

Companies' Policy of the establishment of Internal Control System

1. Systems for ensuring that Directors and Employees comply with laws and the articles of association in the performance of their duties.

- (1) Since the company's establishment, "Take the High Road" has been an established behavioral guideline.
- (2) Based on this behavioral guideline, the Company has established Mitsui High-tec Group Code of Conduct to make sure that Directors and Employees act in compliance with laws and regulations, the articles of associations and social norms, and this Charter is used as a basis for action.
- (3) To ensure compliance, the Compliance Committee is established and composed of President as chairperson, the Corporate Officer, Audit and Supervisory Committee Members. This committee supports the activities of the entire company.
- (4) The Internal Audit Department shall audit the company's compliance with related laws, regulations etc., on its own or together with the related section. They shall report audit results to the Board of Directors and the Audit and Supervisory Committee.
- (5) Information about acts such as violations, etc. of Mitsui High-tec Group Code of Conduct shall be collected through the Hot Line, etc. and the company shall investigate the facts of the violations, etc. and establish countermeasures to prevent their recurrence.
- (6) Our company shall establish an internal control system for financial reporting and appropriately evaluate this reporting.
- (7) Our company shall not engage in any interactions with anti-social forces or organizations that adversely affect the social order and the soundness of the corporation, and it shall seek the maximum assistance from the police, legal professionals and other sources.¹

¹ Anti-social forces or organizations are people or organizations that seek to benefit economically through unjust actions leveraging violence, power or fraud.

2. Systems for the management and preservation of information in relation with the Directors' performance of their duties.

- (1) Records of the Directors' performance of their duties and information related to the performance of their duties shall be kept in written or electronic files.
- (2) Directors (including the Audit and Supervisory Committee Members.) shall be able to read these documents at any time.

3. Risk management systems and rules

- (1) The risk management regulations, which set out matters concerning Group risk management, stipulate persons responsible for risk management for each business unit and each group company and action is taken to address assumed risks.

The Corporate Planning & Strategy Unit shall comprehensively control risk on behalf of the company.

- (2) To address risks relating to compliance matters, environmental affairs, disasters or accidents, quality issues, information security problems for intelligence and the management of export transactions, etc., each responsible person shall create manuals and train persons of relations.
- (3) When a large accident, disaster, scandal, etc. occur, the company will quickly respond in cooperation and prevent or mitigate damage based on its risk management regulations.

4. Systems for ensuring that directors perform their duties efficiently

- (1) The Board of Directors shall establish targets for the entire company, which are shared by the Directors and Employees.
- (2) Senior General Managers and General Managers shall perform their duties to achieve the established targets set by each division through methods that are effective for achieving the targets.
- (3) Senior General Managers and General Managers shall accurately supervise and direct Employees to enable Employees to do their jobs correctly and rapidly considering the purposes to be achieved and the effectiveness of the actions.

(4) The Board of Directors shall review the company's progress in achieving established targets periodically and act to ensure the effectiveness of the entire company's actions.

5. Systems for ensuring proper business operations within the corporate group.

(1) The company shall require that its subsidiaries comply with all of its regulations and shall establish systems to enable the subsidiaries to comply with Mitsui High-tec Group Code of Conduct and to monitor the subsidiaries to ensure the suitability and effectiveness of their performance.

(2) The company shall instruct all subsidiaries to establish internal control according to the related regulations of the country or countries the subsidiaries operate within.

(3) Based on (2) above, transactions between the company and its subsidiaries are to be fair.²

² For (1) and (2), increase awareness of internal control at overseas subsidiaries, and avoid engaging in unjust business practices such as accepting unfairly favorable prices.

(4) Directors shall provide guidance to all subsidiaries based on operational reporting to ensure that each subsidiary is able to fairly and effectively manage their duties.

6. Provision concerning directors and employees (hereinafter referred to as assistants) who should assist the duties of the Audit and Supervisory Committee, Matters concerning Independence from other directors (excluding directors who are Audit and Supervisory Committee members) of assistants and Matters related to ensuring the effectiveness of instructions to the assistants of the Audit and Supervisory Committee.

(1) Our company shall assign a staff to assist the Audit and Supervisory Committee within the Internal Audit Department in order to strengthen cooperation between the Audit Supervisory Committee and the Internal Audit Department.

(2) Audit and Supervisory Committee may direct and order the staff of Audit and Supervisory Committee within the Internal Audit Department. Such employees shall not be subject to the direction and orders of the Executive Directors, etc. with respect to their duties.

(3) Personnel changes of the staff of Audit and Supervisory Committee within the Internal Audit Department shall require the advance approval of full-time Audit and Supervisory Committee Members.

7. The following systems and other systems related to reporting to the Audit and Supervisory Committee of the stock company:

• **Systems for Directors(excluding Directors who are members of the Audit and Supervisory Committee) or Employees reporting to Audit and Supervisory Committee;**

• **Systems for the directors and employees of a subsidiary company or persons who receive reports from them to report to the Audit and Supervisory Committee of the stock company;**

• **Systems for ensuring that persons who make a report under the preceding item are not treated disadvantageously due to making the report;**

(1) Directors and Employees shall report any events likely to cause considerable damage to the company, and any information concerning the performance of engagement and compliance activities to the Audit and Supervisory Committee immediately.

(2) A Director, Executive Officer or Employee of the company or its subsidiaries, or a person receiving reports from these people shall report any matter that threatens to cause the company to incur significant losses to Audit and Supervisory Committee without delay.

(3) The company shall ensure that people are not retaliated against for the submission of reports.

(4) Reported methods are determined through discussion between the Board of Directors and the Audit and Supervisory Committee.

8. Matters related to policies regarding prepayment procedures and obligations incurred through Audit and Supervisory Committee Members ' execution of their duties (limited to those related to execution of the duties of the Audit and Supervisory Committee).

(1) Our company reimburses Audit and Supervisory Committee Members for the expenses associated with the execution of their duties

9. Other systems ensuring that Audit and Supervisory Committee are conducted effectively.

- (1) Audit and Supervisory Committee shall exchange information concerning the performance of financial and operational audits and promote close cooperation
- (2) Audit and Supervisory Committee shall present the points to be improved by the company to the Board of Directors, request improvement measures and reports on the progress, and propose opinions as the Audit and Supervisory Committee.
- (3) Audit and Supervisory Committee shall regularly meet with the Representative Director and the Board of Directors to exchange information and opinions.

Companies Act (Modified and in effect Dec 4, 2019)

Article 399-13(1)(Authority of the Board of Directors of a Company with an Audit and Supervisory Committee)

The board of directors of a Company with an Audit and Supervisory Committee performs the following duties notwithstanding of provisions of Article 362:

- (i) deciding the following matters and execution of the operations of the Company with an Audit and Supervisory Committee
 - (b) the matters prescribed by Ministry of Justice Order as those necessary for the execution of the duties of the Audit and Supervisory Committee;
 - (c) the development of systems necessary to ensure that the execution of the duties by the directors complies with the laws and regulations and the articles of incorporation, and other systems prescribed by Ministry of Justice Order as systems necessary to ensure the properness of operations of a Stock Company and of operations of a group of enterprises consisting of the Stock Company and its Subsidiary Companies;
- (2) The board of directors of a Company with an Audit and Supervisory Committee must determine matters listed in item (i), (a) through (c) of the preceding paragraph.

Regulations for Enforcement of the Companies Act (Modified and in effect Jan 29, 2021)

(The system to ensure the appropriateness of corporate affairs.)

Article 110-4 (1) Those prescribed by Ministry of Justice Order as provided in Article 399-13, paragraph (1), item (i), (b) of the Act are as follows:

- (i) particulars related to directors and employees to assist with the duties of the audit and supervisory committee;
- (ii) particulars regarding independence of the directors and employees of the preceding item from other directors of the stock company (excluding directors who are audit and supervisory committee members);
- (iii) particulars related to ensuring the effectiveness of instructions given by the audit and supervisory committee of the stock company to the directors and employees set forth in item (i);
- (iv) the following systems and other systems related to reporting to the audit and supervisory committee of the stock company:
 - (a) systems for the directors (excluding directors who are audit and supervisory committee members), accounting advisor, and employees of the stock company to report to the audit and supervisory committee of the stock company;
 - (b) systems for the directors, accounting advisor, company auditors, executive officers, members who execute the business, those who are to perform the duties of Article 598, paragraph (1) of the Act, and other corporations equivalent thereto, and employees of a subsidiary company of the stock company or persons who receive reports from them to report to the audit and supervisory committee of the stock company;
- (v) systems for ensuring that persons who make a report under the preceding item are not treated advantageously due to making the report;
- (vi) particulars related to policies concerning the procedure for advance payment or reimbursement of expenses that arise with regard to execution of the duties of the audit and supervisory committee members of the stock company (limited to those related to execution of the duties of the audit and supervisory committee) or any other processing of expenses or

- obligations that arise with regard to execution of those duties;
- (vii) other systems to ensure that audits by the audit and supervisory committee of the stock company are performed effectively.
- (2) The systems prescribed by Ministry of Justice Order as provided in Article 399-13, paragraph (1), item (i), (c) of the Act are as follows:
- (i) systems for the retention and management of information in relation to the execution of the duties of a director of the stock company;
 - (ii) rules and other systems related to management of the risk of loss of the stock company;
 - (iii) systems to ensure that the execution of the duties of a director of the stock company is performed efficiently;
 - (iv) systems to ensure that the execution of the duties of an employee of the stock company complies with laws and regulations and the articles of incorporation;
 - (v) the following systems and other systems to ensure proper business activities in a business group comprised of the stock company and any parent company or subsidiary companies thereof:
 - (a) systems related to reporting of particulars regarding the execution of the duties of a director, executive officer, member who executes the business, person who is to perform the duties of Article 598, paragraph (1) of the Act, and other corporations equivalent thereto (referred to as a "director, etc." in (c) and (d)) of a subsidiary company of the stock company;
 - (b) rules and other systems related to management of the risk of loss of a subsidiary company of the stock company;
 - (c) systems to ensure that the execution of the duties of a director, etc. of a subsidiary company of the stock company is performed efficiently;
 - (d) systems to ensure that the execution of the duties of a director, etc. or an employee of a subsidiary company of the stock company complies with laws and regulations and the articles of incorporation.

Appendix

1. Date this policy established and in effect: May 25, 2006.
2. Date this policy modified and in effect: January 23, 2009.
3. Date this policy modified and in effect: January 28, 2010.
4. Date this policy modified and in effect: January 31, 2011.
5. Date this policy modified and in effect: March 22, 2011.
6. Date this policy modified and in effect: April 24, 2012.
7. Date this policy modified and in effect: May 21, 2015.
8. Date this policy modified and in effect: February 25, 2016.
9. Date this policy modified and in effect: April 22, 2022.
10. Date this policy modified and in effect: June 10, 2022.
11. Date this policy modified and in effect: December 9, 2022.
12. Date this policy modified and in effect: February 1, 2024.