



Report on Corporate Governance

Basic Approach to Governance

The MEC Group believes that to maximize stakeholder return, continuous initiatives toward reinforcing corporate governance, thereby enhancing corporate value, are crucial. Specifically, we will promote initiatives for fair and transparent management, speedy and accurate information disclosure, and thorough accountability, and are acting in accordance with the concept of the Corporate Governance Code. Under the policy of promoting diversity in management, we actively invite and appoint outside officers and

women. We are also working on establishing rules to provide strict decision-making criteria in case management lacks independence. Moreover, aiming to gain value from diversity, the Group has a policy to encourage the activities of diverse competent personnel. We will continue to support promotion of diverse personnel to executive or management positions and enhance various systems to enable all those who take childcare leave to return to work.

The Corporate Governance structures

■ Board of Directors

The Company has given a structure to the Board of Directors while comprehensively taking into account factors such as the environment surrounding the Company and its business characteristics, so that the Board members can conduct proper and flexible decision-making and supervision. In addition, the Board of Directors is composed of members having a variety of knowledge and experience, regardless of their gender or whether they are from inside or outside the Company. Independent outside directors constitute a majority of the Board of Directors.

By holding the Board of Directors meeting every month, the Company makes decisions as the MEC Group, determines management policies and business executions, and oversees the carrying out of duties by Directors and Operating Officers.

The Company has also established an operating officer system to put in place a structure in which Operating Officers can focus on carrying out business. In these ways, we are working to accelerate the decision-making of the Board of Directors.

■ Nomination Compensation Advisory Committee

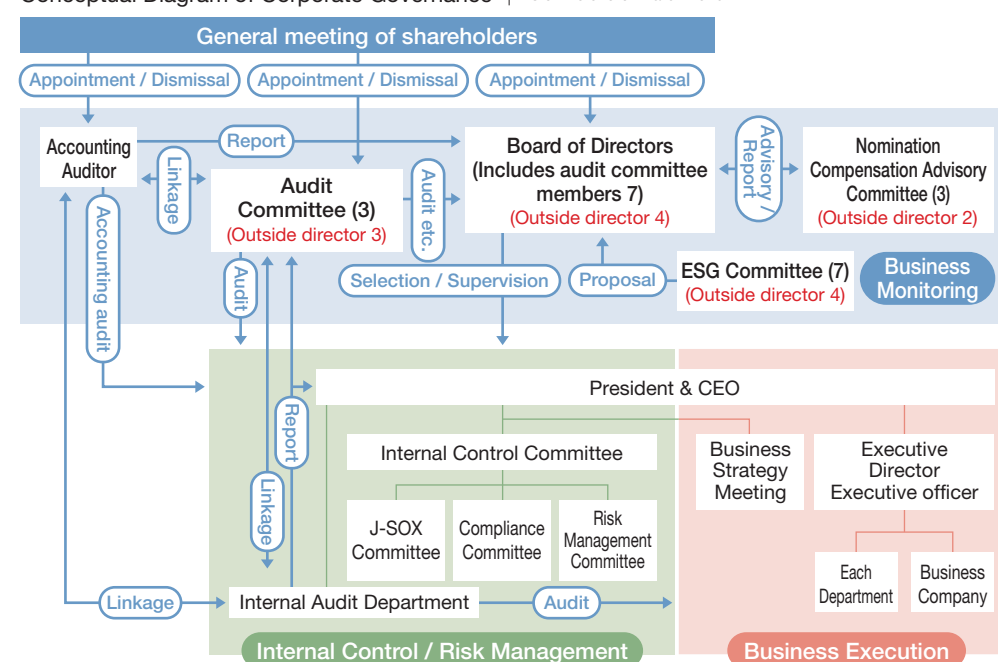
The Committee provides advice and recommendations to the Board of Directors and Audit & Supervisory Committee regarding the appointment, dismissal, and remuneration of Directors (excluding Directors who are Audit & Supervisory Committee members), Directors and Operating Officers who are Audit & Supervisory Committee members, etc. The purpose of the Committee is to ensure that Directors, Directors and Operating Officers who are Audit & Supervisory Committee members, etc. are appointed, dismissed, and remunerated appropriately.

The majority of the members are independent outside members.

■ The Audit and Supervisory Committee

The Audit & Supervisory Committee audits the carrying out of duties by Directors and prepares audit reports, determines the content of proposals regarding the appointment, dismissal, and non-reappointment of accounting auditors, determines the opinions of the Audit & Supervisory Committee regarding the appointment, dismissal, or resignation of Directors (excluding Directors who are Audit & Supervisory Committee members), and determines the opinion of the Audit & Supervisory Committee regarding the audits and supervision of the status of operation of corporate governance and the remuneration, etc., of Directors.

Conceptual Diagram of Corporate Governance | As of the end of March 2025



Composition of Members and Attributes of the Chairperson

	Total number of Committee members (persons)	Full-time Committee members (persons)	Inside Directors (persons)	Outside Directors (persons)	Head of Committee (Chairperson)
Audit and Supervisory Committee	3	1	0	4	Outside Director



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Committees Related to Governance

■ ESG Committee

The purpose of this committee is to formulate and propose management strategies (ESG management strategies) to promote corporate governance reform (G), the fulfillment of social responsibilities (S), and environmental conservation (E) in an integrated and coordinated manner. Based on these proposals, the Company will expand and diversify its management strategies, creating corporate value over the medium to long term through rich relationships with employees, customers, society, and the natural environment. The majority of the members are independent outside members.

■ J-SOX Committee

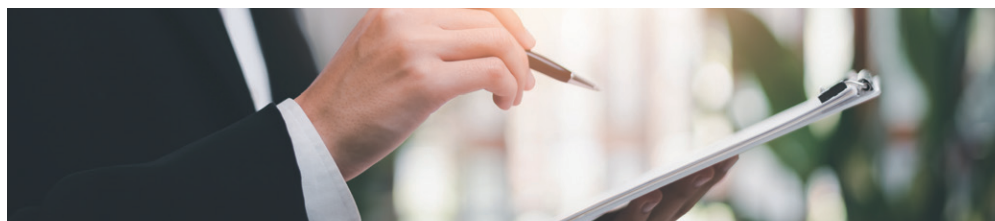
The purpose of this committee is to establish basic matters concerning the operation of J-SOX internal controls in the Group and contribute to ensuring appropriate information disclosure and transparency in financial reporting in accordance with the Financial Instruments and Exchange Act of Japan, where the exchange on which the Company lists its shares is located.

■ Compliance Committee

In accordance with the spirit of the MEC Group's Charter of Corporate Behavior and Corporate Code of Conduct, we have established a system for ensuring compliance within the Company and handling related matters, aiming to fulfill our social responsibility as a company by appropriately conducting business.

■ Risk Management Committee

The purpose of this committee is to appropriately implement risk management in the Group, establishing a basic policy regarding the development of a management system to prevent the occurrence of any risks that hinder the execution of business within the Group, and how to respond to any risks that do arise.



Internal Control System

An overview of the system to ensure Directors' performance of their duties is in compliance with laws and regulations and the Articles of Incorporation and other systems to ensure the appropriateness of the company's business is as follows.

System to ensure the performance of duties of Directors and employees of the MEC Group complies with laws and regulations and the Articles of Incorporation

Basic policy of internal control system (excerpt)

- 1 As the basis for the internal control and compliance systems of the MEC Group, the Company stipulates MEC Group's Charter of Corporate Behavior and Corporate Code of Conduct, as well as MEC Group's Internal Control, Internal Audit and J-SOX Regulations, and Compliance Regulations. The Company shall establish the Internal Control Committee and as its subordinate organization, the Compliance Committee, which are chaired by the President, and while promoting the building, maintenance and improvement of the internal control system, the Company shall also develop the relevant regulations and guidelines, and implement employee education as necessary.
- 2 The Company shall establish the Internal Audit Office, which is an internal audit department, with the aim of carrying out appropriate and efficient operations as well as auditing the development and operation of the internal control system so that it prevents fraud before it occurs.
- 3 The Internal Audit Department, which acts as the department for internal audits, shall be established for the purpose of auditing the status of the development and operation of internal control systems, to ensure that the execution of operations is appropriate and efficient, and that internal control systems prevent fraud in advance.



Compliance → <https://www.mec-co.com/en/sustainability/esg/governance/compliance.php>

Whistle-blowing system (for internal use)

We instruct employees to consult with their supervisors and to report using the whistleblowing system when violations of laws or regulations are being committed or are about to be committed. We have established contact points both inside and outside the Company for whistle-blowing of non-compliance, etc., and are building a system that makes it easy to report.

The number of reports issued in FY2024 was 0.



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The Evaluation of the Effectiveness of the Board of Directors

Each year, the Company conducts an evaluation questionnaire for all Directors to further ensure the effectiveness of the Board of Directors and improve its functionality, reports the results of the questionnaire to the Board of Directors, and addresses points for improvement for the next fiscal year.

In FY2024, the analysis and evaluation concluded that “in general, the Board of Directors is appropriately and effectively fulfilling its roles and responsibilities”.

On the other hand, the Nomination and Compensation Advisory Committee's deliberations and the Board of

Directors' involvement and oversight are insufficient with regard to the formulation and operation of succession plans for senior management, and we recognize that there is room for improvement with regard to training for newly appointed Directors and post-appointment training for Directors and in terms of the provision of opportunities and information to Outside Directors to have them understand the Company.

We will continue to make more improvements to further ensure the effectiveness of the Board of Directors and improve its functions.

Introduction of Directors (Internal)

As of the end of March 2025



Representative Director and President

Kazuo MAEDA

Career Summary, Position, Responsibility & Important Concurrent Positions

January	2000	Joined the Company
April	2000	General Manager of the President's Office
June	2000	Director and General Manager of the President's Office
April	2001	Managing Director
June	2002	Representative Director and President
April	2011	Representative Director and President, and Head of the Research and Development Division
June	2012	Representative Director and President (current)
July	2015	CEO (current)

[Important concurrent positions]

Representative Director of MEC TAIWAN COMPANY LTD.
Director of MEC EUROPE NV.
Representative Director of MEC SPECIALTY CHEMICAL (THAILAND) CO., LTD.



Director, Executive Operating Officer, Global Operations

Sadamitsu SUMITOMO

Career Summary, Position, Responsibility & Important Concurrent Positions

October	1988	Joined the Company
April	2000	Transferred to MEC EUROPE NV
October	2003	Deputy Manager of MEC International Business Center
January	2006	Head of Business Promotion Group in ME International Business Center
April	2008	Transferred to MEC FINE CHEMICAL (ZHUHAI) LTD. Director and Vice President of MEC FINE CHEMICAL (ZHUHAI) LTD.
April	2012	President of MEC (HONG KONG) LTD. President of MEC FINE CHEMICAL (ZHUHAI) LTD.
March	2019	Operating Officer
January	2021	Operating Officer and Head of Business Headquarters
March	2021	Director, Executive Operating Officer and Head of Business Headquarters
July	2024	Director, Executive Operating Officer, Global Operations (current)

[Important concurrent positions]

Director of MEC TAIWAN, COMPANY, LTD.
Representative Director of MEC (HONG KONG) LTD.
Representative Director of MEC FINE CHEMICAL (ZHUHAI) LTD.
Representative Director of MEC CHINA SPECIALTY PRODUCTS (SUZHOU) CO., LTD.
Director of MEC EUROPE NV.
Representative Director of MEC SPECIALTY CHEMICAL (THAILAND) CO., LTD.



Director, Executive Operating Officer, Head of Management & Planning Unit

Tetsuya TANIGUCHI

Career Summary, Position, Responsibility & Important Concurrent Positions

April	1992	Joined Matsushita Electric Works, Ltd. (now Panasonic Corporation)
January	2012	Managing Director, Panasonic Electronics Material Europe
April	2017	General Manager, Marketing Dept., Electronic Materials Business Div., Panasonic Corporation
April	2021	Director, Planning Center, Electronic Materials Business Div., same company
December	2021	Joined the Company Strategic Planning Department, Management & Planning Unit
January	2022	Senior Councilor, Strategic Planning Department, Management & Planning Unit
January	2023	Senior Councilor, General Manager of the President's Office
March	2023	Operating Officer, General Manager of the President's Office
January	2024	Operating Officer, General Manager of Management & Planning Unit
July	2024	Executive Operating Officer, General Manager of Management & Planning Unit, Responsible Officer, Business Unit
January	2025	Executive Operating Officer, Head of Management & Planning Unit, and Responsible Officer, Sales Division
March	2025	Director, Executive Operating Officer, Head of Management & Planning Unit (current)

[Important concurrent positions]

There are no significant concurrent positions.

Reason for nomination for Director

- Since assuming the post of CEO and President in 2002, he has focused on revitalizing the proper operation of the Board of Directors as the chairperson and strengthening corporate governance
- As Chief Executive Officer, he has been at the helm of management for many years with strong leadership and execution skills, driving the development of the MEC Group

Reason for nomination for Director

- He contributes to stimulating discussions at the Board of Directors from a global perspective by leveraging the management experience of our overseas subsidiaries and extensive knowledge of overseas business
- He has supervised overseas subsidiaries' management, contributing to the Company's growth strategy

Reason for nomination for Director

- He has assumed positions in overseas subsidiary management, marketing, and corporate planning at another company in the same industry. He also has gained knowledge of trends and a network of connections in the electronics industry through experience in global business
- After joining the Company, he has significantly contributed to strengthening the structure of the Business Headquarters as Senior Councilor, and to formulating the Company's growth strategy as Executive Operating Officer and Head of the Management & Planning Unit, leading the business execution of the Company



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Introduction of Directors (Outside) | As of the end of March 2025



Director

**Lucinda LOHMAN
OOTA**

Career Summary, Position, Responsibility & Important Concurrent Positions

October 1991 Ohara Law & Patent Office (now Ohara & Furukawa)
November 1993 Matsushita Electric Works, Ltd. (now Panasonic Corporation)
March 1996 WEIL, GOTSHAL & MANGES, LLP
January 1997 SONNENSCHN NATH & ROSENTHAL
June 1998 CHOATE, HALL & STEWART, LLP
June 1999 LEBOEUF, LAMB, GREENE & MACRAE LLP
September 2001 Senior Foreign Lawyer, Oh-Ebashi LPC & Partners
February 2010 Senior Foreign Legal Counsel, Dainippon Sumitomo Pharma Co., Ltd.
April 2014 Representative Director, InScribe Language Consulting (current position)
March 2016 Chuo Sogo LPC (current position) Part-time lecturer, Faculty of Law, Doshisha University
March 2025 Director of the Company (current)

[Important concurrent positions]
Representative Director of InScribe Language Consulting Chuo Sogo Law Offices

Reason for nomination for Director

- She has an attorney's license of the United States, and has experience of working closely with a wide variety of clients from small companies to large multinational corporations, as well as international arbitration and internal auditing, with knowledge of corporate governance and compliance. It is expected that she will utilize her experience and insight to provide advice about the overall management of the Company's Group from an independent standpoint



Director
Chairman, Audit &
Supervisory Committee

Mitsutoshi TAKAO

Career Summary, Position, Responsibility & Important Concurrent Positions

April 1972 Joined Kawasaki Heavy Industries, Ltd.
June 2008 Representative Director and Manager of Finance & Accounting Dept.
April 2012 Executive Vice President and Representative Director Assistant to the President, in charge of Planning Headquarters, Finance Headquarters, CSR Promotion Headquarters, Personnel Affairs Headquarters, and General Affairs Headquarters
April 2014 Outside Corporate Auditor of TechnoPro Holdings, Inc.
March 2018 Director of the Company (Audit and Supervisory Committee Member) (current)
September 2022 Outside Director of TechnoPro Holdings, Inc. (Audit and Supervisory Committee Member)
September 2023 Outside Director of TechnoPro Holdings, Inc. (current)

[Important concurrent positions]
Outside Director of TechnoPro Holdings, Inc.

Reason for nomination for Director

- Based on his extensive experience as a corporate manager and his expertise in finance and accounting, he conducts audits and supervises the execution of duties at our Company from an objective perspective
- He leads the management of the Audit & Supervisory Committee as the chairperson
- Based on his extensive knowledge of corporate governance, he provides appropriate advice for the sustained improvement of governance of our Company



Director
Audit and Supervisory
Committee Member

Kaoru HASHIMOTO

Reason for nomination for Director

Career Summary, Position, Responsibility & Important Concurrent Positions

October 1997 Joined Century Audit Corporation (now Ernst & Young ShinNihon LLC)
April 2001 Registered as a Certified Public Accountant
December 2011 Registered as an Attorney-at-law Joined Osaka Semba Law Office (now Osaka Semba Law Office Legal Professional Corporation)
June 2016 Outside Auditor of Oie Sangyo Co., Ltd. (current)
September 2016 Partner in Osaka Semba Law Office
March 2019 Director of the Company
March 2020 Director of the Company (Audit and Supervisory Committee Member) (current)
March 2021 Representative, Attorney-at-law, and Certified Public Accountant at Rui Law & Accounting Office (current)

[Important concurrent positions]
Outside Auditor of Oie Sangyo Co., Ltd.
Representative, Attorney-at-law, and Certified Public Accountant at Rui Law & Accounting Office

- She gives appropriate advice, conducts audits and supervises the execution of duties at our Company from a legal and accounting perspective by leveraging her abundant experience and advanced expertise as a lawyer and certified public accountant



Director
Audit and Supervisory
Committee Member

Eiji MIYASHITA

Reason for nomination for Director

Career Summary, Position, Responsibility & Important Concurrent Positions

April 1980 Joined Matsushita Electric Works, Ltd. (now Panasonic Holdings Corp.)
April 2009 General Manager, Business Management Dept., Control Equipment Division Concurrently, General Manager, Procurement and Production Control Department
June 2009 Part-time Auditor, Honda Tsushin Kogyo Co., Ltd.
June 2010 Panasonic Industrial Devices SUNX Co., Ltd. Part-time Auditor
June 2013 Managing Director, in charge of Business Administration
June 2014 Managing Director, in charge of Business Administration, Personnel & General Affairs, and Legal Affairs
December 2017 Director (Audit and Supervisory Committee Member) (full-time), Nitto FC Co., Ltd.
September 2019 Auditor of the Company
March 2024 Director of the Company (Audit and Supervisory Committee Member) (current)

[Important concurrent positions]
There are no significant concurrent positions.

- He has a wealth of corporate management experience at other companies, and deep knowledge related to finance and accounting
- He has served as a corporate auditor at several companies and has broad insight into corporate auditing

Board Skills Matrix

Directors		Corporate Management	R&D / Manufacturing / Technology	Financial Accounting	Legal / Compliance	Sales / Marketing	Global	Sustainability / ESG	Human Resources / Labor Management / Human Resource Development
Kazuo MAEDA	Inside	●				●	●		
Sadamitsu SUMITOMO	Inside	●	●			●	●		
Tetsuya TANIGUCHI	Inside	●			●	●	●		
Lucinda LOHMAN OOTA	Outside	●			●		●	●	
Mitsutoshi TAKAO	Outside	●		●				●	●
Kaoru HASHIMOTO	Outside			●	●				●
Eiji MIYASHITA	Outside	●		●	●		●		●



Report on Corporate Governance

About Information security

In order to properly manage and use the Company's information assets*, we have stipulated basic matters that executives and employees should comply with. And we are working to achieve uniform information security management by appropriately using them.

*All information that the Company legitimately obtains from itself or others and keeps; this covers all information including non-digitized information as well as human, physical, and environmental resources for using such information.

Basic Policy on Information Security



In order to appropriately manage and use its information assets and information systems, the Group has established a Basic Policy on Information Security, and will strive to ensure a stable management base by implementing and promoting this policy.

1 Compliance with laws and regulations

We will comply with laws, regulations, contractual requirements, and internal rules regarding information security.

2 System

We will establish an information security management system and work to ensure information security.

3 Measures

We will strive to prevent information security incidents by implementing appropriate information security measures for each information asset, as well as formulating a business continuity plan (BCP) and recovery plan to ensure prompt recovery and prevent recurrence in the unlikely event of an incident.

4 Education

We will continuously educate our employees on regulations, standards, etc., related to information security in order to improve their information security literacy.

5 Inspection and improvement

We will regularly evaluate the actual state of information security management and strive for continuous improvement.

■ Operation of Information Security Committee

We have established the Information Security Committee, headed by the executive in charge of information security management, and it has representatives from each business site as members.

It deliberates on and examines information security management within the Company.

At the most recent meeting, members deliberated and considered updating information security rules and strengthening technical security measures.

■ Implementation of Information Security Audit

We regularly audit the actual state of information security management and strive to optimize it.

Main audit items for FY2024

Surveyed the optimization of account and access authority management, status of antivirus software updates, status of management of information media, etc. The management situation was appropriate.

■ Handling of Confidential Information of Customers and Business Partners

Confidential information of customers and business partners is classified from our confidential information, and we have established an appropriate information management system according to customers and business partners and are implementing efforts to protect the information.

■ About Protection of Personal Data

We are working to protect personal information by stipulating a personal information protection policy, establishing a mechanism for protecting personal information, and making all employees fully aware of the importance of protecting personal information. Please see our Privacy Policy for more details.



Privacy Policy → <https://www.mec-co.com/en/privacy/>



Message from Outside Directors

Outside Director,
Audit and Supervisory Committee Member

Eiji Miyashita



It has been a year since I became a member of the MEC Group.

Through attending various meetings including those of the Board of Directors, Business Strategy Committee, ESG Committee, and Risk Management Committee, as well as auditing departments and Group companies, I have felt that the MEC Group is a “very sound and hard-working company”.

Although the MEC Group is not a large organization, its performance has grown steadily, maintaining a high profit margin. I believe this is backed by a solid governance structure and a small number of employees steadily carrying out the various activities described in the Sustainability Report.

The MEC Group is currently implementing Phase 2 of the medium-term management plan, aiming toward its vision for 2030 of “becoming the world’s best creator of interfaces and connecting them to the world”. Meanwhile, the global business environment is changing rapidly and drastically, as highlighted by various conflicts in different regions and various problems centering on U.S. tariff policies.

Under these circumstances, achieving the medium-term management plan requires us to speed up our actions more than ever before without fearing change, be sensitive to change, and make corrections in our direction, as necessary.

I will continue to join forces with the hard-working executives and employees of the MEC Group and strive to achieve our goals, though I may express my opinion bluntly at times.

Outside Director

Lucinda Lohman-Oota



Dear Stakeholders,

It is my great honor to have been appointed as an Independent Outside Director at MEC. I am an American lawyer (licensed in California) and have lived and worked in Japan in that capacity for 25+ years. In particular, I am excited to be at MEC with its staunch commitment to and focus on the environment (E), society (S), and governance (G)(ESG).

In recent years, the global business landscape has shifted decisively toward more responsible and resilient models of growth. Today, ESG plays a strategic role in leadership within organizations. This is consistent with MEC’s Management Philosophy of contributing to the creation of a prosperous and diverse society and sustainable environment inspired by unconventional approach based on the principles of “Visionary Technology”, “Reliable Quality” and “Meticulous Service”.

As a member of the ESG Committee, among others, I will strive to engage with stakeholders to ensure openness and transparency. In particular, the issue of women’s empowerment in the workplace is near and dear to my heart. I believe that people are the most important asset for a company’s efforts for sustainability. Diversity in all its aspects is essential for this!

MEC has achieved much in this area, in particular with respect to the length of women’s years of service, females in managerial positions, and females among the Directors and Operating Officers. As a woman who has worked in several major companies and law firms in Japan, I will use my best efforts to continue and increase this track record!

I hope that FY2025 will be a year of meaningful collaboration and shared success on the road toward a more sustainable world.

Thank you for your trust and support. I look forward to working with my fellow directors, our management team, and you—our stakeholders—as we continue to build a more sustainable and resilient future.