May 14, 2026

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Notice Concerning Revision of the Basic Policy for the Establishment of Internal Control Systems

The Company hereby announces that, at the meeting of the Board of Directors held on May 14, 2026, it resolved to revise the “Basic Policy for the Establishment of Internal Control Systems” (hereinafter referred to as the “Basic Policy”) pursuant to Article 362, Paragraph 4, Item 6 of the Companies Act and Article 100 of the Ordinance for Enforcement of the Companies Act, as set forth below.

Details

1. Purpose of Revision

Since the last revision of the Company’s Basic Policy for the establishment of internal control systems, revisions to the Corporate Governance Code and changes in the external environment surrounding internal control have occurred.
The Company has also continuously engaged in governance reform initiatives and the advancement of risk management. This revision of the Basic Policy is intended to reflect these changes in the external environment and the Company’s initiatives to date, and to clarify the target state and direction of internal control.
In addition, through this revision, the Company positions internal control as a foundation supporting the enhancement of corporate value and aims to further strengthen its governance framework, including so-called “proactive governance.”

2. Main Revisions

(1) Clarification of Governance and Supervisory Functions

Clarification of the supervisory responsibilities of the Board of Directors, utilization of independent advisory committees, and clarification of continuous improvement through Board effectiveness evaluations (self-assessment, analysis, and disclosure)

(2) Integration of Sustainability (ESG)

Integration of ESG into the framework of internal control as part of risk management, rather than merely as a conceptual value.

(3) Strengthening the Implementation of Compliance Systems

Integration of legal compliance into business processes and ensuring the effectiveness of the internal whistleblowing system.

(4) Systematization and Modernization of Risk Management

Risk identification, assessment, and prioritization, as well as organization of BCP and crisis response.

(5) Enhancement of Group Governance

Clarification of internal control within the corporate group and coordination between cross-functional management and audit.

(6) Alignment with Financial Reporting Controls

Clarification of the relationship between internal control under the Companies Act and that under the Financial Instruments and Exchange Act (J-SOX)

(7) Enhancement of Information Disclosure

Clarification of timely and appropriate disclosure in accordance with the Companies Act, the Financial Instruments and Exchange Act, and the rules of the Tokyo Stock Exchange.

３． Disclosure of the Basic Policy

The Basic Policy for the establishment of internal control systems is provided on the following page.
https://www.ndk.com/en/sustainability/governance/internal_control.html

４． Future Actions

This Basic Policy sets forth the target state of the Company’s internal control, and the Company will continue to enhance it through operation and monitoring.
The revised Basic Policy will be posted on the Company’s website, and the Company will ensure understanding and effectiveness through internal training and other measures.

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