



November 20, 2025

To Whom It May Concern

Company Name: ITOKI CORPORATION
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Notification on the Partial Revision to the “Basic Policy for Developing an Internal Control System”

At the board of directors’ meeting held on November 20, 2025, our company resolved to partially revise the “basic policy for developing an internal control system” with its effective date being January 1, 2026, so we hereby announce the revised policy as follows.

Our company will formulate the basic policy for developing a system for ensuring that directors will execute their duties in accordance with laws, regulations, and the articles of incorporation, as follows, in order to establish a group-wide, comprehensive, unified internal control system.

- 1. System to ensure that the execution of duties by directors will complies with laws, regulations, and the articles of incorporation** (Article 362, Paragraph 4, Item 6 of the Companies Act)
 - (1) In order to observe laws and regulations and establish corporate ethics, we will formulate “Itoki Group’s Code of Conduct” for directors and employees, and make efforts to improve and promote it.
 - (2) In the “regulations for the board of directors,” the “regulations for the managing executive officers’ meeting” and the “regulations for allocation of duties and authority,” we will clearly stipulate the duties and authority of each post and that personnel at each post shall be responsible for executing their respective duties. In addition, at a meeting of the board of directors, which is held monthly in principle, we oversee the execution of duties by directors through necessary resolutions and reports.
 - (3) Auditors will attend the meetings of the board of directors and other important meetings, to audit the execution of duties by directors.
- 2. Systems regarding retention and management of information in relation to the execution of duties of directors** (Article 100, Paragraph 1, Item 1 of the Ordinance for Enforcement of the Companies Act)
 - (1) The minutes of the board of directors’ meeting and other important meetings, internal approval documents and other information on the execution of duties by directors will be recorded in documents or electromagnetic media, and appropriately stored and managed in accordance with laws, regulations, the articles of incorporation, and the “regulations for document management.”
 - (2) We will formulate the “basic policy for information security,” the “basic regulations for information security,” etc. and make efforts to manage information appropriately.
- 3. Regulations and other systems for managing the risks of losses in our company and subsidiaries** (Article 100, Paragraph 1, Items 2 and 5 of the Ordinance for Enforcement of the Companies Act)
 - (1) We will formulate “Itoki Group’s Basic Regulations for Risk Management,” and develop and operate systems for grasping and recognizing all kinds of possible risks in business accurately and managing them appropriately.
 - (2) We will establish a risk management committee with the president serving as committee chairperson, to determine policies for risk management and preventive measures if necessary while considering the overall situation of the Itoki Group.
 - (3) The risk management committee will designate the section and person in charge of each risk category, grasp, analyze, and assess the risks in the Itoki Group, design appropriate risk control measures, and make them known to all employees, to minimize the risks.
 - (4) The internal audit section will regularly audit the risk management in each section, and report the results to the board of directors’ meeting and the board of auditors’ meeting.
- 4. Systems for ensuring that directors execute their duties efficiently** (Article 100, Paragraph 1, Item 3 of the Ordinance for Enforcement of the Companies Act)
 - (1) The supervision and execution in business administration are divided, and the board of directors will function to supervise the business execution of the Itoki Group.
 - (2) A board of directors’ meeting will be held once a month in principle, and a managing executive officers’ meeting will be held once a week in principle, to complement the functions of the board of directors, so that we will be able to respond to changes in the business environment and make decisions swiftly by deliberating important items to be resolved, applying our management policy thoroughly, checking the progress of business, etc.
 - (3) We will adopt a system for executive officers, to streamline business administration and clarify responsibilities.
 - (4) We will set group-wide goals. In order to achieve such goals, we will clearly specify how to divide and allocate authority to each post and procedures for said allocation in the “regulations for the board of directors,” the “regulations for the managing executive officers’ meeting”, the “regulations for allocation of duties and authority,” the “regulations for prior requests for approval,” etc.
- 5. Systems to ensure that the execution of the duties of an employee complies with laws, regulations, and the articles of incorporation** (Article 100, Paragraph 1, Item 4 of the Ordinance for Enforcement of the Companies Act)
 - (1) We will apply “Itoki Group’s Code of Conduct” to employees, too, to promote and improve the compliance with laws and regulations and corporate ethics.

- (2) In order to promote business administration focused on the compliance with laws and regulations, we will establish a compliance committee, which will hold a meeting twice or more times a year, except where unavoidable cases, to discuss and determine important items regarding the compliance, and report the results to the board of directors.
 - (3) We will establish the secretariat of the compliance committee within compliance department, to develop a compliance system deploying compliance promotion committee members and staff in charge of compliance promotion.
 - (4) The compliance department will discuss the status of compliance and so on in cooperation with the internal audit section, when necessary.
 - (5) We will establish whistle-blowing desks inside and outside the company. The external whistle-blowing desk shall be a law office.
6. **Systems for securing the rationalization of business operations in the corporate group composed of our company and subsidiaries** (Article 100, Paragraph 1, Item 5 of the Ordinance for Enforcement of the Companies Act)
- (1) We will provide with access to the “Itoki Group’s Code of Conduct” and other regulations related compliance among subsidiaries, to comply with laws and regulations thoroughly.
 - (2) We will establish an affiliate management department as a desk for subsidiaries, and request approval applications and reports from subsidiaries to our company in accordance with the “regulations for management of group companies” and provide management and support tailored to each subsidiary’s position and scale.
 - (3) The accounting auditor, auditors, and internal audit section of our company will audit subsidiaries when necessary.
 - (4) We will establish a whistle-blowing system involving our company and subsidiaries.
 - (5) We will introduce consolidated management indicators and performance management indicators, and establish a council for formulating the basic management strategies of the entire Itoki Group and so on.
7. **System for securing the reliability of financial reports**
- In order to secure the reliability of financial reports and submit internal control reports effectively and appropriately in accordance with the Financial Instruments and Exchange Act, the Itoki Group will develop and operate an internal control system, continuously check whether the system functions properly, and take necessary measures in accordance with “Itoki Group’s basic policy for financial reporting.”
8. **System for preventing damage due to antisocial forces**
- We will clearly state that we will reject any relationships with antisocial forces and groups in “Itoki Group’s Code of Conduct” and make all employees abide by this rule thoroughly. The general affairs department will serve as a desk for dealing with unreasonable demands from antisocial forces, and specialized staff will be appointed, to gather information and exchange information with other enterprises. Just in case, we will prepare a manual for responding to emergencies, and cement the cooperative relationships with the police and corporate lawyers.
9. **Items regarding employees for assisting auditors when the auditors demand the employment of such employees** (Article 100, Paragraph 3, Item 1 of the Ordinance for Enforcement of the Companies Act)
- When demanded by auditors, directors will discuss a system for their employees with auditors and deal with said matter appropriately.
10. **Items regarding the independence of employees mentioned in the previous section from directors** (Article 100, Paragraph 3, Item 2 of the Ordinance for Enforcement of the Companies Act)
- It is necessary to obtain the consent of auditors in order to appoint, dismiss, or transfer any employees mentioned in the previous section.
11. **Items regarding the securing of effectiveness of orders toward the employees of auditors** (Article 100, Paragraph 3, Item 3 of the Ordinance for Enforcement of the Companies Act)
- All directors and employees of our company will be informed that the employees for assisting auditors will follow instructions and orders from auditors.
12. **Systems for the directors, accounting advisors, and employees of the company with company auditor to report to the company auditor of the company with company auditor** (Article 100, Paragraph 3, Item 4 of the Ordinance for Enforcement of the Companies Act)
- (1) Full-time auditors shall attend the managing executive officers’ meetings and other important meetings or committee meetings as well as the board of directors’ meetings in order to grasp important decision making processes and the status of business execution, and express their opinions when considered necessary.
 - (2) Directors and employees shall report items specified by law, items that would produce serious effects on the business operations or performance of our company or subsidiaries, the results of internal audits, the whistle-blowing status, and their details to auditors swiftly.
 - (3) If asked by auditors, directors and employees shall report items regarding the execution of duties to auditors swiftly.
 - (4) The executives and employees of subsidiaries shall report the items regarding the execution of duties to the auditors of our company swiftly when asked.
13. **System for ensuring that those who have reported to auditors will not receive any unfavorable treatment because of said reporting** (Article 100, Paragraph 3, Item 5 of the Ordinance for Enforcement of the Companies Act)
- Our company will not unfavorably treat any executives or employees of our company or subsidiaries who have reported to auditors of our company because of said reporting.
14. **Items regarding the policies for the procedures for advance payment or reimbursement of expenses arising out of execution of duties of auditors and the processing of expenses or obligations arising out of the execution of said duties** (Article 100, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act)
- Our company will swiftly respond to auditors’ requests for the bearing of expenses arising out of the execution of their duties.
15. **Systems for ensuring that auditors will conduct audits effectively** (Article 100, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act)
- (1) Auditors and the representative director will meet regularly, to deepen mutual understanding and trusting relationship.
 - (2) Auditors will have meetings with accounting auditors and the internal audit section regularly or irregularly to cooperate with them so that overall, efficient audits can be conducted effectively.