

Corporate Governance

Basic concept

AIR WATER INC. believes that fair corporate activities in compliance with social good sense and trust from various stakeholders are indispensable for sustainable development of a company and maximization of its corporate value. To this end, we recognize that the management's top priority is to enhance our internal control system, ensure compliance, strengthen risk management, and make constant efforts to improve governance.

We will enhance corporate governance by building a management structure that enables accurate management decision-making, appropriate and prompt business execution based on these decisions, and fully functional supervision and monitoring of these activities, as well as by ensuring management transparency through broad disclosure of information.

Some of the details of our efforts related to "Japan's Corporate Governance Code" by Tokyo Stock Exchange (revised in Jun. 2021) are disclosed in the Corporate Governance Report, which is available on our website. (<https://www.awi.co.jp/en/sustainability/governance/governance.html>)

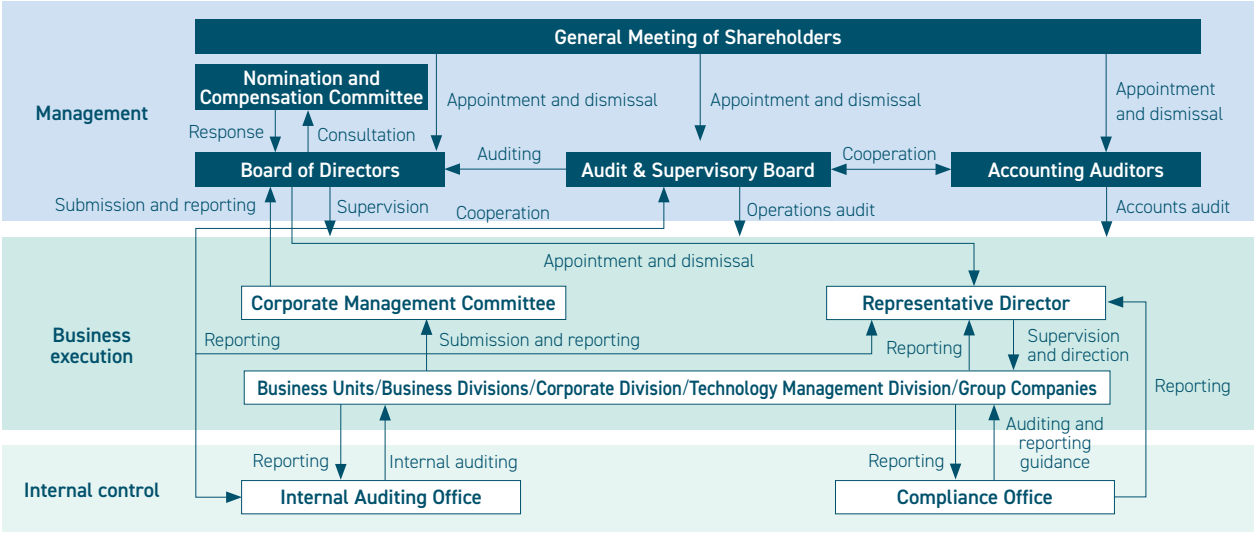
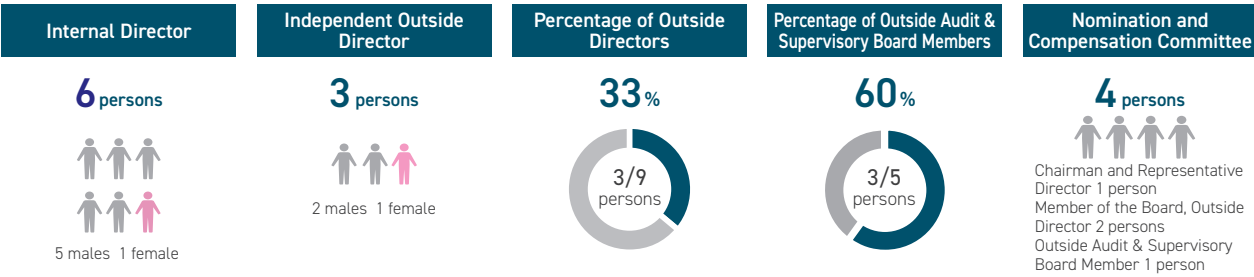
Corporate governance structure

Management system

AIR WATER INC. is a company with an Audit & Supervisory Board. The Board of Directors makes important management decisions and supervises the execution of business operations, while the Audit & Supervisory Board members audit director performance by attending meetings of the Board of Directors and other important meetings. We also established the Nomination

and Compensation Committee with a majority of independent outside officers (Members of the Board and Audit & Supervisory Board Members) in August 2022. This aims to strengthen the independence, objectivity and accountability of the Board's functions related to the nomination and compensation of the directors and senior management.

Role and structure of each organization



Business execution system

We hold a Corporate Management Committee every month as a general rule, which mainly consists of Internal Directors and the heads of each business division. The committee is set to support accurate and prompt decision-making in our Group's wide business fields. The Corporate Management Committee engages in preliminary deliberations on matters to be discussed at Board of Directors from wide and diverse perspectives, and also examines important matters on the execution of our Group's business operations.

Internal control system

Internal Auditing Office, the internal audit division, regularly conducts audits of the Group's compliance with laws, regulations, and internal rules, as well as the appropriateness and

adequacy of business processes, and also plays a key role in evaluating the effectiveness of the construction and operational status of internal control systems to ensure the reliability and appropriateness of financial reporting. On the other hand, a Compliance Office has been established, which specializes in managing and controlling compliance, safety/disaster prevention, environmental preservation, food security, and other related matters across the Group. In the event that a fact is identified that could have a material impact on the Company's management, the Company has a system in place to report such facts to the Representative Director and Audit & Supervisory Board Members as appropriate. Additionally, we provide biannual regular reports to the Corporate Management Committee and the Board of Directors on the results of operational audits and compliance matters.

Corporate Governance Structure

	Number of meetings in FY2023	Constituents (Members as of Oct. 31, 2024)	Main roles / major themes
Board of Directors	13	<ul style="list-style-type: none">Member of the Board, Internal Director 6 personsMember of the Board, Outside Director 3 persons	<ul style="list-style-type: none">In addition to matters prescribed by law or the Articles of Incorporation, decisions are made and reported on important matters related to the management and business execution of the Group, while Members of the Board mutually supervise and monitor. (Major themes)M&A, business alliances, capital investment, mid-term management plan, budget and financial results, human capital investment, initiatives to promote carbon neutrality, etc.
Audit & Supervisory Board	14	<ul style="list-style-type: none">Standing Audit & Supervisory Board Member 3 persons (including 1 Outside Audit & Supervisory Board Member)Outside Audit & Supervisory Board Member 2 persons	<ul style="list-style-type: none">Monitoring whether Members of the Board execute duties complies with laws and the Articles of Incorporation, and whether company operations are being conducted appropriately, through monitoring and verification of the development and operational status of internal control systems, including internal controls related to financial reporting. (Major themes)Reviewing agenda items for the Board of Directors meetings, discussing the audit status of major group companies, exchanging opinions with the Chairman/President and Representative Director and outside officers, sharing information and exchanging opinions with the Internal Audit Division, etc.
Nomination and Compensation Committee	4	<ul style="list-style-type: none">Chairman and Representative Director 1 personMember of the Board, Outside Director 2 personsOutside Audit & Supervisory Board Member 1 person* Consist of at least three (3) Members of the Board or Audit & Supervisory Board Members elected by the Board of Directors.* The majority is Outside Directors or Outside Audit & Supervisory Board Members (both are independent officers).	<ul style="list-style-type: none">Deliberating on the election and dismissal of Members of the Board, as well as matters related to the remuneration system and evaluation of Members of the Board. (Major themes)Confirmation of proposed Members of the Board, Internal and Outside Directors nominees, compensation policies and systems, criteria for selection and dismissal of officers, succession planning, evaluation systems, and nomination procedures

Board of Directors

The roles and responsibilities of the Board of Directors are as follows.

- The Board of Directors, chaired by the Chairman and Representative Director, is entrusted by the shareholders to provide management direction and to strive to enhance the medium- to long-term corporate value of the Group through free, vigorous and constructive discussions on management policy, management reform, and other issues.
- In accordance with laws and regulations, the Articles of Incorporation, and the Board of Directors regulations, make decisions on management policies, management reforms, and other matters that may have a significant impact on management and business execution.

- Delegating an appropriate range of authority for business execution decisions in accordance with relevant internal regulations, so that Executive Officers, etc. can make decisions and execute business operations promptly in response to changes in the business environment.
- The Board of Directors shall supervise and monitor each other by receiving regular reports from Executive Officers on the status of Group governance and the execution of business operations, including the progress of management strategies.








The term of office of Members of the Board is set at one year to enable the flexible establishment of an optimal management structure in a rapidly changing business environment and to clarify the management responsibility of Members of the Board for each business year.

Major areas of experience and expertise of Members of the Board and Audit & Supervisory Board Members (skill matrix)

Based on the belief that the diversity of the Members of the Board who make up the Board of Directors determines its effectiveness and has a significant impact on sustainable growth and the enhancement of corporate value over the medium- to long-term, the Board of Directors deliberates on the balance and diversity of the composition of the Board of Directors, including the knowledge, experience, and abilities of Members of the Board, taking into account the report of the Nomination and Compensation Committee. We have identified the skills required of Members of the Board and Audit & Supervisory Board Members and published them in a "Skill Matrix". These skills comprise eight categories: (1) corporate management, (2) finance and accounting, (3) risk management and legal, (4) business strategy and marketing, (5) technology and R&D, (6) human resource management, (7) ESG and sustainability, and (8) global.

The skill items required of Members of the Board and Audit & Supervisory Board Members will be reviewed from time to time in response to changes in the Company's strategy and global circumstances.

Overview of skills required for Members of the Board and Audit & Supervisory Board Members

	(1) Corporate management	Experience and knowledge of corporate management	7 persons
	(2) Financial affairs and accounting	Experience and knowledge of financial accounting	4 persons
	(3) Risk management and legal	Experience and knowledge in the assessment and management of various risks necessary for the sustainable growth of the company, or expertise in contentious and contractual legal matters	7 persons
	(4) Business strategy and marketing	Management experience as head of a business unit or expertise in marketing	7 persons
	(5) Technology and R&D	Experience and knowledge of R&D	3 persons
	(6) Human resources management	Experience and expertise in human resources strategy and human capital investment	2 persons
	(7) ESG and sustainability	Experience and knowledge in developing strategies to achieve a carbon neutral society or knowledge of corporate governance	3 persons
	(8) Global	Experience and knowledge in corporate management overseas or in business operations and strategy development at globally expanding companies	4 persons

			Corporate management	Finance and accounting	Risk management and legal	Business strategy and marketing	Technology and R&D	Human resources management	ESG and sustainability	Global
Members of the Board	Kikuo Toyoda	Chairman and Representative Director Chief Executive Officer (CEO)	●		●	●		●	●	
	Ryosuke Matsubayashi	President and Representative Director Chief Operating Officer (COO)	●	●		●	●		●	●
	Tsuyoshi Tanaka	Senior Managing Executive Officer	●			●				
	Shigeki Otsuka	Senior Managing Executive Officer				●	●			●
	Hidetoshi Onoe	Managing Executive Officer	●			●				
	Kikue Inoue	Executive Officer			●			●		
	Takao Matsui	Member of the Board, Outside Director independent		●						●
	Yoshihiro Senzai	Member of the Board, Outside Director independent	●			●	●			
Audit & Supervisory Board Members	Yuko Haga	Member of the Board, Outside Director independent				●			●	●
	Yuji Ando	Standing Audit & Supervisory Board Member	●		●					
	Junko Shigefuji	Standing Audit & Supervisory Board Member		●	●					
	Kenji Yamada	Outside Audit & Supervisory Board Member (Standing) independent	●	●	●					
	Atsushi Hayashi	Outside Audit & Supervisory Board Member independent			●					
	Nobuo Hayashi	Outside Audit & Supervisory Board Member independent			●					

Approach to succession planning

We recognize that one of the key roles of the Board of Directors is to select and train candidates for the next generation of the management team and to develop a succession plan for them. Succession planning is not a short-term initiative, but a long-term, ongoing process. Not only the Chief Executive Officer (CEO), but strengthening the next generation of management personnel should enhance the corporate value over the medium- to long-term. Based on such view, we hold extensive discussions through the Nomination and Compensation Committee and other committees.

Initiatives to improve the effectiveness of the Board of Directors

Assessing the Board efficacy

As part of our initiatives to evaluate the effectiveness of the Board of Directors, we conduct an annual survey of all Members of the Board and Audit & Supervisory Board Members. We utilize an external third-party organization to ensure fair and objective evaluations of our survey. The Board of Directors analyzed, evaluated, and discussed the report of the survey conducted this time. As a result, our Board of Directors received generally positive evaluations, noting that it has an appropriate size and diversity for deliberations; ensures sufficient time for advance briefings to Outside Directors and Outside Audit & Supervisory Board Members and for board deliberations, leading to active discussions; and appropriately determined the executive remuneration system (which was an issue in the previous year) based on recommendations from the Nomination and Compensation Committee following consultation from the Board of Directors. Meanwhile, we identified areas for further improving effectiveness, including providing more organized explanations and materials for agenda items, implementing monitoring of the Board of Director's resolution matters, and strengthening support systems for Members of the Board and Audit & Supervisory Board Members.

In the future, based on the effectiveness evaluation, we will continue our efforts to improve the functioning of the Board of Directors by holding another Board of Directors discussion on issues and taking prompt action after due consideration.

Utilizing knowledge of outside officers

We strive to strengthen management supervisory functions by having at least one-third of the Board of Directors consist of Outside Directors and by receiving useful advice on the Company's management from an objective outside perspective. In addition, the Chairman of the Board of Directors asks questions and opinions of the outside officers for each agenda to improve the quality of discussions.

Pre-briefing for the Board

In advance of the Board of Directors meetings, the Corporate Governance Office, the Board's administration office, distributes materials on agenda and matters to be reported to Outside Directors and Outside Audit & Supervisory Board Members, with the persons in charge of drafting proposals provide explanations to promote their understanding of the content of the agenda items in order to facilitate discussions that enhance corporate value.

Free discussions

In order to stimulate communication among officers and realize more fruitful discussions, the Company provides time for free discussion after the Board of Directors meeting. The Board of Directors exchanges opinions not only on agenda items and report items, but also on a wide range of topics such as market trends, social conditions, and environmental issues.

Implementation guidelines for the Board of Directors' effectiveness assessment

Target persons	All Members of the Board (9 persons) and all Audit & Supervisory Board Members (5 persons)	
Implementation / Evaluation Method	STEP1 Conduct a survey of all Members of the Board and Audit & Supervisory Board Member STEP2 Analyze the results and identify issues STEP3 Disclose future tasks in Corporate Governance Report	
Questionnaire items	• Structure, operation and discussion of the Board of Directors • Monitoring function • Support system for Members of the Board and Audit & Supervisory Board Members • Initiatives by individual Member of the Board and Audit & Supervisory Board Member, etc.	

Results of the Board of Directors' evaluation in FY 2023

Issues identified for FY2022	Monitoring function of the Board of Directors Designing the compensation plan for the management and determining appropriate compensation amounts	Initiatives by individual Member of the Board and Audit & Supervisory Board Member Strengthening the supervisory functions of Outside Directors
Progress of issue Initiatives in FY2023	The Nomination and Compensation Committee, which is consulted by the Board of Directors, formulates and reports on compensation proposals based on statistical data, social trends, etc.	Providing opportunities to visit sites and proactively assess business conditions
Assessment results for FY2023	Appropriate decisions are made on the compensation system for the management based on the report from the Nomination and Compensation Committee	Supervision by Outside Directors is adequate

Newly identified issues to be addressed in FY2023 to further improve effectiveness

- (1) Providing explanation of agenda items and provision of materials in a more organized manner
- (2) Strengthening of ex-post monitoring for items resolved by the Board of Directors
- (3) Strengthening Support system for Members of the Board and Audit & Supervisory Board Members

Disclosure of information on the performance of the roles of Members of the Board, Outside Directors and Outside Audit & Supervisory Board Members

The Company briefs outside officers on our business and organization, as well as conducts site visits to our plants and other facilities. In FY2023, they visited the Group’s business sites, including LP gas filling plants, beverage filling plants, and large-scale logistics centers, actively exchanging opinions with on-site employees. Furthermore, we regularly provide opportunities for them to participate in group management meetings and other meetings.

In addition, training sessions are held regularly to promote the acquisition of knowledge necessary for Outside Directors and Outside Audit & Supervisory Board Members to properly fulfill their roles and responsibilities.

Officers’ remuneration

Basic policy and structure of officers’ remuneration

Our basic policy on Members of the Board’s remuneration is to maintain a remuneration structure that functions sufficiently as an incentive for Members of the Board to maximize their roles in sustainably enhancing corporate value and enables us to secure and retain excellent talent. Remuneration of each Member of the Board is set at an appropriate level, taking into consideration the roles and responsibilities of each Member of the Board and his/her business performance. The remuneration for Members of the Board consists of fixed basic remuneration, performance-linked remuneration, and stock-based remuneration (excluding Outside Directors).

The ratio of basic remuneration, performance-linked remuneration, and non-monetary remuneration for officers is set at 7:2:1 respectively, taking into account consistency with the range of remuneration levels of other companies in the same industry and of the same size.

The remuneration for Outside Directors and Audit & Supervisory Board Members is limited to basic remuneration only. Furthermore, the remuneration amount for each Audit & Supervisory Board Member is determined by discussion among the Audit & Supervisory Board Members within the range of the total amount of remuneration determined by resolution of the general shareholders’ meeting.

Composition of the remuneration

Basic remuneration

Monthly fixed remuneration will be determined based on a comprehensive consideration of various fundamentals in the Company’s business and management environment, the level of other peer companies according to positions and job responsibilities, the Company’s performance, and the level of employees, depending on the position and responsibilities of the position.

Performance-linked

Cash remuneration reflecting performance indicators as a short-term incentive to achieve performance targets for each FY. Bonuses are paid at a specified time each year, with the amount calculated based on achievement levels of consolidated revenue and operating profit, and targets for each division (operating profit and mission for each division), etc. Target performance indicators and their values are set at the time the plan is formulated to be consistent with the management plan, and will be reviewed from time to time as the environment changes.

Process for determining officers’ remuneration

The total amount of remuneration, etc. for each Member of the Board is determined by the Board of Directors based on proposals prepared by the Nomination and Compensation Committee, a voluntary advisory body to the Board of Directors, within the maximum amount of remuneration resolved in advance at the General Meeting of Shareholders. The specific timing and allocation of payments to each Member of the Board are delegated to Kikuo Toyoda, Chief Executive Officer. The scope of this authority covers the amount of each Member of the Board’s basic remuneration and bonus, as well as the number of restricted stock shares.

FY2023 officers’ actual remuneration

Classification	Total amount (million yen)	Total amount by type (million yen)			Number of officers covered
		Basic	Performance-linked	Non-monetary	
Members of the Board (of which Outside Directors)	601 (38)	391 (38)	154 (–)	55 (–)	14 (4)
Audit & Supervisory Board Members (of which Outside Audit & Supervisory Board Members)	104 (49)	104 (49)	– (–)	– (–)	5 (3)

(Notes)
1. Bonuses are paid to Members of the Board, such as performance-linked compensation.
2. Non-monetary compensation, etc. represents the expensed amount in FY2023 under the restricted stock compensation plan.
3. The number of eligible Members of the Board above includes five directors who retired at the close of the the 23rd Annual General Meeting of Shareholders held on Jun. 23, 2023.

Non-monetary

Non-monetary remuneration, etc. (stock-based remuneration) is in the form of restricted stock, and shares of the Company’s common stock are granted after a certain period of transfer restriction, with the aim of promoting efforts to enhance corporate value over the medium- to long-term and further align values with shareholders.

Restricted stock

In principle, a predetermined number of common shares, determined according to position, is granted annually after executing a transfer restriction agreement (restricted stock allocation agreement) between the Company and the eligible recipient. The transfer restriction period extends from the share grant date until the recipient’s resignation or retirement from either their position as Member of the Board or another position specified by the Board of Directors, in order to achieve long-term sharing of shareholder value.

Approach to relational shareholdings

Policy on relational shareholdings

We hold relational shareholdings for the purpose of creating business opportunities, expanding transactions, and maintaining relationships with business partners.

The criteria to determine whether new acquisitions and continued holdings are appropriate are whether business relationships, alliances, collaborations, and other cooperative relationships with the target companies will contribute to the Group’s corporate value over the medium- to long-term.

We have a policy of continuously reducing these holdings, taking into consideration the risk of stock price fluctuations, holding costs, capital efficiency, and other factors.

Examination of relational shareholdings

The Board of Directors closely examines each individual relational shareholding every year to review whether the benefits and risks of the holding worth capital costs as well as whether such holding is aligned with our goal of improving corporate value over the medium- to long-term.

For holdings where significance and rationality cannot be confirmed, we proceed with reduction through sales and other means as appropriate, taking into consideration the circumstances of the Company, stock prices, market trends, and other factors. In FY2023, as in the previous year, we continued to sell some of its shares.

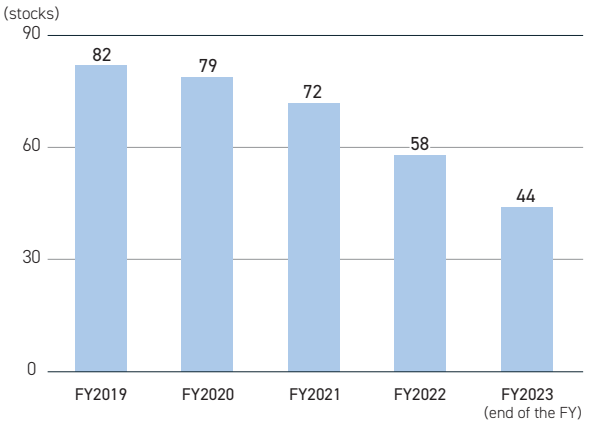
Voting rights exercise criteria for relational shareholdings

Regarding the exercise of voting rights for relational shareholdings, the Company makes a decision on each proposal by considering whether the content of the proposal contributes to the sustainable growth and medium- to long-term improvement of the corporate value of the investee company, and whether there is a risk of damaging the value of the Group’s shareholders.

Number and balance sheet amounts of relational shareholdings (as of Mar. 31, 2024)

	Number of issues (stocks)	Total amount recorded on balance sheet (million yen)
Listed stock	44	43,850

Number of listed relational shareholding



Approach to parent-subsidary listing

Regarding parent-subsidary listings, we make decisions on the rationality of maintaining listings from the perspective of maximizing corporate value for the entire group including subsidiaries, on the premise that the subsidiary’s unique corporate culture and management autonomy are maintained and the rights of minority shareholders are respected.

In addition to the benefits of “strengthening recruitment capabilities” and “securing the trust of business partners” for the subsidiary, the parent company can also expect synergistic effects through collaboration and cooperation.

Kawamoto Corporation, a listed company, is our consolidated subsidiary. We are working to create group synergies through various initiatives, including: expanding product lineups through the subsidiary’s supply of sanitary materials, medical supplies, and nursing care products to our Company; cultivating new customers through our Group’s nationwide sales network of medical-related companies; mutual cooperation in developing advanced medical sanitary materials products and higher value-added services.

We plan to continue to discuss the rationale for the parent-subsidary listing.

“Group Governance” to support corporate value creation

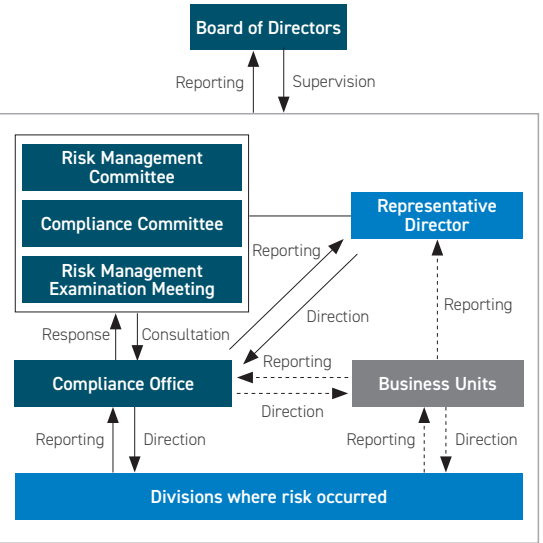
As the Group’s supervising company, the Company is responsible for “Group Management,” which includes supporting and supervising the business operations of our operating companies, implementing optimal resource allocation, in order to enhance sustainable growth and medium- to long-term corporate value. Our group management responsibilities encompass: instilling group philosophy, developing sustainability policies and long-term growth strategies, managing group capital and financial discipline, establishing risk management and compliance systems, and developing group governance structures. While maintaining their autonomy, each group company promotes structural reforms and capital efficiency initiatives through PDCA cycles based on targets and plans determined through dialogue with the Company and each unit’s management division regarding the scope of business for which it is responsible. Under this division of roles among group companies, we aim to enhance medium- and long-term corporate value by further strengthening dialogue and collaboration.

Risk Management

Risk Management Structure

The Company has established a cross-group risk management system to accurately and promptly assess the overall picture of risks, and to mitigate such risks.

Outline of compliance and risk management structure



(Compliance structure →P78)

Key Points of Our Risk Management Structure

1. The Compliance Office, which is under the direct control of the Representative Director, is in charge of managing overall risks related to compliance, safety and disaster prevention, environmental preservation, and occupational safety, which are considered particularly important risks in the Group's business activities.
2. For individual risks related to information security, quality assurance, intellectual property, business contracts, etc., we establish divisions in charge of each risk. We manage such risks in the Group by preparing rules, manuals, and conducting training sessions, through preliminary consultations and approval systems.
3. "Risk Management Examination Meeting" is regularly held by the Compliance Office as its secretariat to monitor the status of risk management in the entire Group. The results of the discussions and activities of these meetings are reported to the Representative Director, and instructions are given to each business unit and risk generation division.
4. For overseas business, the Global Management Office, which reports directly to the President, manages the Group's global risks with respect to overseas operations.
5. If the event of the occurrence of a risk that is expected to have a significant impact on business activities, a "Crisis Management Committee" will be established immediately in accordance with the "Risk Management Regulations," and a framework for dealing with the realized risk promptly and appropriately will be put in place.

Risk management process

Risk identification process

We regularly hold Risk Management Examination Meeting to discuss risks surrounding our Group.

In these Risk Management Examination Meeting, we analyze the probability of occurrence, impact, and residual risk after countermeasures are taken for the Group from a list of potential risk items. Subsequently, we reassess our risk response system through questionnaires and interviews with business and division managers, and implement measures with clearly designated supervising divisions.

In addition, as a part of risk response system, the Compliance Office acts as the supervising division when a company-wide response is required, depending on the level of importance, to enable prompt reporting, communication, and decision making throughout the Company.

Major business risks

Large-scale disaster	Factory operations, raw material procurement, and surge in purchase price
Manufacturing/quality accidents	Equipment failure, recall
Occupational safety and health	Workplace accidents, mental health
Shortage in human resources	DX human resource, global human resource, succession of qualified persons
Information Security	Cyber attacks, virus infections, Information leak
International affairs and conflicts	Security measures, anti-terrorism measures, import prices
Human rights violation	Harassment, distribution channels

Major risk reduction initiatives

Among the Group's major risks selected by the Risk Management Examination Meeting, the following events are addressed across the Group.

Responding to natural disaster risk

Each business is formulating BCPs (business continuity plans) for large-scale natural disasters, conducting regular emergency drills, and enhancing emergency supplies to minimize risks. These plans are prepared for each business unit and organizationally implemented according to the characteristics of the business. We have established stable domestic supply systems, particularly for lifeline services such as LP gas and medical oxygen for home oxygen therapy patients, as well as for industrial use, we have built a nationwide network of small air separation plants for oxygen, nitrogen, and argon.

Responding to quality risks

The Group provides quality-assured products, goods, and services across various industries, either through legal regulations or through agreements with its customers.

In our Medium-term Management Plan, we have identified strengthening quality compliance as one of our crucial management issues. We have established quality compliance guidelines as a group-wide standard and conduct regular

quality risk surveys and quality compliance audits to minimize risks.

Furthermore, the Quality Assurance Office was newly established on June 1, 2023 to strengthen the group-wide quality assurance system and to oversee activities within the Group.

Responding to overseas business risks

As part of its growth strategy, the Group is strengthening its overseas operations, particularly in the U.S. and Asia.

We research and collect information on political, economic, and social conditions in the countries where we operate, as well as on our customers, business partners, and other stakeholders in the region, and share this information within the Group. In addition, as part of its global risk management activities, we have established "Security Export Control Regulations" and "Security Transaction Control Standards," providing guidance and advice on export control and other matters within the Group.

In addition, we are building a risk management system for the Group while utilizing the know-how and knowledge gained through overseas M&As, such as strengthening the checking system for business partners and end users through the introduction of KYC (compliance tools).

Cybersecurity

Regarding our cybersecurity structure, we have appointed an Information Security Manager who oversees security for our entire Group. In order to address continuously evolving cybersecurity risks, we have a system in place to study, budget, and structure measures, and to implement them appropriately.

When entrusting our Group's information to external services, such as cloud services, we conduct evaluations based on our Group's security standards according to the importance of the information. Specifically, we perform risk assessments of system safety based on external expert opinions, and when standards are not met, we either request improvements or change the cloud service provider.

In accordance with laws and regulations, we publicly disclose the purposes of personal information use on our website and manage such information appropriately. In addition, we implement access controls, such as granting permissions based on roles, to prevent information leakage to external parties and unauthorized access by individuals unrelated to operations. We also have established various regulations and rules for information classification and definition, which are thoroughly communicated to all officers and employees.

Incident response

The Infrastructure & Security Assurance Group was established in FY2023 to address the threats of evolving cyber attacks. The Group utilizes virus detection tools to detect and respond to viruses on a daily basis to ensure early containment and prevent the damage escalation. In addition to establishing an organizational structure, we have developed response plans that anticipate potential security incidents such as virus infections. Furthermore, when an incident occurs, we promptly investigate the cause and implement corrective measures and recurrence prevention measures (preventive actions) in cooperation with relevant divisions.

Education and training

The Group conducts training and drills for employees in accordance with the "Information Security Management Regulations" to improve their literacy regarding cybersecurity. The training is conducted through e-learning and covers topics such as the latest cyber-attack cases and contents to ensure the safety of information assets. Additionally, to ensure quick and smooth responses even in emergency situations, we conduct unannounced targeted email attack drills multiple times a year. Through these initiatives, we maintain and improve our cybersecurity skills.

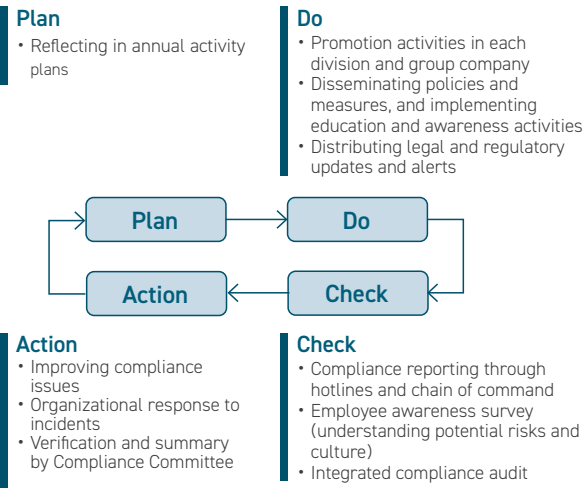
Compliance

Enforcing Compliance

Compliance structure

We have established the Compliance Office, which is under the direct control of the Representative Director, as a department responsible for the integrated management of compliance issues within the Group, and have appointed a responsible person from among Member of the Board or Executive Officers. Furthermore, we have established a department responsible for compliance within each business group and are working closely with the Compliance Office to strengthen our compliance system, which includes all our group companies.

PDCA cycle for compliance activities



Compliance Committee

We have established the Compliance Committee (→P76) as a consultative body in which relevant divisions get together and discuss compliance issues. The Committee considers specific measures concerning the policies and instructions on compliance given by the Representative Director, and other issues as well as discusses what to do in the event of noncompliance. In FY2023, the committee met twice to discuss important compliance matters within the Group.

Air Water Group Code of Ethical Conduct and dissemination

The “Air Water Group Code of Ethical Conduct” provides all officers and employees with guidelines to help them act in strict conformance with the laws and regulations and behave in an ethical manner. In addition, we have a “Compliance Handbook,” which breaks down the code and provides examples of violations in an easy-to-understand manner. The handbook is posted on our internal intranet and distributed to all Group employees with the aim of raising their awareness of the vital importance of ethical conduct and compliance.

Major initiatives to ensure compliance

Conducting compliance checks

In order to promote compliance and strengthen governance within the Group, we conduct comprehensive inspections and surveys at all Group business locations (approx. 700 business locations) regarding compliance with legal standards, compliance-related matters, labor management, etc., as compliance checks (self-assessment) accurately assess the management status at each business location.

Based on these results, we work to improve the comprehensiveness and corrective effectiveness of internal audits.

Prevention of misconduct at subsidiaries

Based on the Group Code of Ethical Conduct and Compliance Regulations, which stipulate that all officers and employees of the Group should comply with laws and regulations, we have established a legal compliance system by appointing compliance promotion managers at each group company.

Furthermore, we strive to prevent misconduct throughout the Group by including each group company in our internal audit scope and maintaining an Internal Reporting System that includes external law firms as reporting destinations.

Internal Reporting System

In order to enhance the effectiveness of compliance, the Company has established and operates an Internal Reporting System that allows officers and employees of the Group to report or consult directly with the Compliance Office or outside attorneys, etc., without going through the organizational channels, when they become aware of any suspicious compliance-related activities.

Anyone who becomes aware of any violation or potential violation of laws, regulations, and internal rules may file a report. We provide internal and external contact points for whistleblowers and stipulate that whistleblowers will not be subjected to any unfair treatment. Furthermore, the contact information for such “Hotline” of the Internal reporting system is displayed on a “Compliance Poster” placed at all business locations to ensure that each and every employee of the Group is aware of the system.

In FY2023, there were 27 whistleblowing cases, none of which had a material impact on our business.

Stakeholder Communication

Dialogue with stakeholders

The Group's business is built on relationships of trust with our stakeholders. We believe that understanding and meeting the demands of our diverse stakeholders, including domestic and international customers, shareholders and investors, business partners, local community members, and the general public both in Japan and overseas, and employees, lead to enhance corporate value.

In order to connect stakeholders dialogue with better business activities, and to remain a company that is trusted by all stakeholders, we provide fair and timely information disclosure and create appropriate communication opportunities that emphasize two-way dialogue with each shareholder group.

Communication opportunities with key stakeholders

Stakeholders	Examples of communication opportunities	Outcome
Customer	<ul style="list-style-type: none">Response by sales and sales representativesProviding product and service information in catalogs and on websitesResponding to inquiries by telephone, website, etc.	<ul style="list-style-type: none">Improving customer satisfaction by providing products and solutions that meet their needs
Shareholder and investor	<ul style="list-style-type: none">Information disclosure and communication at General Meeting of Shareholders, Financial Results Briefings, and various briefings for investorsIndividual meetingsTimely disclosure of information in Integrated Reports, websites, etc. (IR activities results →P90)	<ul style="list-style-type: none">Enhancing management credibilityImproving management qualityFormation of appropriate stock price
Business Partner	<ul style="list-style-type: none">Response by procurement staffReceipt and response to comments and questions from cooperating companiesInternal Reporting System (hotline)	<ul style="list-style-type: none">Improving partnership with business partnersTimely proposal and provision of products and services that combine superior quality with competitive pricing
Community & Society	<ul style="list-style-type: none">Resource recycling projects, etc.Cooperative activities with local communities and businessesCollaborative research with universitiesCommunity contribution activities (Promoting community partnerships and social contribution Activities →P61)	<ul style="list-style-type: none">Building good relationships with local communitiesDeveloping technologies that enable the provision of better products and servicesCreating new businessesImproving partnerships for collaborative value creation
Employee	<ul style="list-style-type: none">Various training and interviews, labor-management communicationInternal Reporting System (hotline)Employee engagement survey	<ul style="list-style-type: none">Fostering and instilling a corporate cultureImproving employee engagementRealizing a working environment that allows employees to continue to work in good health

Outside Directors Roundtable



Member of the Board, Outside Director **Yoshihiro Senzai**

Member of the Board, Outside Director **Yuko Haga**

Member of the Board, Outside Director **Takao Matsui**

We asked the Members of the Board, Outside Directors about the current state of Air Water’s governance, issues, and initiatives that should be strengthened in the future.

Q: Have there been any changes in our governance structure over the past few years? Please also tell us what you are mindful of regarding the role of Outside Directors.

MATSUI: This is my fourth year in office, and I feel that the discussions of the Board of Directors have been enriched with advice from a more management perspective, particularly since Director Senzai, who has top management experience, joined in 2022. Discussions about the company as a whole, and management in general, have become more lively, leading to positive activation of the Board.

SENZAI: As long as I am in the core of management as an Outside Director, I want to provide advice that fits the Company and adds value. It is easy to just give a lecture, but that will not be accepted by the people in the field. To provide valuable advice, it’s necessary to understand the Company. While materials are prepared in advance of the Board of Directors, I attend the meeting after assessing issues and preparing in my own way.

Additionally, an important role of Outside Director is to convey the importance of developing management talent who can look at the management from a bird’s eye view and see across businesses. I believe this ultimately leads

to maximizing the abilities of employees and the growth of the Company. I would like to continue communicating these perspectives to management.

HAGA: I took office this year, and at the time of my appointment, Chairman Toyoda told me, “As an Outside Director, I want you to bring in external perspectives solidly,” and I intend to fulfill that responsibility. While various individual cases come up, I always try to consider whether these decisions we make will truly lead to the creation of corporate value for our Company and how they will contribute to that value. Of course, I try to think in terms of improvement, not only in financial value

but also in social value. How to strengthen governance in accordance with our current situation and the environment in which we find ourselves is an issue for the future. I believe it is important for Members of the Board, including both internal and outside directors to work together to have a thorough discussion about the Company’s corporate governance and align our perspectives.

Q: As a Member of the Board, Outside Director, what challenges do you perceive and what initiatives should be strengthened to enhance the Board’s effectiveness?

MATSUI: This is not an issue limited to our Company, but since Outside Directors are not full-time employees, the amount of information we have is extremely limited compared to those who are full-time employees. Since we need sufficient information to fulfill our responsibilities as Members of the Board, we particularly want to hear about negative information. I hope a system can be created that allows Outside Directors to obtain more information than before. In terms of support that needs enhancement, we need study sessions about each business area. This year, the study sessions were held following the appointment of Outside Director Haga, but since our Company’s

business is very diverse, we would like to see regular study meetings continue in the future to enhance understanding of our businesses.

HAGA: Before joining, it was difficult to understand the business model and other aspects of the company, but after receiving information upon joining, I was able to understand why the business portfolio was the way it was. As Matsui mentioned, when I was newly appointed to the Board this year, I had the opportunity to receive business explanations from the head of each business division. This was extremely helpful as a new Member of the Board. Now that I’ve received explanation of each



Member of the Board, Outside Director
Yuko Haga

- Apr. 1989 Senior Consultant, Strategy Consulting Group, Price Waterhouse Consultants Co., Ltd.
- Apr. 1991 Representative, Haga Management Consulting Office (current)
- Mar. 2019 Outside Director of the Board, Kyowa Hakko Kirin Co., Ltd. (now Kyowa Kirin Co., Ltd.) (current)
- Apr. 2020 Professor, Graduate School of Management, Nagoya University of Commerce & Business (current)
- Jun. 2020 Outside Director, MinebeaMitsumi Inc. (current)
- Jun. 2024 Member of the Board, AIR WATER INC. (current)

business unit at this stage, I would also like to hear separately about how the Group envisions its strategic story from an overview perspective across all businesses.

MATSUI: And I also believe that site visits are important. Independent Directors are, of course, allowed to visit the site several times a year. Based on my auditing experience, there is a significant difference in perception when one has visited the actual site versus when one has not, particularly for important locations. While there are constraints in terms of distance and cost, making it impossible to visit every site, I believe it is important to visit not only domestic locations but also key sites of India and the United States.

Furthermore, monitoring is also an important issue that should be strengthened in the future. Our monitoring of the investment outcomes hasn't been sufficient until now, and we are in the process of strengthening and improving the monitoring at the Board of Directors.

SENZAI: The market is always changing, so plans may change midway. However, when there is a deviation from the plan, it will be necessary to correct the course as soon as possible, which is why, as Member of the Board Matsui mentioned, monitoring needs to be

strengthened. For this reason, I believe it is also important to develop talent within the Company who can quickly recognize changing tides and express their opinions. Otherwise, we can not even discuss alternative plans.

Q: Having achieved our goal of 1 trillion yen in revenue, our Company is in the process of working toward the next stage. What do you think is necessary to achieve further growth?

MATSUI: After becoming a trillion-yen revenue company, the way of thinking of management has gradually changed. In the past, we have focused on PL management, but I feel we've recently shifted to emphasizing cash flow and cost of

capital.

Even if top management changes from PL focus to cash flow focus, it might take time for employees who have been conditioned to prioritize P&L to change their mindset. We also need to change all evaluation methods. However, I think the trend is good.

SENZAI: While sales scale is important, in the future it will become more important to scrutinize the contents, isn't it? How to lighten the balance sheet and secure profits for the future. I also believe that our Company is heading in the right direction. As Matsui mentioned, we need to firmly instill BS management within the Company. If we are only concerned about the increase or decrease of a single ROIC number, there is no point in adopting it. It is necessary to disseminate the implications of why we're implementing these methods within the Company.

MATSUI: Business divisions often fall into discussions of partial optimization for each business segment. Although this is natural as they are responsible for the profit and loss of the business performance, from our perspective as Outside Directors, each business division needs to consider optimization from a group-wide perspective, particularly from stakeholders' viewpoints, including shareholders.



Member of the Board, Outside Director
Yoshihiro Senzai

- Apr. 1971 Joined Hitachi Maxell, Ltd. (now Maxell Holdings, Ltd.)
- Jun. 2016 Chairman, Maxell Holdings, Ltd.
- Oct. 2017 Representative Director and Chairman, Maxell Holdings, Ltd.; Director and Chairman, Maxell, Ltd.
- Jun. 2021 Executive Advisors, KRI, Inc. (current)
- Sept. 2021 Outside Director, I-O DATA DEVICE, INC. (current)
- Apr. 2022 Visiting Professor, Kansai University (current)
- Jun. 2022 Member of the Board, AIR WATER INC. (current)
- Jun. 2024 Executive Adviser, ENAX, Inc. (current)

SENZAI: It seems that actually there are areas where synergies aren't being realized despite having various businesses. It does not make sense to just list a large number of businesses. How can we, as a group, combine the strengths of each business and create synergies? When we foster unity and turn addition into multiplication, our Company will become truly unique in the world.

In order to do so, we will create something that has never existed before by combining many businesses in a cross-functional manner. This is innovation. Our Company exists to create innovation, and that's our raison d'etre. This way, our stakeholders can look forward to the future of our Company. Since I joined the Company as an Outside Director, I want to contribute to building the world's best company with this unique business model.

HAGA: Regarding synergies, it is important to show specific examples externally, but I think it is very difficult to show individual products or businesses that have been created as a result of synergies. Rather, what does it mean for the Group as a whole to increase in value? For example, it would be good to explain how all business units can enhance their value by utilizing our common foundation or management resources.

We also need to show that we have an organization and structure that enables us to utilize such management resources throughout the Group.

SENZAI: I believe that sharing a common vision is very important for our growth as a group. I recognize that it's becoming increasingly important to define how we want the Company to be and where we want to take it in the future. While vision can evolve with time, when we instill it throughout the Group and translate it into numbers, governance naturally becomes more effective. Governance will not work if each companies are heading in different di-



Member of the Board, Outside Director
Takao Matsui

- Oct. 1982 Joined Asahi & Co. (now KPMG AZSA LLC)
- Jul. 2010 Partner, KPMG AZSA LLC
- Sept. 2014 Auditor, KPMG AZSA LLC
- Mar. 2019 External Auditor, Carna Biosciences, Inc.
- Mar. 2020 Outside Director, Audit and Supervisory Committee Member, Carna Biosciences, Inc. (current)
- Jun. 2020 Member of the Board, AIR WATER INC. (current)

rections. As an Outside director, I will provide advice to help establish management that can envision the future.

Since my time as an executive, I have always said that you can't manage by simply being an expert in your field. I want our Company's talent to go beyond their specialized fields and study areas like tax law, accounting, civil law, and psychology, viewing not just their business but the entire Group from a perspective two steps above their current position. No matter how small a group company may be, the people who are in charge of top management need to have such a perspective, and unless they have this perspective, there is no point in joining our Group.

Also, as we're currently actively expanding overseas, it's important to develop talent who can handle international operations through proper training, as different countries have entirely different laws and cultures, making governance and risk management crucial.

HAGA: You are right. We are in the stage of accelerating our overseas expansion, and our overseas ratio is increasing every year, so overseas governance is a high priority for us. Rather than controlling overseas subsidiaries from the head office in Japan, I believe it's most important for head office to properly support measures that enable overseas subsidiaries to grow inde-

pendently. For this, it's crucial to give both authority and responsibility to the heads of overseas subsidiaries while maintaining strong communication with head office in Japan.

In addition, as our Company continues to expand our Group through M&As and joint ventures, and as the number of new group companies increases rapidly and we undergo significant changes as a Group, we naturally need to evolve our governance as well. In terms of governance, I think it is important to regularly check, through engagement surveys and other means, how we share or are able to share the vision that Senzai mentioned earlier, as well as the management philosophy and action guidelines as a group, with all companies that have become part of the Group.

MATSUI: Many of the companies joining the Group are small to medium-sized, and each has a different culture. Although it won't happen overnight, I hope to see the administrative divisions such as the internal audit, global management, and consolidated management work closely with the current business operation divisions to strengthen management, including governance.

Board Members

(as of Jul. 1, 2024)

Members of the Board

Chairman and Representative Director
Chief Executive Officer (CEO)

Kikuo Toyoda



Number of the Company's shares held 91,224, Board of Directors meeting attendance in FY23 13/13

Nov. 1973 Joined Daido Sanso Co., Ltd. (merged to the current AIR WATER INC. in Apr. 1993)
Jul. 1999 Executive Officer and General Manager of Human Affairs, Daido Hoxan Inc. (now AIR WATER INC.)
Jun. 2001 Executive Officer and General Manager of Welfare and Care at Medical Business Division, AIR WATER INC. ("Air Water")
Jun. 2012 Managing Director and President of the Medical Company, Air Water
Jun. 2019 Chairman & Representative Director and CEO, Air Water (current)

Member of the Board, Senior Managing Executive Officer
In charge of Global Environment, Digital & Industry Group
General Manager of Industrial Gases Business Unit

Tsuyoshi Tanaka



Number of the Company's shares held 13,314, Board of Directors meeting attendance in FY23 10/10

Apr. 1991 Joined Daido Sanso Co., Ltd. (merged to the current AIR WATER INC. in Apr. 1993)
Jul. 2011 Manager of Air Gas Business under Industrial Gas Business at Industrial Company, AIR WATER INC. ("Air Water")
Jun. 2014 General Manager of Kinki Regional Office, Air Water; President and Representative Director, Kinki Air Water Inc.
Apr. 2016 Executive Officer and General Manager of Industrial Gases Business at Industrial Company, Air Water
Apr. 2021 Managing Executive Officer, Air Water; President and Representative Director, Air Water East Japan Inc.
Jun. 2023 Corporate Director, Managing Executive Officer, in charge of Digital & Industry Group, and General Manager of Industrial Gases Business Unit, Air Water
Jun. 2024 Member of the board, Senior Managing Executive Officer, in charge of Global Environment and Digital & Industry Group, and General Manager of Industrial Gases Business Unit, Air Water (current)

Member of the Board, Managing Executive Officer
Representative of Tokyo
In charge of Health & Safety Group, AW Kento & Business Incubation Project / General Manager of Medical Services Business Unit

Hidetoshi Onoe



Number of the Company's shares held 7,022, Board of Directors meeting attendance in FY23 10/10

Nov. 1988 Joined KYOWA CO., LTD.
Jul. 2007 Director and Vice President, Air Water Sol Inc.
Jan. 2015 Executive Officer, AIR WATER INC. ("Air Water"); President and Representative Director, Air Water Sol Inc.
Apr. 2022 Managing Executive Officer, General Manager of Consumer Health Business Unit in Health & Safety Group, Air Water
Apr. 2023 Managing Executive Officer and in charge of Health & Safety Group, Air Water
Jul. 2023 Corporate Director, Managing Executive Officer, Representative of Tokyo, in charge of Health & Safety Group, and General Manager of Consumer Health Business Unit, Air Water
Jul. 2024 Member of the Board, Managing Executive Officer, Representative of Tokyo, in charge of Health & Safety Group and AW Kento Incubation Project, and General Manager of Medical Services Business Unit, Air Water (current)

Member of the Board, Outside Director
Independent Officer

Takao Matsui



Number of the Company's shares held 269, Board of Directors meeting attendance in FY23 12/13

Oct. 1982 Joined Asahi & Co. (now KPMG AZSA LLC)
Jul. 2010 Partner, KPMG AZSA LLC
Sept.2014 Auditor, KPMG AZSA LLC
Mar. 2019 External Auditor, Carna Biosciences, Inc.
Mar. 2020 Outside Director, Audit and Supervisory Committee Member, Carna Biosciences, Inc. (current)
Jun. 2020 Member of the Board, AIR WATER INC. (current)

President and Representative Director
Chief Operating Officer (COO)

Ryosuke Matsubayashi



Number of the Company's shares held 26,894, Board of Directors meeting attendance in FY23 13/13

Apr. 1988 Joined Daido Sanso Co., Ltd. (merged to the current AIR WATER INC. in Apr. 1993)
Jun. 2014 Executive Officer and General Manager of Engineering Business Division at Industrial Company, AIR WATER INC. ("Air Water")
Apr. 2017 Senior Executive Officer and General Manager of Engineering Supervisory Office, Air Water; President and Representative Director, AIR WATER PLANT & ENGINEERING INC.
Jun. 2018 Corporate Director and in charge of Engineering Management Office, AIR WATER; Director and President, AIR WATER AMERICA INC.
Jun. 2022 Representative Director, Executive Vice President, COO, and in charge of Global and Engineering, Air Water
Apr. 2023 President & Representative Director and COO, Air Water (current)

Member of the Board, Senior Managing Executive Officer
In charge of Gas manufacturing and Engineering, Global & Engineering Group
General Manager of Engineering Center

Shigeki Otsuka



Number of the Company's shares held 4,382, Board of Directors meeting attendance in FY23 10/10

Apr. 1984 Joined The Kansai Electric Power Co., Inc.
May 2020 Advisor, AIR WATER SAFETY SERVICE INC.
Jun. 2021 President and Representative Director, AIR WATER CRYOPLANT, LTD.
Oct. 2022 Executive Officer, AIR WATER INC. ("Air Water"); President and Representative Director, AIR WATER ENGINEERING INC.
Apr. 2023 Corporate Director, Managing Executive Officer, and in charge of Global and Engineering, Air Water
Jun. 2024 Member of the Board, Senior Managing Executive Officer, in charge of Gas manufacturing and Engineering and Global & Engineering Group, and General Manager of Engineering Center, Air Water (current)

Member of the Board, Executive Officer
In charge of Promotion of Women's Active Engagement, HR, and Corporate Communications & Investor Relations

Kikue Inoue

New



Number of the Company's shares held 8,627

Apr. 1979 Joined The Daiei, Inc.
Aug. 2001 General Manager of Public Relations Division, IR and Public Relations Office, The Daiei, Inc.
Aug. 2005 General Manager of Public Relations Department, STAFF SERVICE HOLDINGS CO., LTD.
Apr. 2009 Executive Fellow, General Manager of Corporate Communication Department, FUJII SOFT INCORPORATED
Oct. 2016 General Manager of Tokyo Public Relations Office, AIR WATER INC. ("Air Water")
Apr. 2017 Executive Officer and General Manager of Tokyo Public Relations Office, Air Water
Jun. 2019 Senior Executive Officer and General Manager of Public Relations & IR Dept., President's Office, Air Water
Apr. 2022 Executive Officer, Head of the HR Strategy Office, Air Water
Jun. 2024 Member of the Board, Executive Officer, in charge of Promotion of Women's Active Engagement, HR, and Corporate Communication & Investor Relations, Air Water (current)

Member of the Board, Outside Director
Independent Officer

Yoshihiro Senzai



Number of the Company's shares held 7,000, Board of Directors meeting attendance in FY23 13/13

Apr. 1971 Joined Hitachi Maxell, Ltd. (now Maxell Holdings, Ltd.)
Jun. 2016 Chairman, Maxell Holdings, Ltd.
Oct. 2017 Representative Director and Chairman, Maxell Holdings, Ltd.; Director and Chairman, Maxell, Ltd.
Jun. 2021 Executive Advisor, KRI, Inc. (current)
Sept.2021 Outside Director, I-O DATA DEVICE, INC. (current)
Apr. 2022 Visiting Professor, Kansai University (current)
Jun. 2022 Member of the Board, AIR WATER INC. (current)
Jun. 2024 Executive Adviser, ENAX, Inc. (current)

Members of the Board

Member of the Board, Outside Director
Independent Officer

Yuko Haga

New



Number of the Company's shares held 0

Apr. 1989 Senior Consultant, Strategy Consulting Group, Price Waterhouse Consultants Co., Ltd.
Apr. 1991 Representative, Haga Management Consulting Office (current)
Mar. 2019 Outside Director of the Board, Kyowa Hakko Kirin Co., Ltd. (now Kyowa Kirin Co., Ltd.) (current)
Apr. 2020 Professor, Graduate School of Management, Nagoya University of Commerce & Business (current)
Jun. 2020 Outside Director, MinebeaMitsumi Inc. (current)
Jun. 2024 Member of the Board, AIR WATER INC. (current)

Audit & Supervisory Board Members

Standing Audit & Supervisory Board Member

Yuji Ando



Number of the Company's shares held 11,555, Board of Directors meeting attendance in FY23 13/13 Audit & Supervisory Board meeting attendance in FY23 14/14

Apr. 1971 Joined Hoxan Corporation (now AIR WATER INC.)
Jun. 2001 Executive Officer and General Manager of the General Affairs Division at Corporate Solutions Center, AIR WATER INC. ("Air Water")
Jul. 2008 General Manager of the Internal Auditing Office, Air Water
Jun. 2016 Executive Officer of the Air Water Group; Representative Director & President, Gold-Pak Co., Ltd.
Jun. 2020 Standing Audit & Supervisory Board Member, Air Water (current)

Outside Audit & Supervisory Board Member (Standing)
Independent Officer

Kenji Yamada

New



Number of the Company's shares held 0

Apr. 1985 Joined The Sumitomo Trust and Banking Co., Ltd. (now Sumitomo Mitsui Trust Bank, Limited)
Apr. 2014 Executive Officer and General Manager of Retail Business Planning Department, Sumitomo Mitsui Trust Bank, Limited
Oct. 2016 Executive Officer and Manager of Umeda Branch and Hankyu-Umeda Branch, Sumitomo Mitsui Trust Bank, Limited
Apr. 2021 Chairman and Representative Director, SBI Sumishin Net Bank, Ltd.
Jun. 2024 Standing Audit & Supervisory Board Member, AIR WATER INC. (current)

Outside Audit & Supervisory Board Member
Independent Officer

Nobuo Hayashi



Number of the Company's shares held 2,653, Board of Directors meeting attendance in FY23 13/13 Audit & Supervisory Board meeting attendance in FY23 14/14

Apr. 1988 Professor, School of Law, Senshu University
Apr. 2001 Professor, Graduate School of Law, Kyoto University; Professor, Faculty of Law, Kyoto University
Oct. 2012 Vice-President for Legal Affairs and Compliance, Kyoto University
Jun. 2020 Audit & Supervisory Board Member, AIR WATER INC. (current)

Standing Audit & Supervisory Board Member

Junko Shigefuji

New



Number of the Company's shares held 7,089

Sept.1986 Joined Hoxan Corporation (now AIR WATER INC.)
Jun. 2018 Executive Officer and General Manager of Group Business Planning related, President's Office, AIR WATER INC. ("Air Water")
Jan. 2021 Senior Executive Officer and General Manager of the Internal Auditing Office, Air Water
Apr. 2022 Executive Officer, Director, General Manager of CSR Promotion Office Audit Group
Jun. 2024 Standing Audit & Supervisory Board Member, Air Water (current)

Outside Audit & Supervisory Board Member
Independent Officer

Atsushi Hayashi



Number of the Company's shares held 2,876, Board of Directors meeting attendance in FY23 12/13 Audit & Supervisory Board meeting attendance in FY23 13/14

Apr. 1980 Judge, Osaka Family Court
Sept.2004 Chief Judge, Kobe District Court
Sept.2008 Chief Justice, Takamatsu High Court
Apr. 2010 Professor, Graduate School of Law, Kyoto University
Jun. 2016 Audit & Supervisory Board Member, AIR WATER INC. (current)

■ Number of the Company's shares held (as of Mar. 31, 2024)