Basic Policy on Internal Control System

For the purpose of sustainably enhancing corporate value and securing the trust of shareholders and other stakeholders, and to ensure that directors and employees exercise a high standard of ethics in the execution of their duties and comply with all laws and regulations, the Company's Articles of Incorporation, and its internal regulations, as well as demonstrate responsible behavior in line with social norms, the Company hereby establishes the following basic policy for the development of its internal control system pursuant to Article 399-13, paragraph (1), item (i), (b) and (c) of Japan's Companies Act and Article 110-4 of the Regulations for Enforcement of the Companies Act.

1. Systems for ensuring compliance with laws and regulations and the Company's Articles of Incorporation in the execution of duties by directors and employees

(1) Directors and employees will comply with all relevant laws and regulations, as well as the Company's Articles of Incorporation and internal regulations, and will exercise a high standard of ethics in the execution of their duties.
(2) The Company will continuously promote the development and operation of its compliance system and work to improve its effectiveness.
(3) Internal auditors will conduct internal audits from an independent standpoint in accordance with the Company's internal audit regulations and will audit the execution of duties by the Company's directors and employees. The results of such audits will be reported to the Company's President and CEO, as well as its Audit and Supervisory Committee.
(4) The Company will establish and maintain an internal whistleblowing system to enable the early detection and correction of violations of laws and regulations, violations of the Company's internal regulations, and any other conduct that raises compliance concerns.
(5) The Company will appropriately protect the confidentiality of whistleblowers and will not dismiss or otherwise subject them to disadvantageous treatment as a consequence of their whistleblowing.

2. Systems for the preservation and management of information pertaining to the execution of duties by directors

(1) Information pertaining to the execution of duties by directors will be appropriately recorded, preserved, and managed in accordance with relevant laws and regulations, including the Company's Document Management Regulations, and other relevant regulations.
(2) The preservation and management of such information will be carried out by the division designated as responsible under the Company's Document Management Regulations.
(3) Directors may view these documents and records as necessary, and the division designated as responsible will respond appropriately to any request to do so.

3. Regulations and other systems for the management of risk of loss

(1) The Company will establish the Basic Rules for Risk Management and develop a company-wide risk management system.
(2) The Risk Management Division will identify, assess, and manage the various risks associated with the Company's business activities, and work to mitigate such risks and prevent their occurrence.
(3) The Risk Management Division will regularly report on the status of risk management to the Company's Board of Directors, which will oversee its effectiveness.
(4) In the event of unforeseen circumstances, a countermeasures headquarters led by the Company's President and CEO will be established to respond promptly and appropriately, analyze the causes, and take measures to prevent recurrence.

4. Systems to ensure directors perform their duties efficiently

(1) The Company's Board of Directors will make decisions on important matters in accordance with laws and regulations, the Company's Articles of Incorporation, and the Board of Directors Rules, and also oversee the execution of duties by directors.
(2) The Company will establish an executive officer system and other systems pertinent to the execution of business, while promoting the appropriate delegation of authority, thereby facilitating prompt and efficient decision-making.

(3) The Company will maintain its Regulations on Administrative Authority, Regulations on the Allocation of Duties, and other related regulations to clarify responsibilities and authority and ensure appropriate checks and balances.
(4) The Company will use its Management Meeting and other important meetings as a means to discuss and manage the progress of managerial issues and important measures.

5. Matters concerning employees who assist Audit and Supervisory Committee members in their duties
(1) If the Audit and Supervisory Committee requests that employees be assigned to assist it in its duties, the Company will assign the necessary personnel after consulting with the Committee.
(2) Internal auditors will work closely with Audit and Supervisory Committee members and assist them in the performance of their duties.

6. Matters concerning the independence of the employees mentioned in the preceding item from directors, and ensuring the efficiency of instructions issued by the Audit and Supervisory Committee
(1) Employees who assist the Audit and Supervisory Committee will perform their duties related to special assignments and other tasks designated by the Committee in accordance with the direction and orders of the committee, and will not be subject to direction or orders of directors or other persons with regard to such tasks.
(2) With respect to personnel transfers, personnel evaluations, and other important personnel matters involving such employees, the Company will, as necessary, hear and respect the opinions of the Audit and Supervisory Committee.

7. Systems by which directors and employees can report to the Audit and Supervisory Committee
(1) Directors and employees will report to the Audit and Supervisory Committee without delay if they become aware of any violation of any laws, regulations or the Company’s Articles of Incorporation, any serious compliance violation, or any facts that may cause significant damage to the Company.
(2) Members of the Audit and Supervisory Committee may request reports or materials from directors and employees when they consider them necessary for the performance of their duties.
(3) Internal auditors and the division responsible for the Company’s internal whistleblowing system will coordinate with the Audit and Supervisory Committee and report necessary information in a timely and appropriate manner.

8. Systems for protecting individuals who report to the Audit and Supervisory Committee
The Company will not subject directors or employees who make reports to the Audit and Supervisory Committee to disadvantageous treatment on the grounds that they have made such reports.

9. Systems for the processing of expenses and other costs related to the execution of duties by Audit and Supervisory Committee members
If an Audit and Supervisory Committee member requests the advance payment or reimbursement of expenses, the settlement of liabilities, or other payment in connection with the execution of their duties, the Company will promptly comply unless it is clear that the expenses or liabilities are not necessary for the execution of the member's duties.

10. Other systems to ensure that audits by the Audit and Supervisory Committee are conducted effectively
(1) The Audit and Supervisory Committee may attend important meetings, inspect important documents, and interview directors and employees.
(2) Directors and employees will provide the cooperation necessary for the completion of the Audit and Supervisory Committee's audit activities.
(3) The Audit and Supervisory Committee will regularly exchange information and opinions with internal auditors and accounting auditors to improve the effectiveness of its audits.
(4) The Audit and Supervisory Committee may obtain advice from attorneys, certified public accountants, and other outside experts as necessary.

11. Systems for eliminating antisocial forces

(1) The Company will have absolutely no contact with antisocial forces and will resolutely reject any improper demands made by such forces.
(2) The Human Resources and General Affairs Division, in cooperation with the police, lawyers, and other external specialist organizations, will lead the establishment of a system for dealing with antisocial forces.
(3) The Company will prohibit transactions, the provisions of funds, and all other relationships with antisocial forces.

<u>12. Systems to ensure the reliability of financial reporting</u>
(1) In accordance with Japan’s Financial Instruments and Exchange Act and other relevant laws and regulations, the Company will develop and maintain a system of internal control for financial reporting.
(2) The Company will continuously evaluate the effectiveness of its internal control system for financial reporting and make improvements as necessary.
(3) The Company’s Board of Directors will supervise the development and operation of its internal control system for ensuring the reliability of its financial reporting.

Supplementary Provisions

Article 1 (Effective Date)
The amendment to this Basic Policy came into effect on July 1, 2026.

[Revision History]
Established on June 27, 2018
Effective as of July 1, 2018
Amended on April 1, 2019
Amended on June 24, 2020
Amended on April 20, 2022
Amended on July 1, 2024
Amended on July 1, 2026