of loss at the Subsidiaries

The Company shall require the Subsidiaries to establish and properly manage a system to promote clarification and activities for risks related to business and investments and risks related to safety, quality, the environment, etc. The Subsidiaries shall also be required to establish crisis management and business continuation plans. Moreover, they shall be required to conduct activities to ensure the accuracy of financial reporting, such as documenting the flow of funds and system of management.

3) Systems to ensure that the execution of the duties by Members of the Board of Directors at the Subsidiaries is performed efficiently

The Company shall require the Subsidiaries to incorporate policies at each level of the organization and perform consistent policy management based on the Company's medium- and long-term management policies and annual corporate policies. The Subsidiaries shall also be required to clarify authority and responsibilities for executing duties by the company rules, and execute duties and budgets based on them. They shall be required to implement these policies properly and carry out conduct the business efficiently.

4) Systems to ensure that the execution of the duties by the Subsidiaries' directors and employees complies with relevant laws and regulations and the Articles of Incorporation

The Company shall require the Subsidiaries to clarify allocation of duties and approval authorities for managerial positions at each organization, establish compliance action guidelines such as guide for business ethics in accordance with the Toyoda Gosei Group Charter for Business Ethics distributed by the Company, and ensure dissemination to all employees through stratified education programs. The Company shall also require the Subsidiaries and the divisions in charge of the business to establish and expand the necessary company rules and manuals, and ensure effectiveness by such as inspection. Moreover, the Subsidiaries shall be required to establish an internal or external consulting hotline for compliance to grasp information promptly, and attempt to develop a solution.

7. Matters regarding employees who assist the duties of Audit & Supervisory Board Members in case where Audit & Supervisory Board Members request assignment of such employees

The Company shall appoint employees who assist the duties of Audit & Supervisory Board Members at the necessary number through discussion with full-time Audit & Supervisory Board Members. In addition, the employees who assist the duties of Audit & Supervisory Board Members shall support necessary investigations by following the instructions from Audit & Supervisory Board Members.

8. Matters regarding the independence of the employees described in Item 7 from Members of the Board of Directors

Employees who assist the duties of Audit & Supervisory Board Members shall belong to a dedicated department established under Audit & Supervisory Board Members. Personnel affairs (such as reassignment, evaluation, and other treatments) of those employees shall be determined through discussion with full-time Audit & Supervisory Board Members.

9. Matters related to ensuring the effectiveness of instructions from Audit & Supervisory Board Members to the employees

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described in Item 7

Employees who assist the duties of Audit & Supervisory Board Members shall not be ordered by Members of the Board of Directors, Corporate Officers, and other employees.

10. Systems for Members of the Board of Directors of the Company and its Subsidiaries to report to Audit & Supervisory Board Members, and systems regarding other reports to Audit & Supervisory Board Members

(1) Members of the Board of Directors shall timely and properly report to Audit & Supervisory Board Members regarding the execution of major duties through responsible divisions, and immediately report to Audit & Supervisory Board Members when detecting any facts likely to cause substantial detriment to the Company and the Subsidiaries.

(2) Directors and employees at the Company and the Subsidiaries shall report on business operations when requested by Audit & Supervisory Board Members, on a regular basis or whenever necessary.

11. Systems to ensure that a person who has made a report to Audit & Supervisory Board Members will not receive unfair treatment due to making the said report

(1) The Company shall ensure that Members of the Board of Directors, Corporate Officers, employees who have made a report to Audit & Supervisory Board Members will not receive unfair treatment due to making the said report.

(2) The Company shall ensure that Directors and employees of the Subsidiaries who have made a report to Audit & Supervisory Board Members will not receive unfair treatment due to making the said report, and shall disseminate that effect to Directors and employees of the Subsidiaries.

12. Matters regarding policies on processing prepayment or redemption of expenses arising from executing the duties by Audit & Supervisory Board Members, and on processing expenses or debt arising from executing other relevant duties

(1) The Company shall bear expenses arising from executing the duties of Audit & Supervisory Board Members at their request.

(2) The Company shall enable Audit & Supervisory Board Members to consult certified public accountants, lawyers, and others, and shall bear the consulting expenses.

13. Other systems to ensure that audits by Audit & Supervisory Board Members are conducted effectively

(1) The Company shall ensure the attendance of Audit & Supervisory Board Members to major meetings and committees, and secure opportunities for accessing to important documents.

(2) The Company shall secure a system that Audit & Supervisory Board Members exchange opinions with Representative Directors, Accounting Auditors, and internal audit divisions on a regular basis.

(3) Internal audit division and divisions in charge of each function shall conduct audits of the Company and the Subsidiaries by collaborating with Audit & Supervisory Board Members if necessary, and report the results to Audit & Supervisory Board Members. In addition, those divisions shall support investigations by Audit & Supervisory Board Members when necessary.

• Summary of the status of operation

(1) Overall internal control system

The Company is striving to establish and operate a system which ensures the propriety of business activities of the Company and

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the entire group companies through formulating a “Basic Policy on Development of Internal Controls System” in accordance with the provisions of the Companies Act and deliberating important matters at various meetings, establishing and operating related rules and procedures ensuring thorough compliance, managing risks and establishing an internal control system including internal audits in compliance with the said basic policy. Through its operations, the Committee seeks to enhance internal control systems. We provide training on legal compliance to Directors and Corporate Officers as appropriate.

The status of the operation and development of the internal control system is reviewed annually in the meetings of the Board of Directors, and the internal control system is further improved and strengthened based on the status of operation.

(2) Compliance system

Compliance is ensured throughout the Company and its group companies in accordance with the “Toyoda Gosei Group Charter for Business Ethics”, which is a common code of conduct for the entire group companies, and each company's own action guidelines.

The Company's specific policies and activity plans are deliberated and decided by the Compliance Subcommittee in Internal Control Committee, chaired by the president, and distributed to all internal departments and domestic and overseas subsidiaries. For example, people check laws relevant to their own departments each year and we are endeavoring to strengthen thorough compliance in all departments in the company. A Regulatory Management Department was established in June 2023. Together with efforts to further strengthen legal compliance, such as audits at turning points from design to mass production, we are seeking to raise awareness of thorough legal compliance in each individual. This includes quality issue kaizen in each workplace and education on legal and certification matters for all employees. In addition, we have ongoing efforts to create open workplaces, provide executive and management level training, and conduct dialogs with each workplace.

In addition, we have set up compliance consultation desks inside and outside the Company to find problems and take remedial actions promptly.

(3) Risk management system

In order to prevent an accident that has a significant impact on management, and to minimize damage in the event of occurrence of the accident, the Company established a “Risk Management Subcommittee” in 2019, which together with its regular operations, monitors risks in each function at various meetings across the organization and makes decisions about how to respond.

Risks related to business and investment shall be managed company-wide at the Board of Directors and various cross-organizational meeting based on company rules, and appropriate decisions shall be made with regards to comprehending and responding to those risks. For various risks related to safety, quality, and the environment, each department in charge establishes rules and procedures, and conducts appropriate management such as implementing measures after evaluating the status of operation as necessary. In addition, we have established a “Crisis Management Response Guide” that summarizes basic matters related to crisis management, clearly describes what to do to prevent possible risks and take appropriate and prompt actions in the event of an emergency.

To strengthen crisis management activities, in FY2024 we are raising the level of emergency report lines from each region to the World Headquarters.

(4) Management of the entire group companies

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In order to create a sound internal control environment for group companies, we share the “Toyoda Gosei Management Philosophy” with group companies and have established a common code of conduct, the “Toyoda Gosei Group Charter for Business Ethics.”

While respecting the management autonomy of subsidiaries, we regularly receive business reports and confirm the appropriateness and legality of the operations of subsidiaries through pre-approval and reporting systems. In addition, part-time directors and part-time Audit & Supervisory Board members are dispatched to important subsidiaries of the Company to monitor and check the business execution of such subsidiaries.

In FY2024, we have held liaison meetings with each domestic subsidiary, and conducted activities to strengthen internal controls.

(5) Performance of duties by directors

Based on the “Rules of Board of Directors”, a meeting of the Board of Directors is held every month and on an ad hoc basis. The Board of Directors makes decisions flexibly with a small number of people. Audit & Supervisory Board members also attend meetings of the Board of Directors. In addition, we have adopted a corporate officer system, and corporate officers flexibly execute their duties by providing resolutions of the Board of Directors to corporate officers at monthly management meetings. Some resolution authority has been transferred to the executive side in FY2024 to enhance discussions, while at the same time raising the speed of execution.

(6) Performance of duties by Audit & Supervisory Board member

The Audit & Supervisory Board members attend major board meetings in addition to meetings of the Board of Directors, and audit and supervise the execution of duties by directors. In addition, the internal audit department (Audit Division) and accounting auditors exchange information closely and cooperate. To improve the independence and effectiveness of audits by Audit & Supervisory Board members and to facilitate audit work, an Audit & Supervisory Board Department has been established directly under the Audit & Supervisory Board to assist in the execution of duties by Audit & Supervisory Board members.

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

The Company has established the “Toyoda Gosei Guidelines for Business Ethics” as a guideline for all people working at the Company in which “Elimination of Anti-Social Force” is stipulated and the Company implement policies on eliminating anti-social force.

- Basic policy on eliminating anti-social forces

We draw a sharp and resolute line with respect to the anti-social forces that pose a threat to the order and safety of civil society, and we will never involve ourselves with such forces for any motivation or reasons.

- Status of developments to eliminate anti-social forces

(1) Establishment of a general response department and a person responsible for preventing illicit requests

A general response department has been established in the headquarters of the Company. At the same time, we are developing a

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company-wide system to decide on a person who is responsible for dealing with such anti-social forces at each location.

(2) Cooperation with external specialized institutions

We exchange information on a regular basis with the police headquarters and the relevant police stations, and participate in liaison meetings organized by the authorities.

(3) Status of collecting and managing information on anti-social forces

In cooperation with external specialist organizations and experts, the latest information on anti-social forces is collected and managed by the corresponding department, and used for alerting the Company as necessary.

(4) Preparation of Manual

A collection of case studies on how to deal with unreasonable requests and behaviors is prepared and distributed to each department in the Company.

(5) Implementation status of training activities

a. Information on anti-social forces is provided through the intranet of the Company.

b. We are promoting various educational activities to prevent damages, such as having employees attend classes and seminars on eliminating anti-social forces offered by external specialized organizations.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not Adopted
Supplementary Explanation for Applicable Items	

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2. Other Matters Concerning the Corporate Governance System

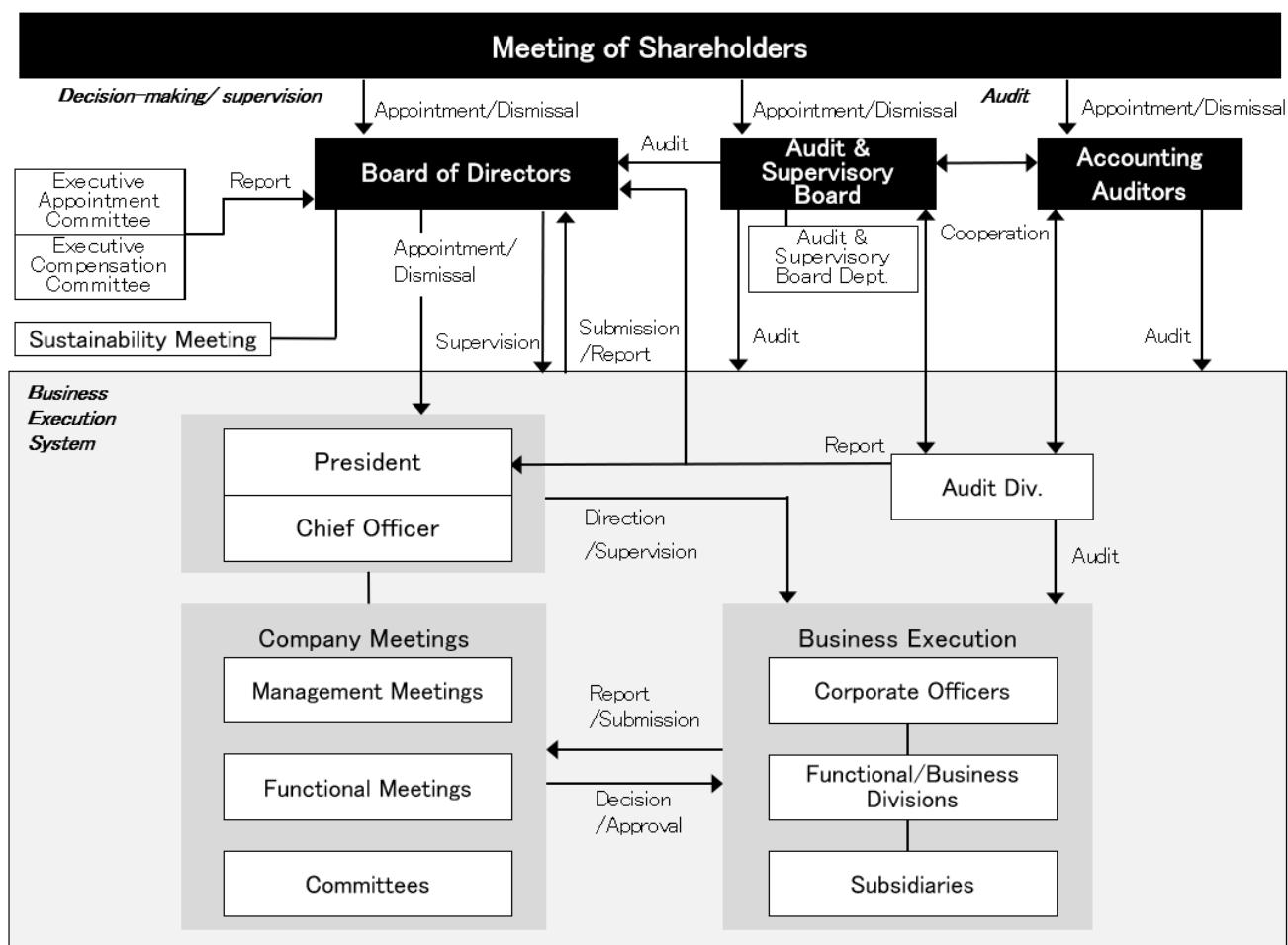
The Company has established the “Toyoda Gosei Guidelines for Business Ethics” as behavioral guidelines for all people working in the company. It includes actively and impartially providing corporate information to a wide range of stakeholders as a basic way of thinking, and we practice it.

- Overview of the Timely Disclosure System

- 1) The Company has established the “Rules for Timely Disclosure of Company Information” that provide for (a) the management of information concerning the Company and its subsidiaries and (b) the internal rules for organization and procedures for timely disclosure.
- 2) In accordance with internal rules, the department in charge of timely disclosure (General Administration Division) collects information through reports from departments in charge of the management of information subject to timely disclosure or by checking the materials of management meetings and the Board of Directors.
- 3) The department in charge of timely disclosure and the person responsible for timely disclosure (Chief of General Administration and Human Resources Headquarters) determines, based on the applicable laws and regulations, guidelines, etc. including Stock Exchange Rules and Financial Instruments and Exchange Act, whether disclosure of information is necessary.
- 4) When disclosure of information is determined by the said department and person, information is disclosed in a timely manner after report to the president and full-time Audit & Supervisory Board members.

[Translation]

Toyoda Gosei Co., Ltd. Corporate Governance System Chart



[Notes of caution]

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

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