

"Declaration of Partnership Building"

We hereby declare that we will concentrate our efforts on the following statements in order to build new partnerships by promoting collaboration, coexistence, and mutual prosperity with our supply chain partners and business owners.

1. Coexistence and mutual prosperity across the entire supply chain and new collaborations that transcend scale and affiliations.

By approaching, through our direct suppliers, suppliers that exist beyond them (from "Tier N" to "Tier N+1"), we aim to increase added value overall and build coexistence, and mutual prosperity with our supply chain partners through collaboration that transcends existing business relationships and company scales. In this connection, we will also provide support to foster our business partners to introduce teleworking and BCP (Business Continuity Plan) from the perspective of business continuity during disasters and work style reform.

(Individual List)

- ▷ Promote information sharing and visualization regarding the supply chain to improve operational efficiency
- ▷ Reduce environmental impact by considering and promoting modal shift and alternative fuels

2. Compliance with "Promotion Standards"

Adhering to the ideal business practices between parent enterprises and subcontractors ("Promotion Standards" based on the Act on the Promotion of Small and Medium-Sized Enterprises in Subcontracting), and actively working to correct business practices and trade practices that hinder the development of relationships.

1) Pricing method

We will not make unreasonable requests for cost reductions. When determining transaction prices, we will agree to have discussions with subcontractors at least once a year. In addition, we will also engage in thorough discussions to ensure that the working conditions of subcontractors are improved, including ensuring that they receive fair compensation. In doing so, the decision shall be made after the appropriate action set forth in the Guidelines on Price Negotiations for Appropriate Passing on of Labor Costs. In addition, if raw material costs or energy costs rise, we will aim to pass on the full amount of the appropriate cost increase. Furthermore, in the event of a contract, including the determination of the transaction consideration, the parental company clearly specify and provide the terms and conditions of the contract in writing.

2) Payment terms such as promissory notes

Subcontract payments will be made in cash whenever possible. If payment is made by promissory note or similar means, the subcontractor will not be responsible for any discount fees, etc. The payment period is set to within 60 days.

3) Intellectual property and know-how

Transactions should be conducted in accordance with the "basic principles" and "contract templates" outlined in the Guidelines for Intellectual Property Transactions and we will not involve the signing of one-sided confidentiality agreements, disclosure of know-how or gratuitous transfer of intellectual property rights by taking advantage of the business relationship.

4) The consequences of work style reforms, etc.

To enable our business partners to adapt to work style reforms, we are limiting the number of orders placed with short deadlines or sudden specification changes with subcontractors that do not involve appropriate cost burdens. In the event of a disaster, etc., we will not impose an unfair burden on subcontractors in terms of business transactions, and will give as much consideration as possible to continuing business relationships when business resumes.

3. Others

▷ Our group's "Charter of Corporate Behavior" proclaims "Fair and Transparent Business Practices," and we declare and put into practice "Conduct transactions with clients on an equal footing, based on the contract agreed upon." and "Conduct fair transactions, abiding by all applicable laws and regulations including the Antimonopoly Act and the Act against Delay in Payment of Subcontract Proceeds.".

March 14, 2025

Yoshihiro Fukai, President & Representative Director, Kamigumi Co., Ltd.