

# Corporate Governance Report

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June 23, 2025

## **Toyota Tsusho Corporation**

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Securities Code: 8015

<https://www.toyota-tsusho.com/english>

Corporate governance at Toyota Tsusho Corporation (the “Company”) is as follows:

## **I. Basic Policies for Corporate Governance, Capital Structure, Corporate Attributes and other Basic Information**

### **1. Basic Policy**

In the Toyota Tsusho Group’s Fundamental Philosophy, the Toyota Tsusho Group (the “Group”) has set forth the corporate philosophy “Living and prospering together with people, society, and the Earth, we aim to be a value-generating corporation that contributes to creation of a prosperous society.” The Group has instituted the Behavioral Guidelines as a fundamental code of conduct for legally and appropriately realizing this philosophy as a good corporate citizen.

In keeping with this Fundamental Philosophy, the Company has instituted the Basic Policies on Establishing Internal Control Systems for the purpose of carrying on and deepening penetration of the Toyota Tsusho DNA, which articulates the Group’s unique values, beliefs, and daily principles of conduct, of promoting value creation from the customer’s perspective, and of fulfilling the Group’s social mission by establishing a “system for ensuring the appropriateness of the Company’s operations.”

On the basis of this fundamental philosophy, the Company will actively promote further management efficiency, transparency, rigorous compliance, and financial soundness. In addition, the Company will further enhance its public relations and investor relations activities to promote wider understanding of the Group.

### **[Reasons for not implementing each principle of the Corporate Governance Code]**

The Company implements each principle of the Corporate Governance Code including for the Prime Market.

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## [Disclosure based on each principle of the Corporate Governance Code] (Updated)

### [Principle 1-3]

The Company's dividend policy is to pay progressive dividends and achieve a payout ratio of 30% or more for the fiscal years ending March 31, 2024 through March 31, 2026. Starting from the fiscal year ending March 2026, our Shareholder Returns Policy has been revised to continue progressive dividends and target a total return ratio of at least 40%, including share buybacks, for the fiscal years ending March 2026 through March 2028. In addition, the Company will consider agile payment based on the cash flow trends. The Company intends to use internally retained earnings to further enhance and strengthen its operational foundation and invest in business expansion to ensure future shareholder returns.

### [Principle 1-4]

#### • Policies on strategic shareholdings

Maintaining and strengthening business relationships and cooperative relationships with a wide variety of companies is necessary for sustained enhancement of the Company's corporate value. The Company strategically holds limited shares of investment companies that are considered — from a medium- to long-term perspective — to be beneficial and important as significant business/collaborative partners. When conducting reviews into whether the Company ought to continue holding its cross shares and the number of the cross shares it holds, the Company will comprehensively consider profitability using self-devised cost-of-capital-based indicators and matters, such as establishing, maintaining, and strengthening business relationships with the partners concerned, contributing to and cooperating with regional and social development, and other factors. The results of the reviews of continued ownership and the number of shares held shall be reported during the Board of Directors meeting once a year. The Company will reduce its holdings of cross shares when it is found that there are no grounds to continue holding them.

In the fiscal year ended March 31, 2025, we reduced 50 issues (balance sheet amount in the fiscal year ended March 31, 2024: 69.0 billion yen in total), excluding nine issues that were partially sold, etc.

#### • Policy on the exercise of voting rights

Striving to maintain and strengthen partnership with investee companies, the Company engages in communications with these companies that contribute to enhancement of their shareholder interests and corporate value over the medium and long term. The

Company's departments that manage investments take that perspective and appropriately exercise voting rights on the basis of multifaceted and comprehensive consideration of the situation of each investee company.

- Policy for when cross-shareholders (i.e. shareholders who hold a Company's share for the purpose of cross-shareholding) indicate that they want to sell the shares

If cross-shareholders seek to sell the shares, the Company will not hinder the sale of the cross-held shares. In such a case, if the Company has their shares for the purpose of cross-sharing, the Company will take appropriate measures to reduce those shares in accordance with the Company's policies on cross-shareholdings.

[Principle 1-5] [Supplementary Principle 1-5-1]

The Company presently has no plans to adopt takeover defense measures. If it were to do so in the future, it would adopt only measures it deems reasonable and necessary and fully explain them to shareholders.

[Principle 1-6]

The Company presently has no plans to adopt any capital policies that would result in a change in control of the Company or substantially dilute existing shareholders. If it were to do so in the future, it would adopt only policies it deems reasonable and necessary and fully explain them to shareholders.

[Principle 1-7]

The Company complies with the procedures set forth in the Companies Act concerning transactions involving the conflict of interest of directors and competitive transactions by directors. All transactions with non-director executive officers require both the approval of the President and reporting to the Board of Directors based on our Regulations of Board of Directors. Through such a requirement, the Company believes that these transactions are adequately supervised by the Board of Directors.

In transactions between the Company and the Company's major shareholders or other related parties, the Company decides price and other terms and conditions on the basis of individual negotiations, as in the case of ordinary transactions, approves transactions in accordance with internal rules, and endeavors to ensure that related-party transactions do not harm the interests of the Company or the common interests of all shareholders.

[Supplementary Principle 2-4-1]

(1) Our approach to securing diversity

The Group is convinced that its effort to respect, embrace, and actively utilize diversity will lead to an increased superiority of the entire group. As part of our business strategy, we are promoting Diversity, Equity, and Inclusion (DE&I) to create an environment where every employee can unleash their unique potential through “awakening their DNA,” and where, through mutual influence, we evolve together, aiming to realize a “dynamic, living organization.” Moreover, we continue to get personnel equipped with diverse individuality and experience to perform well as our core human resources such as managerial staff, by ensuring to select, develop, evaluate, and promote personnel according to each individual's skills regardless of his/her attributes. This approach is disclosed in our official website: Sustainability\_Social\_Promoting Diversity\_Basic Policy

(<https://www.toyota-tsusho.com/english/sustainability/social/diversity.html>)

(2) Set measurable goals and disclose the execution status

Shown below are voluntary and measurable goals for securing diversity on a nonconsolidated basis, coupled with the execution status.

① Promote female employees to managerial positions

As of April 2025, women account for 31% of our total workforce. Additionally, the proportion of women in management positions has gradually increased from 5.0% as of March 2021 and is projected to reach 9.5% by March 2026. The number of female overseas expatriates and line managers/group leaders has also increased, with one female executive officer and two female senior managers currently holding positions. Having set a target to achieve a 10% ratio of women in management positions by the end of the fiscal year ending March 2026, we continue to strengthen our initiatives to promote the advancement of women.

② Promotion of non-Japanese employees to managerial positions

As of April 2025, our company employs 98 foreign nationals, including those seconded from overseas subsidiaries and affiliated companies, 24 of whom hold management positions or higher. We will continue to actively recruit foreign nationals through both new graduate and mid-career recruitment and provide ongoing support and development to enable them to excel as key talent in managerial and other core roles.

③ Strengthen recruited mid-career employees (※)

Mid-career employees now account for approximately 50% of workers recruited annually (as of April 2025). The Company, having been boosting its mid-career

recruitment for new key domains constituting its entity-wide strategy, will continue hiring mid-career workers more or less to a similar extent and utilize their diverse experience.

※Excluding rehires and transfers from outside the company

(3) Human resources development policy and internal environment streamlining policy  
Our group promotes work-life balance and workstyle reforms to expand opportunities for diverse employees to thrive and succeed. We have also introduced HR systems that enable diverse career paths and are working to create an environment where diverse employees can thrive, foster an inclusive corporate culture, and raise individual awareness of diversity and inclusion. To advance these initiatives, each division CEO is responsible for setting annual DE&I goals. A reporting framework has been established to track and communicate progress and results to the Board of Directors and other relevant committees. Moving forward, we will continue to create value unique to our company and achieve sustainable growth by fostering an environment where every employee can fully leverage their unique strengths and abilities as empowered individuals, and by investing in talent development.

Work-life balance assistance and work style reform:

(<https://www.toyota-tsusho.com/english/sustainability/social/working-env.html>)

Human resources system and human resource development:

(<https://www.toyota-tsusho.com/english/sustainability/social/hr-activity.html>)

External evaluation: Earned Platinum Kurumin certification and Eruboshi (Certification Stage 2) certification, Next Nadeshiko: Companies Supporting Dual-career and Co-parenting

(<https://www.toyota-tsusho.com/english/sustainability/social/diversity.html>)

[Principle 2-6]

To enable corporate pension funds to perform the functions expected of them as asset owners, the Company allocates to the fund secretariat human resources suitable for carrying out asset management, etc. and has out in place an Asset Management Committee in which the heads of the Finance Department, Accounting Department, and Global Human Resources Department participate as members. The Asset Management Committee deliberates on matters concerning fund management status, asset distribution, and future fund management policy. The Asset Management Committee, through its deliberations, confirms whether fund management is being implemented in accordance with the Basic Fund Management Policy and whether it is based on diversified investment conducted from a medium- to long-term perspective.

The Company has also appointed an external consulting firm to complement internal professional expertise and knowhow while also — by providing an independent perspective — helping to prevent conflicts of interest between the Company and beneficiaries of the pension funds.

[Principle 3-1 (i)]

The Company discloses the vision, mid-term business plan, and other information on the corporate website.

<https://www.toyota-tsusho.com/english/company/vision.html>

[Principle 3-1 (ii)]

Please see “I. 1. Basic Policy” of this report.

[Principle 3-1(iii)]

Explanation of decisions for remuneration, etc. for the directors and the calculation method, and the decision method

(a) Outline of the remuneration plan for directors

Remuneration for directors of the Company consists of fixed remuneration as basic remuneration, bonuses as performance-linked remuneration, and restricted stock compensation.

However, outside directors are independent from the operational management. Therefore, they are paid fixed remuneration only, and do not receive bonuses and restricted stock compensation.

(b) Method for determining remuneration for individual directors

The Company has established an Executive Compensation Committee as an advisory body to the Board of Directors. To increase the objectivity and transparency of the activities of this committee, the committee is chaired by the Chairman of the Board or Vice Chairman of the Board, who is not involved with managing business operations, and independent outside directors are the majority of the committee members.

The Executive Compensation Committee deliberates on the policy for determining the remuneration for each director (the “Policy”), the director remuneration system, director remuneration proposals to be submitted to the General Meeting of Shareholders, and other important matters concerning director remuneration. The Board of Directors determines important matters concerning director remuneration including the Policy and the proposal to be presented to the General Meeting of Shareholder, taking into account the result of deliberations of the Executive Compensation Committee.

The Board of Directors gives the President & CEO the authority to determine the fixed remuneration and bonuses of individual directors for the purpose of enabling these decisions to be made with flexibility and speed. The President & CEO first receives the opinions of the Executive Compensation Committee concerning remuneration. Then, in accordance with the Policy, the President & CEO makes a final decision about individual fixed remuneration and bonuses. Individual remuneration using restricted stock is determined by resolutions of the Board of Directors.

(c) Policy for determining the percentages of fixed remuneration, bonuses and restricted stock compensation

The ratio for fixed remuneration and performance-linked remuneration (bonuses and restricted stock) for directors other than outside directors changes with consolidated profit (attributable to owners of the parent) in the previous fiscal year. When this profit increases, performance-linked remuneration rises as a percentage of total remuneration. The ratio of bonuses within performance-linked remuneration (the "Bonus Ratio") and the ratio of restricted stock compensation to total remuneration (the "Restricted Stock Compensation Ratio") are determined by the Board of Directors based on the results of discussions by the Executive Compensation Committee and on the roles and responsibilities of each director.

(d) Policy for deciding fixed remuneration and bonuses

Fixed remuneration for directors is paid monthly during the directors' terms of office. The fixed remuneration of directors at other companies in the same industry and other items are used as reference benchmarks. Fixed remuneration is then set at a suitable level in relation to the executive position and responsibilities of individual directors.

Bonuses are paid in a certain length of time after the Ordinary General Meeting of the Shareholders. As directors are responsible for the total earnings of the Toyota Tsusho Group (including one-time and extraordinary earnings and losses), the bonuses for individual directors are based on consolidated profit (attributable to owners of the parent) in the previous fiscal year. The bonuses for individual directors for a fiscal year are calculated by multiplying the performance-linked remuneration (based on consolidated profit) that is established for each executive rank by the Bonus Ratio. Then, the President & CEO as of the end of the fiscal year determines bonus proposals as needed based on the responsibilities and performance of individual directors. Finally, the President & CEO as of the time bonuses are paid determines the amounts of the bonuses based on these proposals.

The sum of fixed remuneration and bonuses cannot exceed the limit for total remuneration that was established by a resolution approved at a shareholders meeting.

(e) Policy for deciding restricted stock compensation

Restricted stock compensation is paid a certain length of time after the Ordinary General Meeting of the Shareholders. However, if there is a legitimate reason for not distributing restricted stock compensation to a director, the director will receive the entire amount of performance-linked remuneration as a bonus and will receive no restricted stock.

Restricted stock compensation is paid in the form of monetary claims. The maximum amount of these monetary claims is established by a shareholders meeting resolution separate from the maximum amount of fixed remuneration and bonuses. Restricted stock is Toyota Tsusho common stock (with contractual transfer restrictions) obtained by newly issuing stock or by using treasury stock. The maximum number of shares of restricted stock is established by a shareholders meeting resolution.

Restricted stock compensation for individual directors is based on consolidated profit (attributable to owners of the parent) in the previous fiscal year. The restricted stock compensation for individual directors for a fiscal year is calculated by multiplying the performance-linked remuneration (based on consolidated profit) that is established for each executive rank by the Restricted Stock Compensation Ratio. The final amounts are approved by a resolution of the Board of Directors.

[Principle 3-1 (iv)]

- Policies

We define “senior executive officers” as internal directors excluding the Chairman or Vice Chairman of the Board, Division CEOs, and Regional CEOs, the CSO, and the CHRO. Appointments to these executive officer positions are made through comprehensive deliberations aimed at ensuring accurate and timely decision-making and appropriate placement of personnel according to their roles. Candidates for Members of the Board and Audit & Supervisory Board Members are nominated from both inside and outside the company, based on their extensive experience, advanced specialized knowledge, and broad perspectives.

The Company considers appointments of outside officers in accordance with the requirements set forth in the Companies Act and the independence standards established by financial instruments exchanges. Further, the Company has stipulated criteria for the dismissal of top managements in its internal regulations and such considerations are made in accordance with these regulations.

- Procedures



We have established an “Executive Appointment Committee” within the Board of Directors, consisting of a majority of independent Outside Members of the Board, which deliberates on the nomination of Members of the Board and the appointment and dismissal of executive officers. The Board makes final decisions on Members of the Board based on the committee’s recommendations. The nomination of candidates for Audit & Supervisory Board Members is made by the resolution of the Board of Directors, following the consent of the Board of Auditors.

[Principle 3-1 (v)]

The reasons for the election of individual directors and Audit & Supervisory Board members are described in the election proposals in the Reference Materials for the General Meeting of Shareholders. For details, please refer to the Notice of Ordinary General Meeting of Shareholders posted on the corporate website(<https://www.toyota-tsusho.com/english/ir/shareholders/meeting.html>).

[Supplementary Principle 3-1-3]

We identified Key Sustainability Issues [Six Materiality] that it will address with priority.

- 1.Strive for the elimination of traffic casualties and contribute to the creation of a safe and comfortable mobility society
- 2.Contribute to the transition to a carbon neutral society by reducing CO<sub>2</sub> emissions from automotive, manufacturing, and energy plant construction through the use of clean energy and innovative technologies.
- 3.Contribute to the development of a recycling-based society by transforming waste into resources for manufacturing.
- 4.Grow with developing countries, including those in Africa, and endeavor to resolve social issues through business operations.
- 5.Begin everything we do with ensuring safety and compliance and continue to be an organization trusted by society.
- 6.Respect human rights, and actively develop people who will contribute to society by nurturing them and giving them opportunities to apply their skills.

Our company has adopted the mission of “passing on a better Earth to the children of the future,” and we have established materiality KPIs to contribute to a prosperous society through our business operations. We review the progress of these KPIs annually.

Deeming climate change as a significant business challenge, we expressed support

for TCFD in May 2019, have been providing disclosure in accordance with the framework, and will step up the endeavors further.

In July 2021, as a specific policy to contribute to a shift to a decarbonized society, the Toyota Tsusho Group established a goal of i) reducing greenhouse gas emissions from its business activities in Scope 1 and Scope 2 of the nonconsolidated operations and consolidated subsidiaries in and outside Japan by 50% by 2030 in comparison with that in 2019 and ii) achieving carbon neutrality by 2050. The Group aims to achieve the goal by working to i) continue thorough energy-saving efforts and use of renewable energy sources (shift to LED at office and plants, and solar power generator installation at its buildings), ii) reduce carbon dioxide emissions in production processes and logistics, iii) lower such emissions via technological innovation, and iv) use J-credit derived from renewable energy sources.

As one of our key sustainability issues toward achieving our vision (Global Vision), we expressed an intent to respect human rights, and actively develop people who will contribute to society by nurturing them and giving them opportunities to apply their skills, and are working to grow professionals able to perform well globally. In particular, for successors to key positions that are critical to our business strategy, we develop short- to medium-term development plans through on-the-job assignments, which are discussed annually at the Human Company Taskforce, a committee chaired by the President & CEO. We also provide growth opportunities through internal and external training programs.

Reference URL for our official website

(<https://www.toyota-tsusho.com/english/sustainability/social/hr-activity.html>)

#### [Supplementary Principle 4-1-1]

The following matters require judgement and resolution by the Board of Directors.

- Matters stipulated in laws and ordinances and the Articles of Incorporation;
- Matters delegated to the Board of Directors by resolution of the General Meeting of Shareholders; and
- Other important business matters.

Other matters are delegated to each director and the progress is reported to the Board of Directors as appropriate according to their degree of importance to the business.

#### [Supplementary Principle 4-2-2]

The Toyota Tsusho Group's corporate philosophy of "living and prospering together with people, society, and the globe, we aim to be a value-generating corporation that contributes to creation of a prosperous society" is deemed to be a paramount concept that will remain unchanged perpetually and must be handed down generation after generation. Thus, we have been raising our corporate value through engaging in business activities in ways friendly to the global environment and developing professionals who contribute to society.

While putting into practice our corporate philosophy that expresses our resolve to work on management, sustainability for the Group is its business management itself and is defined as an act to present its significance of existence and its desirable state, generate economic value, premised on the environment and society, and to keep growing together with society in a sustained manner.

The Toyota Tsusho Group has specified key sustainability issues (materiality) as ones to be addressed in a prioritized fashion while pursuing sustainability management. The Toyota Tsusho Group, will contribute to resolving social issues and creating a prosperous society in the future.

#### [Principle 4-9]

The Company has determined the independence of Outside Members of the Board and Outside Audit & Supervisory Board Members based on their backgrounds and relationships with the Company, with reference to the independence rules stipulated by domestic stock exchanges, on the premise that they can reflect their wealth of experience, advanced professional knowledge, and wide-ranging insights in the Company's management and are able to actively and constructively offer their suggestions and views about enhancing the Company's corporate value over the medium and long terms from a fair and neutral position.

#### [Supplementary Principle 4-10-1]

We have established the "Executive Appointment Committee" and the "Executive Compensation Committee" as advisory bodies to the Board of Directors. Both committees are chaired by the Chairman or Vice Chairman of the Board, who are not involved in operational management. Each committee consists of five members: three Independent Outside Members of the Board and two internal, thus ensuring objectivity and transparency by maintaining a majority of Independent Outside Members of the

Board. The “Executive Appointment Committee” deliberates on matters related to the appointment and dismissal of Members of the Board, Audit & Supervisory Board Members, and senior management, including proposals related to appointments and dismissals, the formulation and implementation of a succession plan for the President & CEO, and other important matters concerning executive personnel. The “Executive Compensation Committee” deliberates on matters related to the determination of compensation for each Members of the Board, the executive compensation system, executive compensation proposals submitted to the shareholders’ meeting, and other important matters concerning executive compensation.

[Supplementary Principle 4-11-1]

The Company selects its directors from inside and outside the Company who have a wealth of experience, advanced professional knowledge, and wide-ranging insights so as to develop a system in which decision-making and oversight of management and execution are appropriately performed.

The Company comprehensively deliberates the members of the Board of Directors from the perspective of enabling appropriate and prompt decision-making and appointing the right person for the right position according to individual roles. The Board of Directors currently consists of a total of nine directors, including three independent outside directors.

The Company has appointed one person who has appropriate knowledge of finance and accounting as Audit & Supervisory Board members. The Audit & Supervisory Board currently consists of five members, including three independent outside auditors, who audit and check officers’ business execution from an objective and professional perspective.

Please refer to the end of this report for the combination of abilities and experiences possessed by the directors and Audit & Supervisory Board members of the Company. Please see “Principle 3-1 (iv)” of this report regarding policies and procedures for the selection and appointment of directors.

[Supplementary Principle 4-11-2]

Concurrent service of directors and Audit & Supervisory Board members as officers of other listed companies is noted in the Notice of Ordinary General Meeting of Shareholders (<https://www.toyota-tsusho.com/english/ir/shareholders/meeting.html>).

[Supplementary Principle 4-11-3]

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In order to improve the effectiveness of the Board of Directors, the Company conducts an analysis and evaluation of the Board of Directors and reports the findings to the Board of Directors every year. The outline of analysis and evaluation of the Board of Directors for FY2024 is below.

## <<Outline of Evaluation>>

### <Individuals Surveyed>

All 8 Members of the Board and all 5 Audit & Supervisory Board members  
(as of January 1, 2025)

### <Survey Method>

Survey and Interviews (Outside Officers Only)

### <Matters Evaluated>

Board of Directors' composition, operations, agenda items and discussions, support structure, evaluation of Member of the Board, Audit & Supervisory Board Members, etc.

### <Evaluation Results>

We conducted a Board of Directors Effectiveness Evaluation for the fiscal year ending March 2025, targeting all Members of the Board and Audit & Supervisory Board Members. The evaluation was generally positive across all items, confirming that the Board of Directors' effectiveness has been ensured.

In the evaluation for the fiscal year ending March 2024, the following areas were identified for improvement: (1) Enhancing reporting and discussions on significant risks; (2) Expanding reporting and discussions on human capital; (3) Reporting on progress of reforms from organizational restructuring and providing information on the business's future vision; and (4) Increasing information sharing regarding IR activities. In response, we have implemented the following measures: (1) Board members conduct macro-level risk discussions and have established a system for regular reporting and discussion at board meetings; (2) Reporting and discussion of human capital management and human rights due diligence initiatives at board meetings; (3) Reports and discussions incorporating these elements are conducted in dialogue meetings between Outside Officers and the sales division; and (4) Analyst reports and minutes of investor meetings are regularly distributed to Outside Officers to share direct investor feedback. We remain committed to further improving these initiatives.

On the other hand, in the evaluation for the fiscal year ending March 2025, the following three issues were identified for improvement: (1) Enhancing discussions on

management issues such as the allocation of management resources; (2) Reviewing the operation of the Board of Directors, including time allocation and board materials; and (3) Revising the criteria for submitting matters to the Board of Directors. In response, we will: (1) Establish a forum at the Board of Directors to discuss management issues such as company-wide management strategy, human resources, risk management, and sustainability, and provide timely reports and discussions when significant environmental changes arise that may impact business operations; (2) Allocate appropriate time based on agenda items and ensure consistency of discussion points by organizing necessary information for board materials through the board secretariat; and (3) Consider raising the monetary threshold for important matters, in accordance with the company's size, to allow for focused deliberation on key issues. Through these initiatives, we will continue to further enhance the effectiveness of the Board of Directors.

[Supplementary Principle 4-14-2]

- The Company appropriately provides the elected members of the Board of Directors and Audit & Supervisory Board with information necessary for them to fully perform their functions. The Company also provides opportunities for directors and Audit & Supervisory board members to participate, at Company expense, in seminars, training, etc. conducted by third-party organizations necessary for the performance of their duties.

- In addition to providing orientation for newly appointed outside officers, the Company continuously arranges opportunities for them to understand the business activities of the Company and the Group, such as inspecting the actual situation on-site (Genchi Genbutsu) by visiting the Company's principal business entities and holding dialogues with employees.

[Principle 5-1]

The Board of Directors has approved the following policy.

Policy for development of systems and measures to promote constructive dialogue with shareholders

- (i) The Company has appointed an executive officer of public affairs and an executive officer of investor relations.
- (ii) The Company has formed a task team for the purpose of organic collaboration that supports dialogue.

(iii) General Meeting of Shareholders: The Company provides easy-to-understand explanations of the Company's business, organization, etc. and conscientiously answers questions from shareholders.

Individual investors: The Company regularly makes presentations at IR events and provides explanations of the Company.

Institutional investors: The Company holds quarterly results briefings.

Overseas investors: The Company provides explanations of the Company at conference forum held in Japan and meets regularly with major shareholders.

(iv) Feedback on shareholder opinions and concerns is provided to top managements as necessary.

(v) Insider information is appropriately managed in accordance with the Insider Trading Control Regulations instituted by the Company.

#### [Principle 5-2]

The Company discloses the mid-term business plan and other information on the corporate website.

<https://www.toyota-tsusho.com/english/ir/management/plan.html>

#### [Supplementary Principle 5-2-1]

Every March, we hold a strategic policy meeting to discuss the company-wide annual plan and mid-term business plan. Based on the discussions at this meeting, the Board of Directors approves policies and strategies related to the business portfolio. Following these resolutions, we disclose the basic policies externally through IR activities and other communication channels.

#### 【Status of Dialogues with Shareholders, etc.】

We actively engage in dialogue with our shareholders and investors to contribute to our sustainable growth and medium- to long-term enhancement of corporate value.

For details, please refer to "III Implementation for Measures for Shareholders and Other Stakeholders."

#### (i) Main respondents

Financial Results Briefings and Individual Discussions: President & CEO, CFO, CSO, Deputy CFO, Deputy CSO, Dedicated IR Department

Small Meetings: President & CEO, CFO, CSO

#### (ii) Summary of shareholders and investors with whom we had dialogues with

Conducted 346 dialogues with domestic and foreign institutional investors

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(iii) Main themes and concerns in the dialogues

Growth and financial strategies, shareholder return, cost of capital conscious management, etc.

(iv) Status of feedback to management and the Board of Directors on shareholder opinions and concerns identified in the dialogue

The status of the dialogues at the results and individual meeting is summarized.

Feedback is provided through reports to the Board of Directors.

(v) Matters incorporated based on dialogue and subsequent feedback, etc.

Update shareholder return policy

## [Actions to achieve cost of capital and stock price conscious management]

|   |                                     |
|---|-------------------------------------|
| Contents <b>(Updated)</b>                           | Disclosure of Initiatives (Updates) |
| Availability of English Disclosure <b>(Updated)</b> | Available                           |
| Update Date <b>(Updated)</b>                        | June 23, 2025                       |

## Supplemental Remarks on This Item **(Updated)**

We have adopted ROIC as a management indicator effective from the fiscal year ending March 2026. By using ROIC as a key performance indicator (KPI) in investment project evaluations, we are keenly focused on improving the efficiency of returns on invested capital. Additionally, we have set ROIC targets across three areas: the Core Value domain focused on mobility; the Social Value domain contributing to social issue resolution, including resource circulation; and the Nature Value domain addressing global environmental challenges such as renewable energy. The targets are 15%, 10%, and 5%, respectively. Furthermore, in our mid-term business plan for the fiscal years ending March 2026 through March 2028, we have set a quantitative target of an ROE of at least 15%. We will continue our efforts to enhance profitability and capital efficiency moving forward. For more details on our initiatives, please refer to our mid-term business plan (<https://www.toyota-tsusho.com/english/ir/management/plan.html>).

Furthermore, we utilize TVA (Toyotsu Value Achievement), an indicator measuring the added value above the expected return on invested capital (cost of capital), for performance monitoring of headquarters and business divisions, as well as a quantitative evaluation metric for investments. The “cost of capital employed,” defined as the weighted average of the costs of shareholders' equity and liabilities, is structured so that improvements in TVA profitability, achieved through enhanced asset efficiency



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and profit growth, contribute directly to meeting our ROE targets. Additionally, we adjust for country risk to ensure our risk assessments and targets are aligned with the global scope of our business operations.

For headquarters and business divisions where TVA-related indicators are deteriorating, we require improvements through investment and performance monitoring. In discussions on new investments, we explore measures to improve TVA and achieve profitability, aiming to steadily enhance corporate value.

Reference: Our website: Investment Cycle Management:

<https://www.toyota->

[tsusho.com/english/sustainability/governance/riskmanagement.html](https://www.toyota-tsusho.com/english/sustainability/governance/riskmanagement.html)

<TVA Breakdown: Examples of Workplace Initiatives That Consider Capital Costs>

Please refer to the end of this report.

## 2. Capital Structure

|  |                             |
|--|-----------------------------|
| Percentage of shares held by overseas investors <b>(Updated)</b> | 10% or more, less than 20 % |
|--|-----------------------------|

### [Principal Shareholders] **(Updated)**

| Name  | Number of Shares Held | Percentage(%) |
|---|-----------------------|---------------|
| Toyota Motor Corporation                                | 229,106,817           | 21.69         |
| The Master Trust Bank of Japan, Ltd.<br>(trust account) | 152,995,500           | 14.48         |
| Toyota Industries Corporation                           | 118,095,402           | 11.18         |
| Custody Bank of Japan, Ltd. (Trust Account)             | 63,322,400            | 5.99          |
| MUFG Bank, Ltd.   | 24,295,905            | 2.30          |
| JPMorgan Securities Japan Co., Ltd.                     | 13,207,088            | 1.25          |
| Sumitomo Mitsui Banking Corporation                     | 12,748,767            | 1.21          |
| State Street Bank West Client Treaty 505234             | 12,572,977            | 1.19          |
| State Street Bank and Trust Company 505001              | 10,872,271            | 1.03          |
| Kochi Shinkin Bank                                      | 10,860,000            | 1.03          |

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|  |      |
|--|------|
| Controlling shareholders (except parent company) | None |
| Parent company                                   | None |

## Supplemental Remarks (Updated)

Note: 1. The major shareholders as abovementioned are as of March 31, 2025.

Note: 2. The percentage of shareholding is computed excluding 5,861,923 shares of treasury stock.

Note: 3. A large shareholding report dated February 3, 2025 was submitted by Mitsubishi UFJ Financial Group stating that 53,210,550 shares (shareholding ratio: 5.01%) were held by Mitsubishi UFJ Bank, Ltd. and four other companies, including, as of January 27, 2025. However, we are unable to confirm the status of the actual shareholdings as of March 31, 2025. Therefore, it is not included in the above list of major shareholders.

## 3. Corporate Attributes

|                                     |  |
|-------------------------------------|--|
| Stock exchange listings             | Tokyo Stock Exchange (Prime Market),<br>Nagoya Stock Exchange (Premier Market) |
| Fiscal year end                     | March  |
| Industry                            | Wholesale trade  |
| (Consolidated) Number of Employees  | Over 1,000   |
| (Consolidated) Net Sales            | Over JPY 1 trillion  |
| Number of consolidated subsidiaries | Over 300   |

## 4. Policies relating to measures for protecting minority shareholders when conducting transactions etc. with controlling shareholders

None

## 5. Other Special Items Exerting a Significant Impact on Corporate Governance

### <Listed Subsidiaries and Affiliated Companies>

#### 1. Our policy on group management and significance of owning listed subsidiaries

The Company owns Tomen Devices Corporation (Prime Market of the Tokyo Stock Exchange) as a listed subsidiary.

Our corporate philosophy says that living and prospering together with people,

society, and the globe, we aim to be a value-generating corporation that contributes to creation of a prosperous society. Toward maximizing the corporate value of the entire Company group under this corporate philosophy, we think that it is highly significant to own Tomen Devices Corporation, which is strong in marketing function as a world-class distributor for semiconductor manufacturers. In our view, to keep Tomen Devices Corporation listed to respect its autonomy and independence will contribute to synergy within the Company group to expand our operations, considering competition and market conditions in the business domains for Tomen Devices Corporation.

## **2. Governance system and effectiveness securement at listed subsidiaries**

To ensure that the Company group's operations are efficient and transparent to make its governance system effective, the Company works to ensure compliance and put its financial position on a sound footing under its Audit & Supervisory Board system and divisional consolidated business administration while endeavoring to optimize our consolidated operations, such as by sharing our corporate philosophy and business strategies. We strive to ensure that the duty execution by listed subsidiary directors, etc. is compliant with laws and the Articles of Incorporation by dispatching directors and the Audit & Supervisory Board members to Tomen Devices Corporation to have them supervise and audit such execution.

Aside from having the rules of Tomen Devices Corporation clarify approval authority at them, the Company attaches importance to its autonomy and independence. With six independent officers elected by Tomen Devices Corporation, they ensure autonomy and independence of the Board of Directors to prevent any conflict of interest with minority shareholders by having independent officers audit and supervise duty execution by the directors. Furthermore, Tomen Devices Corporation has established special committee as advisory bodies to the Board of Directors to protect minority shareholders.

## **3. Framework to ensure the appropriateness of operation at the Company group**

The Company exercises its shareholder rights at a general meeting of shareholders of listed subsidiaries and affiliated companies while ensuring to clarify approval authority at the subsidiaries and affiliated companies, with rules laid down by them, and to attach importance to their autonomy and independence.

Although various business transactions are entered into between the Company and

its listed subsidiaries and affiliated companies, prices and other transaction terms and conditions are determined similar to those for ordinary transactions through individual negotiations. The relationship and transactions between them have nothing that limits their independence.

## <Other Affiliated Companies>

Toyota Motor Corporation, a major shareholder of the Company which holds 21.8% of voting rights, falls under the category of "other affiliated companies."

The Company is a member of the Toyota Group, which consists of Toyota Motor Corporation and its corporate group, but is not restricted in its business by this fact. The Company has transactions with Toyota Motor Corporation, including the sale of products handled by the Company and the purchase of products from Toyota Motor Corporation. Prices and other transaction terms are determined in the same manner as general transactions through individual negotiations, and the Company endeavors to ensure that transactions with Toyota Motor Corporation do not harm the common interests of the Company and its shareholders.

In addition, the Company's approval authority is clearly defined in its internal rules, and there is no involvement of major shareholders in the Company's decision-making process. Furthermore, the Company has appointed three independent outside directors and three independent outside Audit & Supervisory Board members to ensure that there are no conflicts of interest with minority shareholders through the supervision and auditing of the directors' performance of their duties by independent officers. The Company also ensures independence in the appointment of directors and executive officers through deliberations by the Executive Appointment Committee, in which the majority of members are independent outside directors.

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## II. Organizational Structure for Managerial Decision-Making, Execution, Supervision and other Corporate Governance Structure

### 1. Organizational Structure and Operational Management

|                      |  |
|----------------------|--|
| Type of Organization | Company with Audit & Supervisory Board |
|----------------------|--|

#### [Board of Directors]

|   |  |
|---|--|
| Number of directors stipulated in Articles of Incorporation       | No maximum limitation                                  |
| Directors' term of office stipulated in Articles of Incorporation | 1 year   |
| Chairperson of the Board of Directors                             | Chairman of the Board (unless double as the President) |
| Number of directors (Updated)                                     | 9  |
| Appointment of Outside Directors                                  | Yes  |
| Number of Outside Directors                                       | 4  |
| Number of Outside Directors designated as Independent Director    | 3  |

#### Relationship with the Company (1)

| Name           | Attribute            | Relationship with the Company* |   |   |   |   |   |   |   |   |   |   |
|----------------|----------------------|--------------------------------|---|---|---|---|---|---|---|---|---|---|
|                |                      | a                              | b | c | d | e | f | g | h | i | j | k |
| Didier Leroy   | From another company |                                |   |   |   | △ |   | △ |   |   |   |   |
| Yukari Inoue   | From another company |                                |   |   |   |   |   |   |   |   |   |   |
| Chieko Matsuda | From another company |                                |   |   |   |   |   |   |   |   |   |   |
| Goro Yamaguchi | From another company |                                |   |   |   |   |   |   | ○ |   |   |   |

\* Categories for relationship with the Company

“○” when the said individual presently falls or has recently fallen under each of the following categories;

“△”when the said individual fell under each of the following categories in the past.

“●”when a close relative of the said individual presently falls or has recently fallen under each of the following categories; “▲”when a close relative of the said individual fell under each of the following categories in the past.

- Executive of a listed company or its subsidiary
- Executive of non-executive director of the parent company of a listed company
- Executive of a fellow subsidiary company of a listed company
- The party whose principal client or supplier is a listed company or executive thereof
- Principal client or supplier of a listed company or executive thereof

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- f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from a listed company besides compensation as an executive
- g. Principal shareholder of a listed company (executive of the said corporate shareholder if the principal shareholder is a legal entity)
- h. Executive of a client or supplier company of a listed company (which does not correspond to any of d, e, or f, above) (the said individual only)
- i. Executive of a company, between which and the Company outside directors are mutually appointed (the said individual only)
- j. Executive of a company or organization that receives a donation from a listed company (the said individual only)
- k. Other

## Relationship with the Company (2) (Updated)

| Name         | Independent director | Supplemental information on corresponding items   | Reason for selecting as outside director (and reason for appointing as independent director )  |
|--------------|----------------------|---|--|
| Didier Leroy | -                    | Over a period of 5 years from June 2015 to June 2020, Mr. Didier Leroy served as the Director of Toyota Motor Corporation, a major shareholder and business partner of the Company. Presently, he serves as the Chairman of Toyota Motor Europe NV/SA, a consolidated subsidiary of Toyota Motor Corporation. Although various business transactions are done between the Company and Toyota Motor Corporation and/or Toyota Motor Europe NV/SA, the Company decides on | Mr. Didier Leroy served as the Director of Toyota Motor Corporation and its affiliated companies. He has a wealth of management experience as a corporate executive and a high level of expertise in global companies, especially the automotive industry. The Company has re-nominated Mr. Leroy as a candidate for outside director because it believes that he is capable of providing advice on the overall business and management of the Company and supervising |

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|              |   |  |   |
|--------------|---|--|---|
|              |   | prices and other transaction terms and conditions through individual negotiations as in the case of ordinary transactions. | the execution of duties by directors.   |
| Yukari Inoue | ○ | -  | <p>Ms. Yukari Inoue holds abundant management experience at global companies, including being Managing Director of Kellogg Japan G.K. She has a wealth of experience as a corporate executive and an advanced expertise in a global company in consumer business.</p> <p>The Company has re-nominated Ms. Inoue as a candidate for outside director because it believes that she is capable of providing advice on the overall business and management of the Company and supervising the execution of duties by directors. Ms. Inoue does not have a conflict with the independence standards of the domestic stock exchange. In addition, Ms. Inoue has been designated as an independent officer because there is no conflict of interest with general</p> |

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|                |   |   |   |
|----------------|---|---|---|
|                |   |   | shareholders, and there is no business relationship or other special interests between the Company and Ms. Inoue or Kellogg Japan G.K., for which Ms. Inoue serves as the Managing Director, and the Company.   |
| Chieko Matsuda | ○ | - | Ms. Chieko Matsuda has experience at a bank and credit rating agency and in the field of research and as an outside director of an operating company. She has a wealth of experience and a high degree of expertise, particularly in the areas of corporate management, finance, and corporate governance. The Company has re-nominated Ms. Matsuda as a candidate for outside director because it believes that she is capable of providing advice on the overall business and management of the Company and supervising the execution of duties by directors. Ms. Matsuda does not have a conflict with the independence standards of the domestic stock exchange. In |



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|                |   |   |  |
|----------------|---|---|--|
|                |   |   | <p>addition, Ms. Matsuda has been designated as an independent officer because there is no conflict of interest with general shareholders, and there is no special interest between the Company and Ms. Matsuda.</p>   |
| Goro Yamaguchi | ○ | <p>Mr. Goro Yamaguchi is the Chairman and Representative Director of Kyocera Corporation, a business partner of the Company. Although Kyocera Corporation and the Company have transactions in automotive components and other products, the annual transaction amount is less than 1% of the annual sales of both the Company and Kyocera Corporation, and the Company believes that there is no conflict of interest with general shareholders.</p> | <p>Mr. Goro Yamaguchi has served as the Representative Director, President, and Chairman of Kyocera Corporation, a major electronic component and equipment manufacturer, and has a wealth of experience as a corporate executive and a high level of expertise globally, particularly in the field of electronics. The Company has renominated Mr. Goro Yamaguchi as a candidate for outside director because it believes that he is capable of providing advice on the overall business and management of the Company and supervising the execution of duties by directors.</p> <p>Mr. Goro Yamaguchi does not have any conflict with the independence</p> |

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|--|--|--|---|
|  |  |  | <p>standards of the domestic stock exchange. Although the Company has transactions with Kyocera Corporation, where Mr. Yamaguchi serves as Chairman and Representative Director, for the purchase of automotive components, etc., the amount of these transactions is less than 1% of the annual sales of both the Company and Kyocera Corporation. Since there is no conflict of interest with general shareholders, the Company has designated him as an independent officer.</p> |
|--|--|--|---|

## [Optional Committee]

|   |     |
|---|-----|
| Any optional committee equivalent to the Nomination Committee or Remuneration Committee | Yes |
|---|-----|

## Establishment of optional advisory committees, committee composition, and attributes of the chairperson

Optional committee equivalent to Nomination Committee

| Committee         |                   |                    | Executive Appointment Committee |                 |        |                   |
|-------------------|-------------------|--------------------|---------------------------------|-----------------|--------|-------------------|
| Committee Members | Full-time Members | Internal Directors | Outside Directors               | Outside Experts | Others | Chairperson       |
| 5                 | -                 | 2                  | 3                               | -               | -      | Internal Director |

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Optional committee equivalent to Remuneration Committee

| Committee         |                   |                    | Executive Compensation Committee |                 |        |                   |
|-------------------|-------------------|--------------------|----------------------------------|-----------------|--------|-------------------|
| Committee Members | Full-time Members | Internal Directors | Outside Directors                | Outside Experts | Others | Chairperson       |
| 5                 | -                 | 2                  | 3                                | -               | -      | Internal Director |

## Supplemental Remarks (Updated)

As described in Principle 4-10-1, both committees are composed of three independent outside directors and two internal directors (one of whom is the chairman). It is mandatory to hold each event once a year, and important matters are held and deliberated as needed.

<Composition of Executive Appointment Committee> As of June 20, 2025

- \*Nobuhiko Murakami (Chairman of the Board, Chairperson of the committees)
- \*Toshimitsu Imai (President & CEO)
- \* Yukari Inoue (Independent outside director)
- \* Chieko Matsuda (Independent outside director)
- \* Goro Yamaguchi (Independent outside director)

<Composition of Executive Compensation Committee> As of June 20, 2025

- \*Ichiro Kashitani (Vice Chairman of the Board, Chairperson of the committees)
- \* Toshimitsu Imai (President & CEO)
- \* Yukari Inoue (Independent outside director)
- \* Chieko Matsuda (Independent outside director)
- \* Goro Yamaguchi (Independent outside director)

## [Audit & Supervisory Board Members]

|   |     |
|---|-----|
| Audit & Supervisory Board   | Yes |
| Number of Audit & Supervisory Board Members stipulated in Articles of Incorporation | 5   |
| Number of Audit & Supervisory Board Members   | 5   |

Status of Cooperation between Audit & Supervisory Board members, the Accounting

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## Auditor, and the Corporate Internal Auditing Department

[Status of Internal Audits and Audits by the Audit & Supervisory Board members]

The Audit Department conducts internal audits of the Company and Group companies in accordance with the audit policy and plan approved by the officer in charge of the Audit Department in conformance with the Company's Internal Audit Regulations. The Audit Department holds monthly meetings with the Audit & Supervisory Board members, reports on the audit plan and results, exchanges views, and endeavors to improve audit quality and efficiency. In addition, the Audit Department evaluates the effectiveness of internal controls over financial reporting.

Statutory audits involving the auditing of the performance of duties by directors are conducted in accordance with the audit policy and plan approved by the Audit & Supervisory Board, which consists of five Audit & Supervisory Board members elected at the General Meeting of Shareholders (two full-time and three part-time outside Audit & Supervisory Board members). Audits as for the appropriateness of the results of audits conducted by the independent auditors are also conducted. Furthermore, the Audit & Supervisory Board members exchange information and opinions with the Internal Audit Department and accounting auditors to enhance audits, as needed.

[Status of Accounting Audit]

For accounting audits, the Company has appointed PricewaterhouseCoopers Japan LLC. In addition to regular accounting audits, PricewaterhouseCoopers Japan LLC provides the Company with advice on management and organizational issues to the extent that the auditor's independence is not compromised.

|  |     |
|--|-----|
| Appointment of Audit & Supervisory Board Members (Independent)                               | Yes |
| Number of Audit & Supervisory Board (Independent)  | 3   |
| Number of Audit & Supervisory Board Members (Independent) designated as independent officers | 3   |

### Relationship with the Company (1)

| Name              | Attribute                   | Relationship with the Company * |   |   |   |   |   |   |   |   |   |   |   |   |
|-------------------|-----------------------------|---------------------------------|---|---|---|---|---|---|---|---|---|---|---|---|
|                   |                             | a                               | b | c | d | e | f | g | h | i | j | k | l | m |
| Tsutomu Takahashi | Certified Public Accountant |                                 |   |   |   |   |   |   |   |   |   |   |   |   |

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|               |                      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|---------------|----------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| Seishi Tanoue | From another company |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Rikako Beppu  | Attorney at Law      |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

\* Categories for relationship with the Company

“○” when the said individual presently falls or has recently fallen under each of the following categories;

“△” when the said individual fell under each of the following categories in the past.

“●” when a close relative of the said individual presently falls or has recently fallen under each of the following categories; “▲” when a close relative of the said individual fell under each of the following categories in the past.

- Executive of a listed company or its subsidiary
- Non-executive directors or accounting advisors of the listed company or its subsidiaries
- Executive or non-executive director of the parent company of a listed company
- Parent company of Audit & Supervisory Board Members of listed company
- Executive of a fellow subsidiary company of a listed company
- The party whose principal client or supplier is a listed company or executive thereof
- Principal client or supplier of a listed company or executive thereof
- Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from a listed company besides compensation as an executive
- Principal shareholder of a listed company (executive of the said corporate shareholder if the principal shareholder is a legal entity)
- Executive of a client or supplier company of a listed company (which does not correspond to any of f, g, or h, above) (the said individual only)
- Executive of a company, between which and the Company outside directors are mutually appointed (the said individual only)
- Executive of a company or organization that receives a donation from a listed company (the said individual only)
- Other

## Relationship with the Company (2) (Updated)

| Name              | Independent Audit & Supervisory Board Member | Supplemental information on corresponding items | Reason for selecting as Audit & Supervisory Board Member                          |
|-------------------|--|---|---|
| Tsutomu Takahashi | ○  | -   | Mr. Tsutomu Takahashi has served for many years as a certified public accountant, |

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|               |   |   |  |
|---------------|---|---|--|
|               |   |   | <p>handling key positions at KPMG AZSA LLC. He has a wealth of experience and advanced expertise in corporate accounting, corporate audit, and compliance.</p> <p>The Company has re-nominated Mr. Takahashi as a candidate for outside Audit &amp; Supervisory Board member because he has been appropriately auditing the execution of duties by the directors of the Company from an independent and neutral standpoint as an outside Audit &amp; Supervisory Board member. Mr. Takahashi does not have a conflict with the independence standards of the domestic stock exchange. In addition, Mr. Takahashi has been designated as an independent officer because there is no conflict of interest with general shareholders, and there is no business relationship or other special interests between the Company and Mr. Takahashi.</p> |
| Seishi Tanoue | ○ | - | Mr. Seishi Tanoue served as the President of the   |

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|--|--|--|---|
|  |  |  | <p>local subsidiary in the US, Manager of the Management Audit Office and Audit &amp; Supervisory Board member at Toppan Printing Co., Ltd. (Current TOPPAN Holdings Inc.). He has a wealth of experience and a high level of knowledge in global corporate management and auditing. The Company has re-nominated Mr. Tanoue as a candidate for outside Audit &amp; Supervisory Board member because it believes that he is capable of appropriately auditing the execution of duties by directors of the Company as an outside Audit &amp; Supervisory Board member from an independent and neutral standpoint. Mr. Tanoue does not have any conflict with the independence standards of the domestic stock exchange. In addition, Mr. Tanoue has been designated as an independent officer because there is no conflict of interest with general shareholders, and there is</p> |
|--|--|--|---|

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|              |   |   |  |
|--------------|---|---|--|
|              |   |   | no business relationship or other special interests between the Company and Mr. Tanoue.  |
| Rikako Beppu | ○ | - | Ms. Rikako Beppu has been engaged as a lawyer for many years in Japan and abroad and has a wealth of experience and a high level of expertise, especially in the areas of international commercial transactions and M&A. The Company has renominated Ms. Beppu as a candidate for outside Audit & Supervisory Board member because it believes that she is capable of appropriately auditing the execution of duties by directors of the Company as an outside Audit & Supervisory Board member from an independent and neutral standpoint. Ms. Beppu has not been involved in corporate management in any way other than being an outside officer, but for the reasons stated above, we believe that she will be able to appropriately perform her duties as an outside Audit & |



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|--|--|--|--|
|  |  |  | <p>Supervisory Board member.</p> <p>Ms. Beppu does not have any conflict with the independence standards of the domestic exchange. In addition, Ms. Beppu has been designated as an independent officer because there is no conflict of interest with general shareholders, and there is no business relationship or other special interest between the Company and Ms. Beppu.</p> |
|--|--|--|--|

## [Independent Directors and Audit & Supervisory Board Members]

|   |   |
|---|---|
| Number of independent directors and Audit & Supervisory Board Members | 6 |
|---|---|

## Matters relating to independent directors and Audit & Supervisory Board Members (Updated)

|   |
|---|
| <p>The company designates all external directors and Audit &amp; Supervisory Board Members who meet the qualifications for independent directors and Audit &amp; Supervisory Board Members as independent directors and Audit &amp; Supervisory Board Members</p> <p>Principal Concurrent Posts</p> <p>&lt;Outside Director&gt;</p> <ul style="list-style-type: none"> <li>Ms. Yukari Inoue: Kellogg Japan G.K (Managing Director),<br/>ANA HOLDINGS INC. (Outside Director))*<br/>* Scheduled to take office in June 2025.</li> <li>Ms. Chieko Matsuda: Faculty of Economics and Business Administration,<br/>Tokyo Metropolitan University (Professor)<br/>Graduate School of Management,<br/>Tokyo Metropolitan University (Professor)<br/>IHI Corporation (Outside Director)</li> </ul> |
|---|

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|   |
|---|
| Asahi Kasei Corp. (Outside Director)  |
| Isetan Mitsukoshi Holdings Ltd. (Outside Director)  |
| • Mr. Goro Yamaguchi: KYOCERA Corporation (Chairman of the Board and Representative Director) |
| KDDI CORPORATION (Outside Director)   |
| <Outside Audit & Supervisory Board Members>   |
| • Mr. Tsutomu Takahashi: SKY Perfect JSAT Holdings Inc. (Outside Corporate Auditor)           |
| • Mr. Rikako Beppu: Squire Patton Boggs (Counsel)   |
| Mitsubishi Materials Corporation (Outside Director)   |

## [Incentives]

|                                   |   |
|-----------------------------------|---|
| Incentives Policies for Directors | Introduced performance-linked compensation system |
|-----------------------------------|---|

## Supplemental Remarks on This Item

For details, please see “I.-1. Basic Policy [Disclosure based on each principle of the Corporate Governance Code] Principle 3-1 (iii)” of this report.

|                             |      |
|-----------------------------|------|
| Recipients of Stock Options | None |
|-----------------------------|------|

## Supplemental Remarks on This Item

|   |
|---|
| — |
|---|

## [Remuneration of Directors]

|  |  |
|--|--|
| Disclosure of remuneration of individual directors | The remuneration of some individual directors is disclosed |
|--|--|

## Supplemental Remarks on This Item (Updated)

Details of directors' remuneration are disclosed in annual securities reports and made available for public inspection on the corporate website (<https://www.toyota-tsusho.com/ir/>). (Japanese version only)

Details of directors' remuneration for FY 2024 are as follows.

Total amount of remuneration: JPY770 million for 9 directors (of which, JPY 57 million for 5 outside directors)

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|  |     |
|--|-----|
| Policy on Determining Remuneration Amounts and Calculation Methods | Yes |
|--|-----|

## Disclosure of Policy on Determining Remuneration Amounts and Calculation Methods

Please see I-1. Basic Policy [Disclosure based on each principle of the Corporate Governance Code] Principle 3.1(iii) of this report.

## [Support System for Outside Directors and/or Outside Audit & Supervisory Board Members] (Updated)

To ensure that Outside Members of the Board can adequately fulfill their advisory and supervisory functions, we have implemented measures to expedite the distribution of board materials and established a support system in which the board secretariat (corporate planning department) conducts pre-meeting briefings with proposing departments. This enables outside directors to gain a thorough understanding of the business before participating in board discussions. Additionally, to deepen their understanding of the Toyota Tsusho Group, Outside Officers conduct on-site visits primarily related to matters discussed at the Board of Directors meetings.

In addition, the Company has assigned a full-time staff to assist with the duties of the Audit & Supervisory Board members, including the outside Audit & Supervisory Board members.

## [Status of Persons Who Have Retired as President and Representative Director, Chief Executive Officer, etc.]

### Name of Consultants, Advisors, etc. who were Formerly President and Representative Director, Chief Executive Officer, etc. (Updated)

| Name       | Title and Position       | Description of Business                                    | Form and Conditions of Employment (Full-time, Part-time, Paid or Unpaid, etc.) | Date of Retirement as President, etc. | Term of Office                              |
|------------|--------------------------|--|--|---------------------------------------|---|
| Jun Kaurbe | Senior Executive Advisor | Engaged in external activities such as business activities | Full-time, There is a reward   | March 31, 2018                        | From July 1, 2025 to June 30, 2026 (1 year) |

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|  |   |
|--|---|
| Total Number of Consultants, Advisors, etc. Who Were Formerly President and Representative Director, Chief Executive Officer | 1 |
|--|---|

## <Other matters>

The Company reviewed the advisor / advisor system at the Board of Directors meeting in November 2017, and has abolished the operation of automatically commissioning all retired officers.

- Senior executive advisors are commissioned for a term of one year in principle only when it is necessary to assign duties for the company. Its business content is limited to specific business commissioned individually and does not participate in any management decision-making.

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

The Company has nine directors, four of whom are outside directors. The Company has adopted the Audit & Supervisory Board system for auditing of directors' execution of duties, which is conducted by five Audit & Supervisory Board members elected at the General Meeting of Shareholders, three of whom are outside Audit & Supervisory Board members.

The Company manages its consolidated subsidiaries through a divisional system. It currently has eight operating divisions, and Administrative Division. Each operating division is headed by an executive officer appointed as a Division CEO. Additionally, we have implemented the executive officer system to enhance management efficiency and strengthen internal controls. Furthermore, by appointing the non-executive chairman as chairman of the board, we have strengthened the board's supervisory function over business execution and promoted the separation of oversight and management.

## 3. Reasons for Adoption of Current Corporate Governance System

The system of a Company with an Audit & Supervisory Board is the foundation of the Company's corporate governance. The Company has adopted the current corporate governance system to ensure management soundness by means of the following.

- Strengthening of appropriate decision-making and management oversight, reflecting the expert and objective perspective of outside directors
- Strengthening of auditing and checking of the performance of duties by directors from

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an expert perspective and shareholders' perspective by outside Audit & Supervisory Board members

- Greater speed and efficiency in decision-making through an executive officer system

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## III. Implementation for Measures for Shareholders and Other Stakeholders

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

|   | Supplemental Remarks  |
|---|---|
| Early Notification of General Meeting of Shareholders                   | The Company distributes convocation notices of the general meeting of shareholders early (three weeks before holding the Ordinary General Meeting of Shareholders).           |
| Scheduling of the General Meeting of Shareholders Avoiding the Peak Day | The Company schedules the meeting before dates on which general shareholders' meetings of companies are concentrated.   |
| Electronic Exercise of Voting Rights                                    | The Company enables the exercise of voting rights via the Internet by personal computer and smartphone using a system operated by the shareholder registry administrator.     |
| Participation in Electronic Voting Platform                             | The Company ensures sufficient time for consideration by institutional investors using an electronic voting platform for institutional investors operated by ICJ Corporation. |
| Providing Convocation of Notice in English                              | The Company prepares summary English-language convocation notices and posts them on the corporate website.  |

### 2. Investor Relation Activities (Updated)

|  | Supplemental Remarks   | Presentation/Explanation by representative directors |
|--|--|--|
| Preparation and Publication of Disclosure Policy | We have established policies and regulations regarding information disclosure and publicly declared our commitment to effective and consistent disclosure, implemented in a systematic manner, on our website. | —  |
| Regular Briefings for                            | The Company periodically participates in investor relations events for individual  | No   |

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|  |  |     |
|--|--|-----|
| Individual Investors                                       | <p>investors hosted or supported by securities exchanges, securities companies, newspaper publishers, and other external organizations and holds Company briefings conducted by Chief Financial Officer, Assistant to Chief Financial Officer the Finance Department manager or IR Group leader.</p> <p>During FY 2024, we are implementing various measures to continuously secure contact with individual investors, such as online briefing sessions three times in total and participated in briefing sessions hosted by Stock Exchange.</p> |     |
| Regular Briefings for Analysts and Institutional Investors | <p>The Company holds quarterly results briefings (with the Company representative providing explanations at the full-year results briefings).</p> <p>During FY 2024, the Company held a total of four briefings.</p> <p>Furthermore, according to the needs of investors, the Company hold individual meetings, business briefings and facility tours at any time.</p>   | Yes |
| Regular Briefings for Overseas Investors                   | <p>For online / face-to-face conferences and individual meetings held in Japan for overseas investors, the Chief Financial Officer, Deputy Chief Financial Officer, Finance Department Manager or IR Group leader provides company explanations.</p> <p>Furthermore, for the fiscal year ending March 2025, we will continue to engage primarily with investors in Europe, Asia, and the Middle East by participating in conferences and individual meetings,</p>  | Yes |

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|  | both online and in person. We will strive to create opportunities for dialogue.  |   |
| Posting IR Materials on Website                            | The Company posts the following materials and information, among others, in the Investor Relations section of the corporate website (URL: <a href="https://www.toyota-tsusho.com/english/ir/">https://www.toyota-tsusho.com/english/ir/</a> ) Medium- to long-term business strategy; financial and operating performance highlights; financial statements; various type of reports; integrated reports; briefing materials; shareholder, share, corporate bond, and ratings information; FAQ and answers.   | — |
| Establishment of Department and/or Manager in Charge of IR | <ul style="list-style-type: none"> <li>• Department in charge of investor relations: Finance Department, IR Group</li> <li>• Officer in charge of investor relations: Chief Financial Officer and Deputy Chief Financial Officer</li> <li>• Person responsible for investor relations clerical liaison: IR Group leader</li> </ul>   | — |
| Other  | <ul style="list-style-type: none"> <li>• We hold regular small meetings involving domestic institutional investors, securities analysts, and our top management to gather their insights on our management and strategy. Additionally, we hold regular meetings with domestic and international institutional investors, securities analysts, and our IR department, and provide feedback from these meetings to management.</li> <li>• The Company annually publishes an Integrated Report in both Japanese and English to better communicate with and promote understanding among its</li> </ul> | — |



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|  | stakeholders, particularly Japanese and foreign institutional and individual investors. |  |
|--|---|--|

## 3. Measures to Ensure Due Respect for Stakeholders (Updated)

|  | Supplemental Remarks   |
|--|--|
| Implementation of environmental activities, CSR activities, etc. | <p>Sustainability for the Company is defined as the Group's continuous growth with society, creating economic value while addressing environmental and social challenges, through the realization of our corporate philosophy which describes the significance of the Group's existence and its ideal image and which clarifies the intention of management initiatives. As for the business activities of environmental and social issues, the Group is involved in a number of environmentally friendly businesses, including a circulating economy business and a renewable energy and energy management business.</p> <p>In addition, the Company organized Sustainability Management Committee, and the committee discusses, determines and promotes the Group's sustainability strategy. Details of its sustainable initiatives and activities are introduced in the integrated report published annually and corporate website.</p> |
| Development of Policies on Information Provision to Stakeholders | <p>The Company has instituted policies and regulations regarding information disclosure and systematically engages in effective, consistent information disclosure to achieve the following objectives.</p> <ul style="list-style-type: none"> <li>• Build relationships of trust with stakeholders through proactive, effective information disclosure and fulfillment of accountability.</li> <li>• Strive for timeliness and fairness in information disclosure and contribute to appropriate share price formation and formation of reputation in society that correctly reflect the Company's corporate value.</li> <li>• Feed back to management the opinions of stakeholders and contribute to enhancement of corporate value through interactive communication with stakeholders.</li> </ul>   |

## IV. Matters Related to the Internal Control System

### 1. Basic Policy on Internal Control System and Implementation Status (Updated)

#### [Basic Policy]

In the Toyota Tsusho Group's Fundamental Philosophy, the Toyota Tsusho Group (the "Group") has set forth the corporate philosophy "Living and prospering together with people, society, and the Earth, we aim to be a value-generating corporation that contributes to creation of a prosperous society." The Group has instituted the Behavioral Guidelines as a fundamental code of conduct for legally and appropriately realizing this philosophy as a good corporate citizen.

In keeping with this fundamental philosophy, the Company has instituted the Basic Policies on Establishing Internal Control Systems for the purpose of carrying on and deepening penetration of the Toyota Tsusho DNA, which articulates the Group's unique values, beliefs, and daily principles of conduct, of promoting value creation from the customer's perspective, and of fulfilling the Group's social mission by establishing a "system for ensuring the appropriateness of the Company's operations."

#### [Basic Policy on Development of Internal Control Systems]

(1) System to ensure that members of the Board of Directors and employees execute their responsibilities in compliance with relevant laws and regulations and the Articles of Incorporation

- Directors ensure that compliance with laws, regulations and social ethics are the basis for business activities by repeatedly communicating to officers and employees the spirit of the Toyota Tsusho Group's fundamental philosophy through documents and through their words and actions.
- The Company appoints multiple outside directors with expert, objective perspectives and appropriately makes decisions through its Board of Directors.
- Senior Executive Officers and Executive Officers receive decisions from the Board of Directors and carry out subsequent operational management as appropriate.
- For its company-wide sustainability management issues, the Company has a Sustainability Management Committee chaired by the President & CEO, established a company-wide sustainability activities policy in order to inculcate it among all officers and employees, and establish a sustainability promotion structure.
- The Company promotes information sharing and mutual checks and balances

among officers to establish a structure that enables decision-making that exercises company-wide control by means of various committees and other cross-organizational deliberative bodies in addition to the executive deliberative bodies consisting of the Board of Directors, Executive Board Members Meeting, and Executive Officers Meeting.

- By practicing their segregated duties, involved departments evaluate, control, check, and monitor business execution in business processes and endeavor to improve management systems by means such as collecting and enlightening the latest information on compliance and identifying and rectifying problems.

- A Chief Financial Officer has been appointed as the person in charge of enhancing systems to ensure the reliability of financial reporting.

- The officer responsible for the Compliance & Crisis Management Department, which is under the direct control of the President & CEO, is in charge of building a compliance system.

- The officer responsible for the Audit Department, which is under the direct control of the President & CEO, evaluates and reports on the effectiveness of the internal control concerned with financial reporting.

- The Audit Department regularly conducts internal audits of departments and business sites and advises officers in charge of the audit results, submitting recommendations for improvement and correction of problems, after reporting to the officer in charge of the audited department. The Audit Department has individuals in charge at audited departments report the status of responses to audit findings and confirm in follow-up audits the status of improvement of any matters the general manager of the Audit Department considers necessary.

- By building a system for the Audit Department to report directly as appropriate toward demonstrating the functions of the Board of Directors and Audit & Supervisory Board, ensures cooperation between the Audit Department and the Directors and Audit & Supervisory Board members.

- While assuming a smooth reporting, communication, and consultation framework through the organizational structure, to supplement this framework, we have established a domestic and international whistle-blowing system, separate from the organizational structure, to ensure anonymity, and are striving to collect information from Audit & Supervisory Board members, the Compliance & Crisis Management Department, or outside experts. Depending on the importance of the information

reported or received, the Compliance & Crisis Management Department respond and endeavor to prevent recurrences together with the Legal Department or the relevant department.

- There are several measures in addition to rigorous compliance programs to support systems for ensuring proper business operations. One activity is frequent education and study programs that also serve to increase motivation. Another activity is the distribution in print or electronically of the Global Code of Conduct & Ethics and a handbook version of these standards for the purpose of enhancing an environment in which people can constantly check their own behavior regarding how they perform their jobs every day.

(2) System to retain and manage information relating to the execution of the duties of members of the Board of Directors

- The Company retains and manages in documents or electromagnetic media information concerning the execution of duties by directors in accordance with laws, regulations, and the Document Regulations. The department responsible for retention period, etc. for each document shall comply with the Handling Protocols for Management and Storage of Documents.

- The Company has established Regulations for Confidential Information and Personal Information, Regulations for Management of Individual Numbers and Specific Personal Information with respect to the management of confidential information and personal information and ensured the appropriate and effective use of confidential information and personal information.

(3) Rules and systems related to the management of risk of loss

- The Company has formulated a Risk Management Basic Policy and related regulations with respect to risks surrounding the Company. Departments responsible for risks conduct risk assessments and monitoring, striving for early detection and prevention of risks.

- In light of the importance of risk identification, assessment, monitoring, and management, the Company is upgrading its framework for identification and management in business processes of the following risks requiring particular diligence in the Company's business execution.

- 1) For risks relating to investments and loans, the Company assesses these risks at the Investment and Loan Meeting and Investment and Loan Committee from perspectives such as profitability, strategic value, safety, viability, and compliance (including bribery preventions) in accordance with the investment guidelines and endeavors to appropriately respond to risks and reduce risk.
- 2) For credit risks, the Company has established Transaction Management Regulations and endeavors to prevent the occurrence of bad debt and other unforeseen losses. For market risks, the Company has established necessary regulations for each type of risk in accordance with the Basic Policies on Market Risk Management to identify and manage risks appropriately.
- 3) For risks relating to occupational safety and environmental conservation, the Global Safety & Environmental Promotion Department provides guidance and education for the entire Group and strives to prevent disasters, accidents, and pollution.
- 4) For risks related to occupational health, the Global Human Resources Department endeavors to maintain and improve employees' health through Group-wide guidance and education.
  - In addition, the Company appropriately manages prevention of operational risks in areas such as information security and the management system in emergency situations on a department-by-department basis.
  - The Company has formed an Integrated Risk Management Committee as a cross-organizational management body and established a structure that contributes to enhancement of corporate value by endeavoring to identify risks and discover problems on a companywide basis and implementing necessary countermeasures.
- (4) System to ensure that members of the Board of Directors exercise their duties efficiently
  - In accordance with the Regulations of Board of Directors, the Board of Directors meeting is held once a month, in principle, as well as extraordinary meetings as necessary. Important management policies, business plans and other matters are discussed in advance at the appropriate, separately established institutions.
  - The Company has introduced an Executive Officer System for executing the directors duties. The executive officers are appointed by the Board of Directors.
  - The Board of Directors assigns responsibilities to executive officers based on

board-authorized institutional design and segregation of duties and monitors operational execution status.

- For every matter for which operational executive-making authority has been delegated to executive officers, the Company ensures appropriate and efficient operational execution by explicitly delineating operational authority, designating a party responsible for the matter, defining the party's responsibilities through the Administrative Authority Regulations, the Regulations for Approval of Important Matters and other internal regulations, and establishing clearly defined decision-making processes, including deliberative bodies.

- The Company shares with outside directors the details of deliberations in meeting and committees to enable outside directors to engage in appropriate decision-making at meetings of the Board of Directors.

- The Company organizes its business under operating divisions based on the value we provide to society and customers, products or geographic regions. Each division is headed by an executive officer. The Division CEO practice expeditious management in close contact with frontline personnel.

- The Board of Directors approves the Global Vision, which sets the Group's long-term direction, and shares it throughout the Group.

- The Board of Directors approves mid-term business plan with a frontline-centric orientation and shares it throughout the Group.

- The Board of Directors approves effective annual policies and plans that include specific targets, resource allocations and risk factor analyses to achieve the medium-term business plan.

- The Board of Directors receives monthly reports in the form of timely accounting data on progress toward achieving the annual plan.

- Annual plan progress is reviewed quarterly in addition to monthly. In the event of a major deviation from a target, the cause of the deviation is analyzed, remedial measures are devised and the outlook is revised if necessary. Revised outlook is to be approved by the Board of Directors.

(5) System to ensure the propriety of business operations of the corporate group consisting of the Company and its subsidiaries

- In the Toyota Tsusho Group, in accordance with policies on divisional consolidated

management, a consolidated business plan including subsidiaries has been formulated, and the Board of Directors supervises the information ascertained and managed about the financial details and important matters of business execution in accordance with management policies aligned with the systems and other characteristics of each subsidiary.

- Each subsidiary establishes Board of Directors Regulations and determines the execution of duties of each director and key employee.

- Each subsidiary establishes regulations for approval of important matters, administrative authority, etc., clearly define responsibilities and the decision-making process, and establishes a structure in which duties are executed properly and efficiently.

- The Company clearly defines approval authority in subsidiaries in the regulations of each subsidiary, exercises shareholder rights at the General Meeting of Shareholders of each subsidiary while placing importance on the autonomy and independence of subsidiaries, and requires advance consultation or reporting on important matters pertaining to the Toyota Tsusho Group.

- The divisions responsible in cooperation with involved departments, provides necessary support for the development and operation of systems to ensure the propriety of business operations of subsidiaries. If necessary, depending on the systems and other characteristics of subsidiaries, the Company dispatches directors and Audit & Supervisory Board members to oversee and audit business operations and conducts internal audits at the Company's Audit Department.

- In accordance with the Basic Policy for Risk Management, the Company engages in necessary examination and monitoring of business processes of subsidiaries and strives for early detection and prevention of risks.

- The Company and Group companies share the spirit of the Toyota Tsusho Group's fundamental philosophy and ensure compliance with laws, regulations, and social ethics. The Company sets up and operates group wide management committees for mutually sharing information among subsidiaries.

(6) Matters relating to employees requested by Audit & Supervisory Board members to assist in their duties and matters relating to ensuring the independence of such employees from members of the Board and the effectiveness of instructions given to such employees

- The Company assigns one or more employees to assist in the duties of Audit & Supervisory Board members (assistants).
- Transfers and disciplinary actions relating to assistants require the advance consent of Audit & Supervisory Board members.
- Audit & Supervisory Board members perform job performance evaluation of assistants in order to ensure the effectiveness of instructions given to assistants by Audit & Supervisory Board members.
- In addition to the above, the Company respects the opinions of Audit & Supervisory Board members with respect to the number, rank, and other matters relating to assistants and determines these matters through sufficient consultation with Audit & Supervisory Board members.

(7) System for members of the Board and employees of the Company and directors, Audit & Supervisory Board members, and employees of subsidiaries to report to the Company's Audit & Supervisory Board members, other system for reporting to the Company's Audit & Supervisory Board members, and system to ensure that persons who make reports are not treated disadvantageously because of such reporting

- Members of the Board and employees of the Company promptly report to Audit & Supervisory Board members matters prescribed by law, matters with material implications for the Company or the Toyota Tsusho Group, the implementation status of internal audits, and information reported or notified via the internal reporting system.
- Members of the Board and employees of subsidiaries promptly report to Audit & Supervisory Board members of the Company matters prescribed by law, matters with material implications for the Company or the Toyota Tsusho Group, including important matters of subsidiaries, and the implementation status of internal audits. Audit & Supervisory Board members of subsidiaries promptly report to Audit & Supervisory Board members of the Company the details of audits they have performed in accordance with the prescribed audit purview.
- Members of the Board and employees of the Company and directors, Audit & Supervisory Board members and employees of subsidiaries report to Audit & Supervisory Board members of the Company prescribed matters relating to business operations periodically, as needed, or at the request of Audit &



Supervisory Board members.

- Members of the Board of the Company and directors of subsidiaries put in place a framework to ensure that persons reporting to Audit & Supervisory Board members are not treated disadvantageously because of such reporting.

(8) Matters relating to procedures for prepayment or reimbursement of expenses incurred in the performance of duties by Audit & Supervisory Board members and policies pertaining to processing of other expenses or debts incurred in the performance of said duties

- If an Audit & Supervisory Board member has incurred expenses in the execution of duties or requests prepayment of such expenses, the Company promptly processes such expenses or debts.

(9) Other systems to ensure that auditing by Audit & Supervisory Board members is conducted effectively

- Representative director periodically and as needed endeavors to communicate with Audit & Supervisory Board members by holding meetings to exchange opinions about company management.

- The Company puts in place a framework to enable the Audit & Supervisory Board members to attend important meetings of executive deliberative bodies, examine important documents, and conduct research at departments, business sites, and subsidiaries in order to audit the status of business execution by directors and the status of development and operation of the internal control system.

- Establish a system to ensure appropriate cooperation between Audit & Supervisory Board members, Independent Auditor, Audit Department, and corporate departments such as Investment and Credit Department, Legal Department, Compliance & Crisis Management Department, etc.

- The Company puts in place a framework to enable Audit & Supervisory Board members to expeditiously engage external professionals through prescribed procedures when deemed necessary in the course of conducting audits.

## 2. Basic Policy on Excluding Antisocial Forces and Implementation Status

The Toyota Tsusho Group Compliance Manual based on the Global Code of Conduct & Ethics (COCE) stipulates that the group takes a firm stance toward antisocial forces and organizations that threaten the order and safety of civil society and the Company firmly has a policy of rejecting any demand from antisocial forces and organizations.

To accomplish this, the Company regularly cooperates with outside specialized agencies such as the National Center for Removal of Criminal Organizations and the Organized Crime Control Bureau of Police Headquarters and has developed a system for dealing with antisocial forces. The Company's Nagoya Head Office is a member of the Aichi Prefecture Corporate Defense Council, and receives guidance and shares information as a member.

In the event that an unreasonable demand is received from antisocial forces, the General Affairs Department, as the designated department responsible for responding, takes a resolute stance and responds in cooperation with the police and other relevant agencies and an attorney.

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## V. Other

### 1. Defense Against Takeovers

|                                    |      |
|------------------------------------|------|
| Defense Measures Against Takeovers | None |
|------------------------------------|------|

#### Supplemental Remarks on This Item

The Company has not introduced takeover defense measures at this time.

### 2. Other Matters Concerning Corporate Governance System (Updated)

#### Overview of the Timely Disclosure System

The Company has instituted as Disclosure Regulations activities policies and mechanisms for all officers and employees to systematically engage in effective, consistent information disclosure to accomplish the following items.

- 1) Build relationships of trust with stakeholders through proactive, effective information disclosure and fulfillment of accountability.
- 2) Strive for timeliness and fairness in information disclosure and contribute to appropriate share price formation and formation of reputation in society that correctly reflect the Company's corporate value.
- 3) Feedback to management the opinions of stakeholders and contribute to enhancement of corporate value through interactive communication with stakeholders.

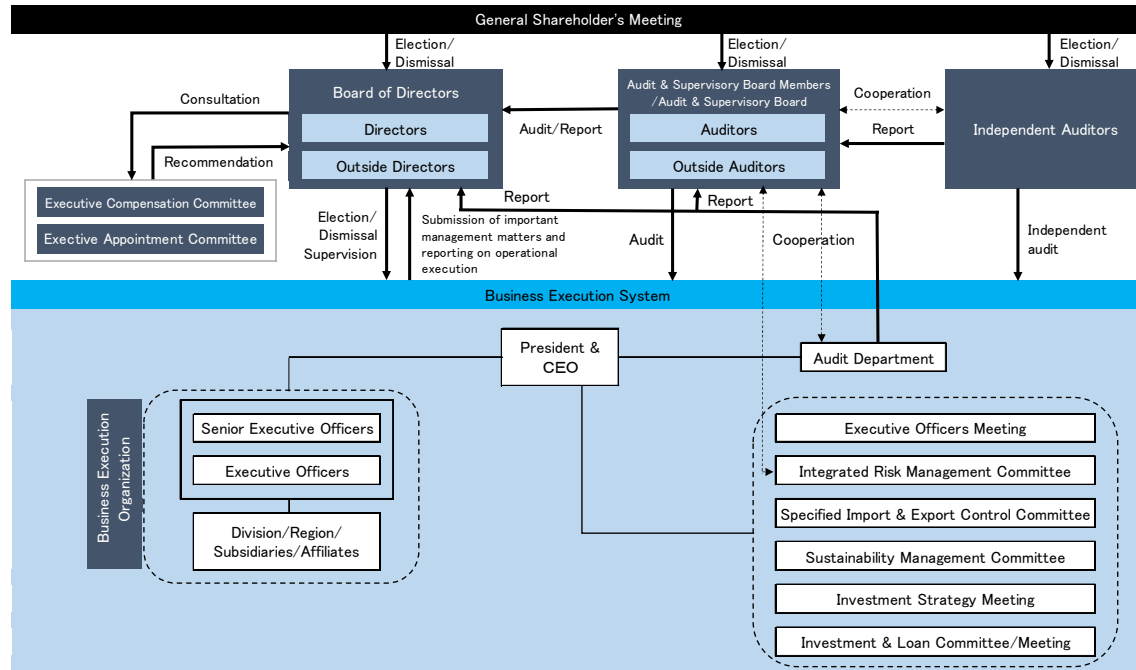
#### <Internal Systems Related to Management and Timely Disclosure of Company Information>

Under the Disclosure Regulations, all officers and employees promptly report to the Chief Strategy Officer and the department responsible for information disclosure (Public Affairs Department) about matters decided at committee meetings and important information occurring at the Company and its subsidiaries in accordance with the division of their duties. After receiving reports, the Chief Strategy Officer and department responsible for information disclosure rigorously implement internal information management, judge the necessity of timely disclosure of the information, and timely disclose information requiring disclosure.

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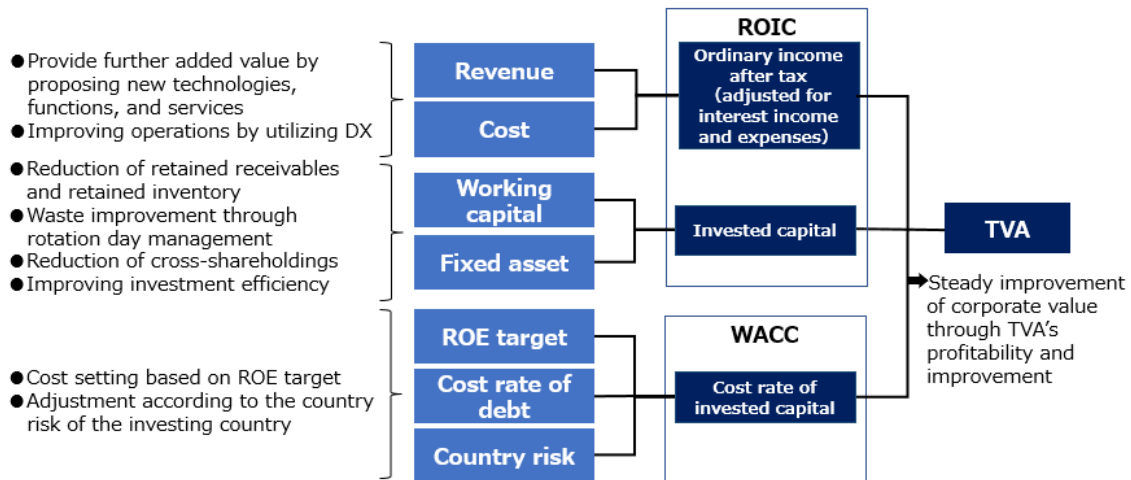
## [Corporate Governance Structure (As of June, 2025)]



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## ◆TVA Analysis, “Examples of On-site Capital Cost Conscious Initiatives”



## ◆Supplemental Explanation of Supplementary Principle 4-11-1

### Skill matrix of the Board of Directors

The Company is dedicated to the vision of “Be the Right ONE” for the future, for the purpose of the creation of distinctive forms of value that contribute to society and protecting the environment and the establishment of business domains linked to the unique strengths of Toyota Tsusho. To accomplish these goals, the Board of Directors has established a skill matrix covering the expertise required of directors and members of the Audit & Supervisory Board in order to enable the Board of Directors to properly make decisions and supervise management.

| Required skills       | Reasons for the selection of these skills  |
|-----------------------|--|
| Business management   | Experience involving corporate management is required in order to make proper management decisions for the consistent growth of corporate value as the business climate changes rapidly.   |
| Global                | The Toyota Tsusho Group operates in more than 130 countries and regions. Consequently, extensive knowledge and experience involving job postings in other countries and life styles, culture, business climates and other aspects of other countries are required.   |
| Sales/Marketing       | The Toyota Tsusho Group must accurately identify and meet a broad range of customer needs as a trading company handling many types of products. This requires sales and marketing expertise along with a thorough understanding of numerous markets.   |
| Finance/Accounting    | Knowledge and experience involving finance and accounting are required in order to make strategic investments for sustained growth and other goals while using capital more efficiently and preserving financial soundness.  |
| Legal/Risk management | Expertise and experience involving legal affairs and risk management are required for the purposes of maintaining corporate governance for sustained growth and the medium- to long-term growth of corporate value and of establishing a risk management framework for supporting business operations, including activities in emerging countries in Africa and other regions. |
| Technology/Digital    | Knowledge and experience involving new technologies and services, including information technology and the digital transformation, are required in order to benefit from advances in technologies, especially in the field of mobility.  |
| Sustainability        | Sustainability is an integral component of management at the Toyota Tsusho Group. Knowledge and experience are required concerning ESG issues and for achieving the sustained growth of corporate value from a long-term perspective.  |

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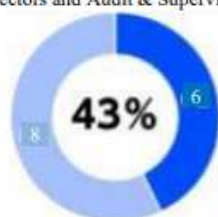
The capabilities and experience of the directors and Audit & Supervisory Board members of the Company are as below.

In addition to their expertise and wealth of experience, the Board of Directors comprises a diverse group of members in terms of gender, nationality, and so on, and the Company has a structure that can flexibly adapt to various changes in the business environment.

|                                   |          |                   | Business management | Global | Sales / Marketing | Finance / Accounting | Legal / Risk management | Technology / Digital | Sustainability |
|-----------------------------------|----------|-------------------|---------------------|--------|-------------------|----------------------|-------------------------|----------------------|----------------|
| Members of the Board              | Internal | Nobuhiko Murakami | ○                   | ○      | ○                 |                      |                         |                      | ○              |
|                                   |          | Ichiro Kashitani  | ○                   | ○      | ○                 |                      |                         |                      | ○              |
|                                   |          | Toshimitsu Imai   | ○                   | ○      | ○                 |                      |                         | ○                    | ○              |
|                                   |          | Hideyuki Iwamoto  | ○                   | ○      |                   | ○                    | ○                       |                      | ○              |
|                                   |          | Tatsuya Watanuki  | ○                   | ○      | ○                 |                      |                         | ○                    | ○              |
|                                   | Outside  | Didier Leroy      | ○                   | ○      | ○                 |                      |                         |                      | ○              |
|                                   |          | Yukari Inoue      | ○                   | ○      | ○                 |                      |                         |                      | ○              |
|                                   |          | Chieko Matsuda    | ○                   | ○      |                   | ○                    | ○                       |                      | ○              |
|                                   |          | Goro Yamaguchi    | ○                   | ○      | ○                 |                      |                         | ○                    | ○              |
| Audit & Supervisory Board members | Internal | Kentaro Hayashi   |                     | ○      |                   | ○                    | ○                       |                      | ○              |
|                                   |          | Kazuya Kawashima  |                     | ○      |                   |                      | ○                       |                      | ○              |
|                                   | Outside  | Tsutomu Takahashi |                     | ○      |                   | ○                    |                         |                      | ○              |
|                                   |          | Seishi Tanoue     |                     | ○      |                   |                      | ○                       |                      | ○              |
|                                   |          | Rikako Beppu      |                     | ○      |                   |                      | ○                       |                      | ○              |

## Percentage of board members

Ratio of Independent Outside Directors to Directors and Audit & Supervisory Board



■ Independent outside directors  
■ Other directors

Ratio of Female or Foreign Directors to Directors and Audit & Supervisory Board



■ Female or foreign directors  
■ Male directors