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# G

## Governance

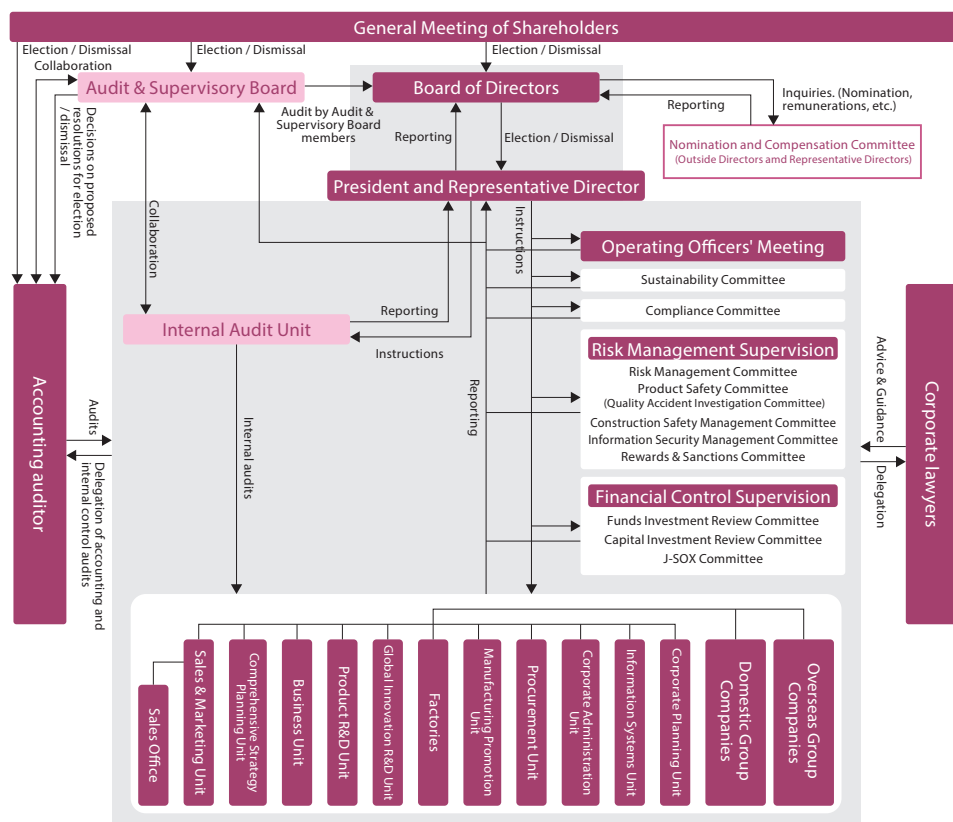


# Corporate Governance

## The Basic Concept

The Amano Group positions the importance of corporate ethics and the soundness of management as important management issues. By structuring the organization and establishing management systems to promote and tackle these issues, it is ensuring in the promotion of legally compliant business activities which are also in adherence to corporate ethics. Through such efforts, it is raising the effectiveness of corporate governance to realize a fair and transparent management so as to become an even more trustworthy company.

### ● Amano Corporate Governance System



## Corporate Governance



### Board of Directors

The Board of Directors consists of 8 directors, including 3 part-time Outside Directors. In addition to regular meetings, the board flexibly convenes ad hoc meetings as required to deliberate and decide upon important matters concerning management as well as to report business progress. Thus, the Company has put in place a system to facilitate swift managerial decision-making. At present, Outside Directors account for a third of the Directors, and one Outside Director is a woman.



### Operating Officer System

In order to clearly define the functions and responsibilities of management and for business performance as well as to ensure swift decision-making and achieve greater management efficiency, the Company has introduced the Operating Officer System since April 2005. Of the 16 operating officers, 3 concurrently serve as Directors.



### Audit & Supervisory Board

The Audit & Supervisory Board consists of four members, including two part-time outside members. In addition to monitoring the execution of directors' duties, they work with the Internal Audit Unit to more effectively supervise business performance. One of the two outside corporate auditors is a woman.



### Nomination & Compensation Committee

In order to strengthen fairness, transparency, and objectivity of procedures related to nomination and remuneration of the Board of Directors and to further enhance corporate governance, the Company has set up the Nomination and Compensation Committee, a voluntary committee, which consists of Outside Directors and Representative Directors. The Committee discusses important matters and report to the Board of Directors, such as appointments and dismissals of executives, their remuneration and successor training plan from the perspective of Outside Directors based on their independence, by making use of their extensive experience and technical knowledge. The Nomination and Compensation Committee operates in accordance with the Nomination and Compensation Committee Regulations to ensure that there are no conflicts of interest with general shareholders. Furthermore, to ensure the independence of this Committee, more than a half of the committee members are independent Outside Directors and the Chairman has been changed to an Outside Director since April 2023.



### Group Companies



In addition, the Amano Group convenes sessions of the Domestic Strategy Conference (for group companies in Japan) and the Global Strategy Conference (for group companies overseas) as required in order to grasp group companies' management statuses. In this way, it is enhancing our management monitoring capabilities to ensure that corporate ethics permeate the entire group to realize more effective corporate governance.



# Board of Directors

## Corporate Governance System Summary Table

(As of June 29, 2024)

Number of Directors (of which, Outside Directors)	
<div> <div>8 people</div>  <div>Outside Directors 3 people</div> </div>	
Number of Audit & Supervisory Board Members (of which, Outside Audit & Supervisory Board Members)	
<div> <div>4 people</div>  <div>Outside Audit &amp; Supervisory Board Members 2 people</div> </div>	
Term of Office of Directors	2 years
Adoption of Operating Officer System	Yes
Discretionary Bodies of the Board of Directors	Nomination and Compensation Committee
Accounting Auditor	Ernst & Young ShinNihon LLC.

## Compensation Policy for Directors

Amano has decided by resolution of the Board of Directors on the decision policy pertaining to the content of compensation, etc. for individual directors (hereinafter referred to as “Decision Policy”).

When deciding on the content of compensation, etc. for individual directors, the Board of Directors will respect the report of the Nomination and Compensation Committee with regard to the compensation proposal prepared by the Representative Director within the upper limit approved by the General Shareholders’ Meeting. Furthermore, since the Board of Directors has made this decision, it has been determined that the content is in line with the Decision Policy. An overview of the Decision Policy is shown below.

### Overview of Decision Policy pertaining to the content of individual directors’ compensation, etc.

#### 1) Basic Policy

Compensation of our Directors shall be based on a compensation system that is linked to interests of shareholder so as to fully serve as an incentive for the sustainable increase of corporate value, and the basic policy shall be to set an appropriate level based on the responsibilities of each director when deciding the compensation of individual directors.

Specifically, the compensation of internal directors shall be “Basic Compensation” as fixed compensation (including “Compensation for the Acquiring Company Shares”) and “Short-Term Performance-Linked Compensation (Bonus)” (hereinafter referred to as “Short-Term Bonus”) and “Medium- to Long-Term Performance-Linked Compensation (Performance-Linked Stock Compensation)” (hereinafter referred to as “Medium- to Long-Term Stock Compensation”) as performance-linked compensation, and for Outside Directors, shall be “Basic Compensation” (excluding “Compensation for the Acquiring Company Shares”) and “Short-Term Bonus” in view of their duties.

2) Policy for determining the amount of Basic Compensation (monetary compensation), etc. for individual directors (include determining the time and conditions for awarding compensation).

Our Directors shall be paid the amount of “Basic Compensation” monthly as fixed compensation. For internal directors, a certain percentage of monthly

compensation will be paid as “Compensation for the Acquiring Company Shares,” and contributing such shares to the executive stock ownership association. Shares purchased through the “Compensation for the Acquiring Company Shares” shall be held during the term of office.

The amount of compensation for each individual pertaining to “Basic Compensation” shall be determined by comprehensively taking into consideration the compensation level of other companies, the performance and the level of employee salaries of Amano according to the position, duties, the number of years of office.

3) Policy for determining the calculation method for the content, amount, and number of performance-linked compensation, etc. and non-monetary compensation, etc. (include determining the timing and conditions for awarding compensation, etc.)

Performance-linked compensation shall consist of “Short-Term Bonus” and “Medium- to Long-Term Stock Compensation”. “Short-Term Bonus” shall be paid annually at a fixed period of time in an amount calculated according to the results of each fiscal year.

Key Performance Indicators (KPIs) (hereinafter referred to as “KPIs”) shall use consolidated operating profit and shall be reviewed as appropriate, based on report from the Nomination and Compensation Committee in response to changes in the environment for business. In addition to performance-linked compensation, as part of “Medium- to Long-Term Stock Compensation”, the Directors’ compensation BIP (Board Incentive Plan) Trust system

shall be introduced as non-monetary compensation. Based on the results of the KPIs linked to the Medium-Term Business Plan, eligible internal directors shall be awarded points each year corresponding to their position based on the “Stock Distribution Rules”, and Company shares, etc. shall be issued in accordance with the accumulated value of points when the eligible internal director leaves office.

The KPIs and their values shall be set at the time of the formulation of the Medium-Term Business Plan, and shall be reviewed as appropriate, based on report from the Nomination and Compensation Committee in response to changes in the environment for business.

4) Policy for determining the ratio of fixed compensation, performance-linked compensation, etc., and non-monetary compensation, etc. within an individual director’s compensation, etc.

The compensation of internal directors shall be comprised of “Basic Compensation” (including “Compensation for the Acquiring Company Shares”), “Short-Term Bonus” and “Medium- to Long-Term Stock Compensation”, and the compensation of outside directors shall be comprised of “Basic Compensation” (excluding “Compensation for the Acquiring Company Shares”) and “Short-Term Bonus”.

These payment ratios shall be determined by comprehensively taking into consideration the position, duties, number of years of office, the performance of Amano, the attainment level for goal, and the company scale.

## Total Amount of Compensation for the Current Business Year (April 2023 to March 2024)

Officer classification	Total amount of compensation (Millions of yen)	Total amount by type of compensation (Millions of yen)				Number of eligible officers (People)
		Basic Compensation	Short-Term Performance Linked Compensation (Bonus)	Retirement Bonus	Medium- to Long-Term Performance-Linked Compensation (Performance-Linked Stock Compensation)	
Directors (excluding Outside Directors)	307	184	57	—	66	6
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	44	38	6	—	—	2
Outside Officers	45	31	13	—	—	5



## Diversity of the Board of Directors (Skills Matrix)

		Matters concerning Outside Directors		Sales and Operations	Manufacturing and Development	Legal Affairs	Financial, Accounting and Tax	Global	Diversity & Inclusion
		Independence	Corporate Management						
Hiroyuki TSUDA	Chairman & Representative Director	—	—	○					
Manabu YAMAZAKI	President & Representative Director	—	—	○				○	
Kunihiro IHARA	Director & Executive Operating Officer	—	—				○	○	
Yoshihiko HATA	Director & Managing Operating Officer	—	—	○				○	
Fujinori TAZO	Director & Operating Officer	—	—		○			○	
Kiyoshi KAWASHIMA	(Outside) Director	○				○			
Michinobu OMORI	(Outside) Director	○	○				○		
Sumie WATANABE	(Outside) Director	○	○	○					○

## Independent Criteria of Outside Director and Outside Audit & Supervisory Board Member

Outside Director and Outside Audit & Supervisory Board Member shall be considered independent from Amano if none of the following apply for the past 10 years, to the candidates or to the candidate's relatives up to the second degree of kinship.

1. A major business counterparty of Amano (Note1) or a person executing the business.
2. A consultant, an accounting expert, or a legal expert, etc. who receives substantial amounts of money, etc. in addition to the officers' remuneration from Amano (if the recipient of such rewards is a corporation, or other organizations such as unions etc, then this implies the person who belongs to such organizations); (Note2)
3. A person executing the business of Amano or our subsidiaries;
4. A director of Amano's subsidiaries who does not execute the business of our subsidiaries (only the case that Outside Audit & Supervisory Board Member is designated as an independent officer is approved);
5. A major shareholder of Amano or a person executing the business of the major shareholder; (Note3)
6. A person who was once a Director or Audit & Supervisory Board Member of Amano or our subsidiaries at any point during the past 10 years prior to this nomination.

(Note) 1. Business counterparty with annual transaction amount that exceeds 2% of the consolidated sales of Amano and our business counterparty in the most recent business year.

2. Substantial amount of money is defined as actual amounts exceeding 10 million yen per year.

3. A major shareholder means that a shareholder who holds more than 10% of the voting rights of Amano.

## Effectiveness Evaluation of the Board of Directors

During the fiscal year 2023, Amano conducted a questionnaire survey on 12 officers, including 8 directors (including 3 Outside Directors) and 4 Audit & Supervisory Board members (including 2 outside members). Based on the results of the survey, the Board of Directors has determined that the overall effectiveness of the Board of Directors is properly secured.

Question	Evaluation Results
Structure of the Board of Directors	The Board of Directors consists of talent from within Amano with extensive experience in actual business and highly independent outside directors with specialized knowledge of financial and legal affairs, etc., thereby the knowledge, experience, and abilities are well balanced as a whole and secured appropriately. Furthermore, to further reinforce governance, the ratio of outside directors at the Board of Directors is now at one third. In addition, two female officers, outside director and outside Audit & Supervisory Board member, have been appointed to promote diversity.
Operation of the Board of Directors	The frequency of the current Board of Directors is frequent enough to carry out appropriate decision making in a timely manner. The attendance rate of directors stands at 100% (that of outside directors stands at 100%). The information and materials on proposed agenda and resolutions are provided to all directors in advance, and sufficient time is allocated for them to examine the contents.
Agenda of the Board of Directors, etc.	Regarding the contents of agenda and resolutions, the Amano Group's important information (both quantitative and qualitative) is shared with all directors on a monthly basis, and other important matters are discussed as agenda items at meetings of the Board of Directors as necessary before making decisions.
Structure to support the Board of Directors	Opportunities for seeking the provision of information are appropriately secured to directors and Audit & Supervisory Board members, and coordination between the Internal Audit Unit and directors and Audit & Supervisory Board members is secured. In addition, Corporate Planning personnel, etc., provide support as required to furnish necessary information to outside officers in a timely manner. In respect of training for officers, opportunities are given to fully understand the roles and responsibilities that executives are expected to fulfill, through measures including holding periodic seminars for executives.
Further enhancement of effectiveness	During the analysis and evaluation of the Board of Directors Meetings, the Directors suggested that Medium to Long term management issues including sustainability initiatives should be discussed and the agenda should be further enhanced. Based on such opinions and discussions, the Company will strive to further improve the effectiveness of the Board of Directors Meetings by ensuring that all relevant issues are thoroughly recognized and shared among the members.



# Executives



## Directors

### Chairman & Representative Director

#### Hiroyuki TSUDA

Apr. 1982	Joined the Company
Apr. 2007	General Manager of Kanto Regional Sales & Marketing Unit of the Company
Apr. 2011	General Manager of Chubu Regional Sales & Marketing Unit of the Company
Apr. 2013	Operating Officer of the Company
Apr. 2014	Resigned from the Operating Officer of the Company
Apr. 2014	President & Representative Director of Amano Management Service Corporation
Apr. 2016	Operating Officer of the Company
Apr. 2016	Business Supervisory of the Company
Jun. 2017	President & Representative Director of the Company
Apr. 2023	Chairman & Representative Director of the Company (current position)

### President & Representative Director

#### Manabu YAMAZAKI

Apr. 1986	Joined the Company
Apr. 2013	General Manager of Chugoku & Shikoku Regional Sales & Marketing Unit of the Company
Apr. 2014	General Manager of Comprehensive Planning Unit of the Company
Apr. 2015	General Manager of Time Information Business Unit of the Company
Apr. 2016	Operating Officer of the Company
Apr. 2016	Division Manager of Comprehensive Strategy Planning Division and Deputy General Manager of Corporate Planning Unit of the Company
Apr. 2017	Business Supervisory and Division Manager of Comprehensive Strategy Planning Division of the Company
Jun. 2017	Director of the Company
Apr. 2018	Chairman of Amano USA Holdings Inc.
Oct. 2018	Chairman & President of Amano USA Holdings Inc.
Feb. 2020	Domestic Group Company Supervisory of the Company
Apr. 2020	Corporate Administration Supervisory and General Manager of Corporate Administration Unit and Domestic Group Company Supervisory of the Company
Apr. 2021	Managing Operating Officer of the Company
Apr. 2021	Corporate Administration Supervisory and General Manager of Corporate Administration Unit of the Company
Apr. 2022	Sales & Marketing Supervisory / Business Supervisory of the Company
Apr. 2023	President & Representative Director of the Company (current position)

### Director & Executive Operating Officer, General Manager Corporate Planning Unit / (Outside) Director CREO Co.Ltd.

#### Kunihiro IHARA

Apr. 2004	Deputy General Manager of Loan Department of the Dai-ichi Mutual Life Insurance Company (currently, the Dai-ichi Life Insurance Company, Limited)
Apr. 2007	Joined the Company
Apr. 2009	Division Manager of Accounting Division of the Company
Apr. 2010	Operating Officer of the Company
Apr. 2013	Deputy General Manager of Corporate Administration Unit of the Company
Apr. 2015	General Manager of Corporate Administration Unit and Division Manager of Human Resources Division of the Company
Apr. 2016	General Manager of Corporate Planning Unit of the Company (current position)
Jun. 2016	Director of CREO CO., LTD. (current position)
Jun. 2016	Director of the Company (current position)
Apr. 2024	Executive Operating Officer of the Company (current position)

### Director & Managing Operating Officer, Sales & Marketing Supervisory / Business Supervisory, Domestic Group Company Director in Charge

#### Yoshihiko HATA

Apr. 1987	Joined the Company
Apr. 2011	General Manager of Kanto Regional Sales & Marketing Unit of the Company
Apr. 2014	General Manager of Parking Business Unit of the Company
Apr. 2017	Operating Officer of the Company
Apr. 2018	General Manager of Parking Business Unit of the Company and President & Representative Director of AMANO Management Service Corporation
Apr. 2019	Executive Vice President AMANO USA HOLDINGS, INC. and Executive Vice President AMANO McGann, INC.
Apr. 2021	Business Supervisory and Domestic Group Company Supervisory of the Company
Apr. 2022	Corporate Administration Supervisory and General Manager of Corporate Administration Unit of the Company
Jun. 2022	Director of the Company (current position)
Apr. 2023	Managing Executive Officer (current position)
Apr. 2023	Sales & Marketing Supervisory / Business Supervisory, Domestic Group Company Director in Charge (current position)

### Director & Operating Officer, R&D / Production Supervisory / General Manager Product R&D Unit / Global Innovation R&D Unit

#### Fujinori TAZO

Apr. 1987	Joined the Company
Apr. 2016	Deputy General Manager of R&D Unit and Division Manager of Technology R&D Division of the Company
Apr. 2018	Deputy General Manager of R&D Unit and Division Manager of Innovation R&D Division of the Company
Apr. 2019	Operating Officer of the Company (current position)
Apr. 2019	General Manager of R&D Unit of the Company and Technology Desk of Amano USA Holdings, Inc.
Apr. 2020	R&D Supervisory / General Manager of R&D Unit and Domestic & Overseas R&D Supervisory of the Company
Jun. 2020	Director of the Company (current position)
Apr. 2022	R&D Supervisory / General Manager Product R&D / General Manager Innovation R&D
Apr. 2022	R&D / Production Supervisory / General Manager Product R&D / Global Innovation R&D (current position)

### (Outside) Director

#### Kiyoshi KAWASHIMA

Apr. 1979	Registered as an attorney at law (with Daini Tokyo Bar Association)
May. 1984	Kawashima Law Office (Kanagawa Bar Association) (current position)
Apr. 1995	Legal Training and Research Professor of Defense in Civil Cases, Institute in the Supreme Court of Japan
Apr. 2004	Professor of Yokohama National University Law School
Apr. 2011	Guest Professor of the Open University of Japan (current position)
Jun. 2012	Director of Fuji Furukawa Engineering & Construction Co., Ltd.
Nov. 2013	Director of Kanagawa Gakuen, an incorporated Educational Institution (current position)
Jun. 2015	Director of the Company (current position)
May 2017	Audit & Supervisory Board Member of YOKOHAMA IMPORTMART INC.
Jun. 2021	Audit & Supervisory Board Member of Yokohama-Kawasaki International Port Corporation (current position)

### (Outside) Director

#### Michinobu OMORI

Apr. 1981	Joined the Ministry of Finance
Jul. 1997	Deputy Commissioner of Criminal Investigation Department Tokyo Regional Taxation Bureau
Jul. 1999	Director of Tobacco and Salt Industries Office, Planning and Administration Division, Financial Bureau
Jul. 2002	Director of Local Financial Department, Kinki Local Financial Bureau
Jul. 2003	Counselor of Office for Industrial Revitalization Corporation of Japan, Cabinet Office
Jul. 2005	Director of Customs Clearance Division, Customs and Tariff Bureau
Jul. 2006	Director of Personnel Division, Customs and Tariff Bureau
Jul. 2007	Director General of Hokuriku Local Finance Bureau
Aug. 2009	Officer of Nippon Automated Cargo And Port Consolidated System, Inc.
May 2010	Director of Treasury Department, Deposit Insurance Corporation of Japan
Jul. 2011	Director of Inspection Department, Deposit Insurance Corporation of Japan
Jun. 2012	Audit & Supervisory Board Member of The Shoko Chukin Bank, Ltd.
Jun. 2016	Director General of Tokyo Customs
Jul. 2017	Resigned from the Ministry of Finance
Jan. 2018	Advisor of Mitsubishi Heavy Industries Thermal Systems, Ltd.
Jun. 2019	Director of the Company (current position)
Jun. 2020	Director of Japan Credit Information Reference Center Corp.

### (Outside) Director

#### Sumie WATANABE

Aug. 1980	Joined The Dai-ichi Mutual Life Insurance Company (currently, the Dai-ichi Life Insurance Company, Limited)
Apr. 2008	Division Manager of FP Sales Division of the same company
Apr. 2010	Division Manager of FP Consulting Division of The Dai-ichi Life Insurance Company, Limited
Apr. 2015	Adjunct of the same company
Apr. 2016	Operating Officer of the same company
Oct. 2016	Operating Officer of Dai-ichi Life Holdings, Inc.
Oct. 2016	Executive Officer, The Dai-ichi Life Insurance Company, Limited
Apr. 2021	Chairman & Director of Dai-ichi Life Challenged Co., Ltd.
Jun. 2021	Director of the Company (current position)

### (Full-time) Audit & Supervisory Board Member

#### Tomonori KITAMI

Apr. 1986	Joined the Company
Apr. 2007	Division Manager of Corporate Planning Unit of the Company
Apr. 2013	Division Manager of Corporate Administration Division of the Company
Apr. 2022	Operating Officer of the Company
Jun. 2024	Audit & Supervisory Board Member of the Company (current position)

### (Outside) Audit & Supervisory Board Member

#### Hanae NAKAYA

Aug. 1990	Registered as Certified Public Accountant
Oct. 2003	Retired from Chuo Aoyama Audit Corporation
Oct. 2003	Assistant Section Manager, Corporate Disclosure Counsellor's Office, Market Division, General Affairs and Planning Bureau, Financial Services Agency
Apr. 2004	Chief Certified Public Accountant Audit Inspector, Certified Public Accountants and Audit Review Board, Financial Services Agency
Aug. 2007	Certified Public Accountant, opened Nakaya Accounting Office, Representative
Apr. 2008	Chief Securities Investigator, Disclosure Inspection Division, Secretariat of the Securities and Exchange Surveillance Commission, Financial Services Agency
Aug. 2013	Registered Certified Public Accountant/Tax Accountant, renamed Nakaya Accounting Office, Representative (current position)
Apr. 2015	Auditor, National Institute of Special Needs Education, Incorporated Administrative Agency (current position)
Aug. 2016	Partner, Tachibana Limited Liability Company (current position)
Jun. 2019	Audit & Supervisory Board Member of the Company (current position)
Jul. 2019	Vice-President, Japanese Institute of Certified Public Accountants Kanagawa Prefecture (current position)
Dec. 2022	Kanagawa Prefecture Audit Committee Member (current position)
Feb. 2023	Director (Audit and Supervisory Committee), Jastec Co., Ltd. (current position)

## Audit & Supervisory Board Members

### (Full-time) Audit & Supervisory Board Member

#### Masahiko MORITA

Apr. 1982	Joined the Company
Apr. 2007	Division Manager of Corporate Administration Division of the Company
Apr. 2013	Operating Officer of the Company
Apr. 2013	Division Manager of the Accounting Division of the Company
Apr. 2019	General Manager of Internal Audit of the Company
Jun. 2020	Audit & Supervisory Board Member of the Company (current position)

### (Outside) Audit & Supervisory Board Member

#### Naofumi NAGAKAWA

Apr. 1989	Joined TOKYU LAND CORPORATION
Apr. 1993	Housing Business Unit of the same company
Apr. 1996	Kansai branch of the same company
Oct. 2009	Temporarily assigned to Tokyu Land Capital Management Inc.
Oct. 2019	Chairman of Fujimigaoka-Gakuen, an incorporated educational institution (current position)
Jun. 2021	Audit & Supervisory Board Member of the Company (current position)
Apr. 2023	Auditor of Kanagawa Prefecture Private Junior and Senior High School Association (current position)
Apr. 2023	Auditor of Kanagawa Prefecture Private School Education Promotion Association (current position)
Jun. 2023	Director of Kanagawa Prefecture Private School Retirement Foundation (current position)
Apr. 2024	Principal, Yokohama Fujimigaoka Gakuen (current position)
May. 2024	Auditor, National Association of Upper Secondary School Principals (current position)



# Compliance

## Compliance

The Amano Group has established our own “Basic Policy of Compliance” and “Compliance Rules”, and is working on a variety of activities to promote and raise awareness of compliance and its thorough practice among all employees.

### The Code of Ethics

In June 2015, the Amano Group distributed a revised version of our “Corporate Code of Ethics” (booklet) to all of our employees to ensure their understanding of basic policy of internal control, corporate code of ethics and to encourage their thorough compliance to the corporate standards of behavior.

### Anti-Bribery Initiatives

The Amano Group established the “Rules on Compliance with International Competition Law and Prevention of Bribery” in June 2016, and strives to prevent bribery, taking steps such as raising awareness through regular e-learning. In addition, the audits conducted by the Internal Audit Office include matters relating to bribery. In FY2023, no fraud related to bribery, donations, or support was reported.

### Compliance Training Programs

Employees are informed of various legal information that they should or need to know, including anti-corruption and bribery matters, with regular compliance training programs (e-learning) being conducted. In order to deepen understanding of compliance, the questions in the Q&A are specific based on actual situations.

### Compliance with Environmental Laws and Regulations

Laws and regulations related to the environment have been strengthened every year, and we share information mainly through the Sustainability Committee. A survey conducted in FY2023 indicated that there were no serious violations of environmental laws and regulations (fines/sanctions). We will continue to strive to achieve proper management in the future.

### The Internal Whistle-blowing System

The Amano Group has established the “Amano Group Hotline Rules” to receive “whistle-blowing” complaints and opinions from all Amano Group employees. There are three hotlines in operation; the “Corporate Ethics Hotline”, the “HR Hotline”, and the “Amano External Hotline”.

### Political Contributions

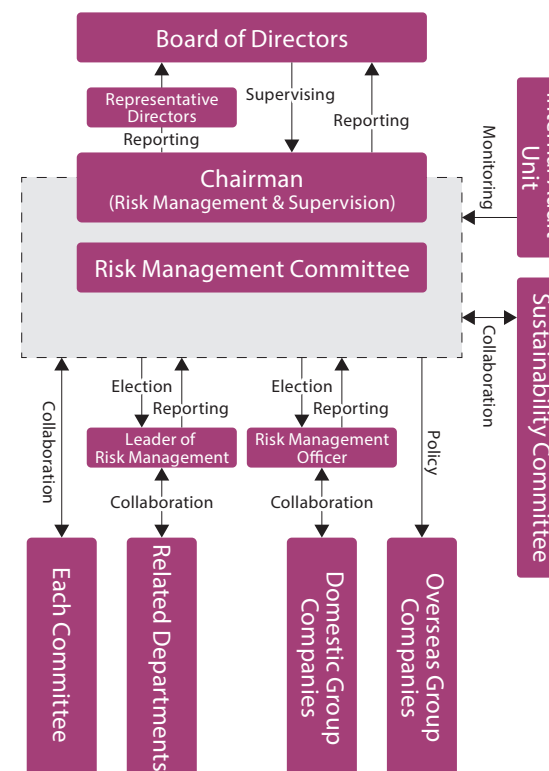
Amano did not make any political contributions in FY2023 in accordance with the Political Funds Control Act. Note that, some group companies may make political contributions based on the judgment of each company in accordance with relevant laws and regulations and their own ethical code.

## Risk Management

The Amano group recognizes that in a business environment where risks are becoming increasingly complex and diversified, the formation and the operation of appropriate internal controls along with risk management structures are vital for gaining each stakeholder confidence. Under this recognition, we regard the activities of our various committees as being the core of CSR (Corporate Social Responsibility) and along with the risk management framework, form the foundation to achieve our management policy. We will continue to strive to enhance these committees and risk management.

The details of their activities are reported to Representative Directors as required and to the Board of Directors when necessary.

### ● Risk Management System





# Information Security / Personal Information Protection



The Amano Group recognizes that one of our important management issues is to ensure that all information related to our business activities is shared and utilized appropriately under secure and reliable management, and has established the “Information Security Basic Policy” as part of the strengthening of internal controls.

## Amano Information Security Basic Policy

As a company that provides products, solutions, and services related to time and air, Amano Corporation is committed to information security measures to ensure that our products and services are used safely and securely while creating new value through the use of information.

To this end, all of our officers, employees, and all others who handle information at our company will deepen their awareness of the importance of information security in the environment, people, equipment, and cyberspace involved in the process of creating and continuing to provide products and services to our customers, and will strive to prevent and correct information leaks, etc. and maintain and improve social credibility and business continuity based on the following “Information Security Basic Policy”.

### Scope of Application

This policy applies to all tangible and intangible information that Amano handles. In addition, we will instruct third parties other than Amano to comply with this policy when handling information handled by Amano.

### Information Security System

Based on the “Basic Compliance Policy,” Amano will establish a companywide system for information security by preparing information security-related regulations and appointing information managers in each department.

### Compliance with Laws and Regulations, etc.

Amano will comply with laws, regulations, and other norms related to information security, including personal information protection, as well as customer contracts.

### Information Asset Management

Amano takes measures to maintain the confidentiality, integrity, and availability of our information assets.

1. Confidentiality : Limit access to information assets to authorized individuals only.
2. Integrity : Protect the accuracy and completeness of information assets.
3. Availability : Ensure that information is available in a timely manner when needed.

### Prevention and Response to Information Security Incidents

Amano will take all possible measures to prevent information security incidents. In the unlikely event of an accident, Amano will take appropriate measures to prevent recurrence.

### Information Security Education

Amano provides all officers and employees with training and education on information security in order to deepen their understanding of the importance of information security and to improve their skills.

### Continuous Improvement

Amano will continuously review and improve the Information Security Basic Policy and the regulations related to information security.

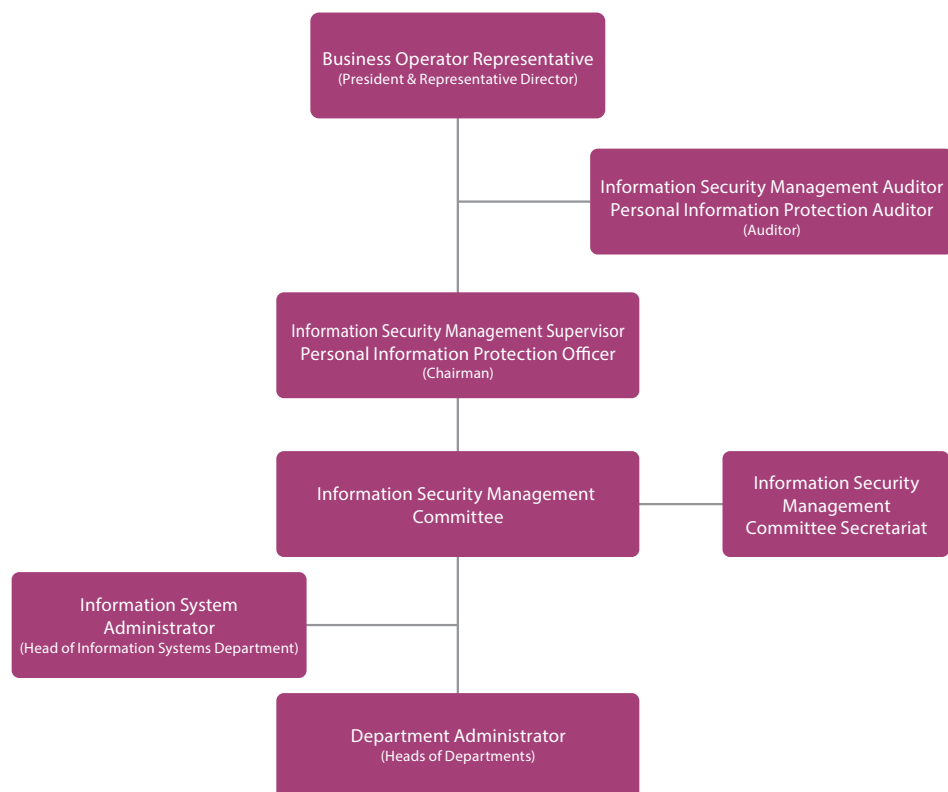
Enacted: March 24, 2008

Revised: September 1, 2023



## Information Security Management/ Personal Information Protection System Diagram

We are committed to strengthening information security through the following system.



## Information Security Management System

We continuously run the PDCA cycle related to information security management and personal information protection in accordance with the "Information Security Basic Policy" and the "Personal Information Protection Policy".



## Personal Information Protection

Since we think that it is our social responsibility to properly protect all personal information, we have established a "Personal Information Protection Policy". We operate a personal information protection management system based on this "Personal Information Protection Policy" to ensure the proper handling and protection of personal information. In addition, in February 2014, we received the PrivacyMark System, a third-party certification for the protection of personal information, and have continued to receive this certification since then.

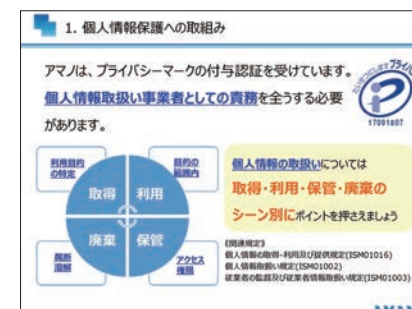
### Privacy Policy

<https://www.amano.co.jp/English/privacy.html>



## Information Security/Personal Information Protection Education

In order to protect information security and safeguard personal and confidential information, everyone must be proactively aware of the dangers and take appropriate actions. The Amano Group regularly conducts information security management and personal information protection education (e-learning) for all executives and employees. Training materials incorporate the latest changes in the social environment and incident cases, so as to raise awareness of the latest information security risks and improve the effectiveness of incident prevention. Further, we improve our employees' ability to identify suspicious e-mails and their understanding of how to respond appropriately at first instance by conducting targeted attack e-mail drills. We also provide education for personnel handling My Number and hierarchical education for managers every year.





# Supply Chain Management



## Amano Group Basic Procurement Policy

We the Amano Group are promoting activities in accordance with the “Amano Group Basic Procurement Policy” in our corporate procurement activities, in order to continue to contribute to the “building a safe and comfortable society” and “creating of a comfortable global environment” from a global perspective under our management principle.

As a good partner in contributing to society and the global environment, we ask for the understanding and cooperation of our business partners in this basic policy.

### 1. Fair, Equitable, and Open Procurement

We provide open, fair, and equitable trading opportunities to our business partners without judging them solely on the size of their companies or the presence or absence of transaction histories.

When selecting business partners, in addition to QCD balance, we will carefully consider stability, technology / development capabilities, transparency of information disclosure, and their compliance with laws and social norms, etc.

### 2. Mutual Development based on a Relationship of Trust

Through procurement transactions for materials, we will strive for coexistence, co-prosperity, and mutual development with our business partners.

To this end, we will strive to maintain and improve relationships of trust with our business partners based on long-term mutual understanding.

### 3. Compliance with Laws, Regulations, and Social norms

In our material procurement activities, we comply with relevant international laws and regulations, as well as laws and social norms in the countries and regions where we procure materials.

### 4. Respect for Human Rights and Ensuring Health and Safety

When conducting material procurement activities, we respect human rights including responding to conflict minerals that may infringe on human rights, and aim to maintain and improve a healthy working environment and ensure health and safety.

### 5. Environmentally Conscious Green Procurement

We promote environmentally friendly development, design, production, and distribution activities. To this end, we will continue to improve environmental conservation in cooperation with our business partners by procuring materials with low environmental impact from environmentally friendly business partners.

### 6. Proper Information Management

We will properly manage and protect the confidential and personal information of our business partners obtained in the course of our transactions.

## Request to our Business Partners

The Amano Group contributes to a better society and environmental conservation through our procurement activities. Furthermore, in order to promote procurement activities to realize a sustainable society, it is essential that business partners who are our important partners also understand and cooperate with the Amano Groups Basic Procurement Policy and implement mutually cooperative initiatives.

Therefore, we would like to ask for your understanding and cooperation, and active promotion of the following items.

### 1. Fair and Equitable Competition and Trade

Please promote sound and fair business management in order to build mutual understanding and relationships of trust.

### 2. Building Relationships of Trust that lead to Mutual Development

Please always be aware of coexistence and co-prosperity, and strive to communicate well in order to build strong long-term relationships of trust.

### 3. Compliance with Laws and Regulations

We ask that you comply with all relevant international laws and regulations, along with laws and social norms in all countries and regions where you conduct business activities.

### 4. Consideration for Human Rights and Working Environment

Please respect the basic human rights of all people in employment and labor, and ensure and realize a safe and healthy working environment.

### 5. Promoting Green Procurement

Please promote procurement activities aimed at “preserving the global environment” and “building a sustainable society”.

### 6. Information Management and Leakage Prevention

Please properly manage and protect personal and confidential information obtained through business relationships.

### 7. Confirmation of the Status of Initiatives

We may ask you to confirm the status of your initiatives and provide information to ensure responsible procurement throughout the supply chain toward the realization of a sustainable society. In addition, we also ask for your cooperation when we visit your business premises as necessary.

Established: April 1, 2020/ Revised: October 1, 2023



## Partnership-Building Declaration

The Company declares that it will focus on the following activities to build new partnerships by cooperating and facilitating coexistence and co-prosperity with all our supply chain business partners and all value-creating business operators.



### 1. Coexistence and co-prosperity across the supply chain and a new kind of cooperation that transcends scale and business affiliation

Our goal is to achieve coexistence and co-prosperity with our business partners through collaborations that transcend existing business relationships and scale, influencing our direct business partners' business partners (from Tier N to Tier N+1), even as we continue to work on initiatives to raise added value across the entire supply chain. From the perspective of business continuity during disasters and reforming work styles, we will provide support such as suggestions to our business partners regarding the implementation of telework and other BCP (business continuity planning) measures.

#### d. Greening Initiatives

We have formulated the "Amano Corporation Green Procurement Guidelines" to guide green procurement practices and carry out environmentally friendly activities in cooperation with our business partners, aiming to reduce the burden on the environment through the supply chain as a whole.

### 2. Observing Promotion Standards

We will observe desirable business practices between large procuring enterprises and subcontractors (based on "Promotion Standards" in the Act on the Promotion of Subcontracting Small and Medium-Sized Enterprises), and will strive to actively correct business practices and customs that hinder the building of partnerships with business partners.

#### (1) Method for Setting Prices

We do not make unreasonable requests for cost reductions. We determine transaction prices after ample consultation with subcontractors, not only consulting with them at least once a year, but also taking into account an appropriate level of profit for the subcontractors and improvements to their labor conditions. In doing so, we take appropriate actions set out in the Guidelines for Price Negotiations to Appropriately Pass Through Labor Cost. In addition, in the event of spikes in raw materials or energy costs, we will aim to fully pass through the increase in costs as appropriate. When concluding contracts, including the determination of transaction price, the contract terms are stated clearly in writing and delivered to subcontractors.

#### (2) Responsibility for Costs of Storing Molds and Other Expenses

We engage in business dealings involving molds based on "Basic Philosophy and Principles of Mold Transactions" in the "Report of the Council for the Promotion of Optimizing Mold Transactions" as well as the "Memorandum Regarding Handling of Molds," and in addition to promoting the disposal of molds that are not needed, do not request subcontractors to store molds at no cost.

#### (3) Conditions for Payment of Notes and Other Instruments

We pay our subcontractors in cash, closing our monthly accounts on the last day of each month with payment made on the 29th day of the subsequent month by bank transfer.

#### (4) Intellectual Property and Know-how

We conduct transactions based on the "Basic Philosophy" set out in the Guidelines Relating to Intellectual Property and the model contracts, and do not require the execution of unilateral non-disclosure agreements, disclosure of know-how acquired by virtue of business dealings or free transfers of intellectual property, or similar dealings.

#### (5) Negative Effects Resulting from Work Style Reforms

We do not make orders with short delivery times or rushed changes to specifications except with fair appropriate costs so that suppliers may also adapt to work style reforms. During emergencies and similar circumstances, we avoid imposing unilateral burdens on subcontractors in our dealings, and take care in continuing business relationships when resuming business as far as possible.

### 3. Other (Voluntary Statement)

In alignment with our Corporate Motto, the Amano Code of Conduct, and the Amano Group Basic Procurement Policy, we regard our business partners as important partners who will grow and develop with us, and we aim to build positive business relationships with them, achieving coexistence and co-prosperity and mutual development with the companies.

**Manabu YAMAZAKI**  
President & Representative Director  
Enacted: August 8, 2024  
Revised: November 1, 2024