

## Corporate Governance Report

Last Update: June 29, 2022

**JVCKENWOOD Corporation**

EGUCHI Shoichiro

Representative Director of the Board, President and Chief Executive Officer (CEO)

Contact: Corporate Secretary Office 045-444-5233

Securities Code: 6632

<https://www.jvckenwood.com/>

The corporate governance of JVCKENWOOD Corporation (the “Company”) is described below.

### **I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile, and Other Basic Information**

#### **1. Basic Views**

The Company believes that one of its most important management issues is to increase the transparency and efficiency of its management decision-making process and improve corporate value by strengthening corporate governance. To this end, we make it a basic policy to enhance our corporate governance through the establishment of a structure that calls for “the separation of management from the execution of businesses,” “the appointment of External Directors and External Audit & Supervisory Board Members,” and “the improvement of the function of checking by establishing an Internal Audit Division,” thereby strengthening the Company’s internal control system on a Group-wide basis.

The Company has established its basic views and policy for corporate governance, based on each of the principles of the Corporate Governance Code, as the “JVCKENWOOD Corporate Governance Policy” (hereinafter referred to as “CG Policy”), and posted the CG Policy on the Company’s website.

[CG Policy:]

[https://www.jvckenwood.com/en/corporate/governance/corporate\\_governance.html](https://www.jvckenwood.com/en/corporate/governance/corporate_governance.html)

#### **Reasons for Non-compliance with the Principles of the Corporate Governance Code Updated**

[Relevant Codes]

The following is described in line with the Company’s Corporate Governance Code (including the Prime market principles) revised in June 2021.

The Company does not implement certain principles of its Corporate Governance Code as of the submission of this report. The principles not implemented and the reasons are as follows:

[Supplementary Principles 3-1 3) Sustainability initiatives]

For the Group’s sustainability policy, refer to Paragraphs 11 and 12, Article 14 of the CG Policy. As for our specific sustainability efforts, etc., please refer to our corporate website.

[URL of the website for sustainability disclosure]

<https://www.jvckenwood.com/en/sustainability.html>

In addition, the Board of Directors periodically receives reports on the efforts for investments in intellectual property rights. For detailed intellectual property activities, refer to our corporate website.

[URL of the website for intellectual property management and utilization disclosure]

<https://www.jvckenwood.com/en/sustainability/economy/evolution/property.html>

However, the Group recognizes that collecting and analyzing the necessary data on how climate change risks and revenue opportunities may affect the Group’s business activities and revenues, etc., and disclosing information in accordance with TCFD or an equivalent framework, are issues to be addressed in the future. Based on the purpose of the items required by these Supplementary Principles, the Group will prepare for the implementation of incomplete items to enhance the disclosure of sustainability-related information.

Specifically, the Group takes into consideration multiple scenarios including the “2°C or lower scenario” in line with the TCFD recommendations. It intends to examine and analyze opportunities that could potentially

contribute to growth, such as rising demand for products that contribute to decarbonization and cost reduction by way of energy-saving and resource-saving efforts. Through this, the Group aims to promote information disclosure.

## **Disclosure Based on the Principles of the Corporate Governance Code Updated**

[Disclosure Based on the Principles of the Corporate Governance Code]

The Company makes the following disclosure based on the principles of the Corporate Governance Code. The Company has established its basic views and policy for corporate governance based on the principles of the Corporate Governance Code, as the CG Policy. For disclosure of some items regarding the principles of the Corporate Governance Code, please refer to each provision of the CG Policy.

[CG Policy:]

[https://www.jvckenwood.com/content/dam/pdf/Corporate\\_Governance\\_Policy.pdf](https://www.jvckenwood.com/content/dam/pdf/Corporate_Governance_Policy.pdf)

### 1. Principle 1.4 Strategic shareholdings

Please refer to Article 6 of the CG Policy.

As a result of having progressively reduced the number of shares that the Company no longer needs to hold as much, the Company holds, as of March 31, 2022, two shares of strategic shareholdings (limited to listed shares), worth approximately 1.3 billion yen in total on the balance sheet. With regard to the shares held at this point in time, the Board of Directors verifies the Company's need to hold them on an annual basis and disposes of shares that it is less significant to hold by comprehensively examining the benefits, risks, capital costs and other factors associated with holding for each individual share. Based on the policy above, the Corporate Strategy Department regularly verifies the Company's need to hold investment shares held for a purpose other than net investment on an annual basis and reports the results to the Board of Directors to verify the feasibility of continuously holding investment shares.

For the details of the status of shares held, please refer to our securities reports.

[Securities reports are available on the Company's website:]

<https://www.jvckenwood.com/jp/ir/library/securities.html> (Japanese-only)

### 2. Principle 1.7 Related-party transactions

Please refer to Article 7 of the CG Policy.

### 3. Supplementary Principle 2-4 1) Ensuring diversity in the appointment of core human resources

Refer to Article 11 of the CG Policy.

For the Group's concept of respect for the diversity of individual employees and the utilization of employees (including measurable targets and the current status concerning, among others, the appointment of women, foreigners and mid-career employees), and the policy of human resource development, see the Company's corporate website.

[URL of the website for diversity and inclusion]

<https://www.jvckenwood.com/en/sustainability/social/diversity-inclusion.html>

[URL of the website for the Company's human resource development]

[https://www.jvckenwood.com/en/sustainability/social/human\\_resources.html](https://www.jvckenwood.com/en/sustainability/social/human_resources.html)

### 4. Principle 2.6 Roles of corporate pension funds as asset owners

Please refer to Article 12-2 of the CG Policy.

### 5. Principle 3.1 Full disclosure

Please refer to Article 15 and 16, Paragraph 1 through 3 and 6 of the CG Policy.

### 6. Supplementary Principle 4.1.1 Specification of the scope and content of the matters delegated to management and disclosure of the summary thereof

Please refer to Paragraph 5, Article 14 of the CG Policy.

### 7. Principle 4.9 Independence standards and qualifications for Independent External Directors

Please refer to Article 18 of the CG Policy.

### 8. Supplementary Principle 4-10 1) Authority and roles, etc. of the Nomination Committee and the Remuneration Committee

Refer to 2 and 3 of Paragraph 8, Article 14 of the CG Policy.

For an overview of the Nomination and Remuneration Advisory Committee and the status of its activities, refer to “II. Business Management Organization and Other Corporate Governance Systems Regarding Decision-making, Execution of Business, and Oversight in Management, 1. Organizational Composition and Operation, Directors, Supplementary Explanation”.

9. Supplementary Principle 4-11.1 Skill matrix

The Company formulated a medium-term management plan, VISION2023, in May 2021. It summarizes the areas of expertise and skills expected of the management team in order to solve the management issues faced by the Company and achieve medium- to long-term improvements in corporate value, as well as to ensure diversity and balance on the Board of Directors.

[Skill matrix is available on (Notice Convocation of the 14th Ordinary General Meeting of Shareholders):]

[https://www.jvckenwood.com/content/dam/pdf/220602\\_14th\\_ordinary\\_general\\_meeting\\_ec.pdf](https://www.jvckenwood.com/content/dam/pdf/220602_14th_ordinary_general_meeting_ec.pdf)  
(on page 13)

10. Supplementary Principle 4-11.1

11. Supplementary Principle 4.11.2 Disclosure of the status of the concurrent holding of position of Directors and Audit & Supervisory Board Members

Please refer to Paragraph 1, Article 21 of the CG Policy.

12. Supplementary Principle 4.11.3 Analysis and evaluation of the effectiveness of the Board of Directors as a whole and disclosure of the summary of the results thereof

The Company disclosed a summary of the results of an evaluation on the effectiveness of the Board of Directors on February 26, 2021. For details of the method of effectiveness evaluation and a summary of the results of evaluation, please refer to the Company’s website.

[Summary of the results of effectiveness evaluation of the Board of Directors is available on:]  
[https://www.jvckenwood.com/content/dam/pdf/en\\_210226\\_directors.pdf](https://www.jvckenwood.com/content/dam/pdf/en_210226_directors.pdf)

13. Supplementary Principle 4.14.2 Disclosure of the training policy of Directors and Audit & Supervisory Board Members

Please refer to Article 22 of the CG Policy.

14. Principle 5.1 Policy for constructive dialogue with shareholders

Please refer to Article 4 of the CG Policy.

## 2. Capital Structure

Percentage of Foreign Shareholders <b>Updated</b>	from 20% to less than 30%
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### Status of Major Shareholders **Updated**

Name/Company Name	Number of Shares Owned	Percentage (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	24,230,200	14.77
Custody Bank of Japan, Ltd. (Trust Account)	9,551,000	5.82
INTERACTIVE BROKERS LLC	4,222,825	2.57
NORTHERN TRUST CO. (AVFC) SUB A/C NON TREATY	2,832,300	1.73
THE BANK OF NEW YORK MELLON 140040	2,482,000	1.51
JP MORGAN CHASE BANK 385781	2,145,056	1.31
BNP PARIBAS SECURITIES SERVICES LUXEMBOURG/ JASDEC/ACCT BP2S DUBLIN CLIENTS-AIFM	2,075,000	1.27
ENDO Shiro	1,990,000	1.21
The Dai-ichi Life Insurance Company, Limited	1,852,268	1.13
STATE STREET BANK AND TRUST COMPANY 505103	1,696,900	1.03

Controlling Shareholder (Except for Parent Company)	—
Parent Company	None

Supplementary Explanation

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## 3. Corporate Profile

Listed Stock Market and Market Section <b>Updated</b>	Tokyo Stock Exchange Prime
Fiscal Year-end	March
Category of Industry	Electric appliances
Number of Employees (Consolidated) as of the End of the Previous Fiscal Year	1,000 or more
Net Sales (Consolidated) for the Previous Fiscal Year	100 billion yen to less than 1 trillion yen
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	50 or more to less than 100

## 4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholders

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## 5. Other Special Circumstances Which May Have Material Impact on Corporate Governance

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## II. Business Management Organization and Other Corporate Governance Systems Regarding Decision-making, Execution of Business, and Oversight in Management

### 1. Organizational Composition and Operation

Structure of Organization	Company with an Audit & Supervisory Board
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#### Directors

Maximum Number of Directors Stipulated in Articles of Incorporation <b>Updated</b>	12
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	External Director
Number of Directors	9
Appointment of External Directors	Appointed
Number of External Directors	3
Number of External Directors Designated as Independent Directors	3

External Directors' Relationship with the Company (1) **Updated**

Name	Attributes	Relationship with the Company*											
		a	b	c	d	e	f	g	h	i	j	k	
IWATA Shinjiro	From Other Company									△			
HAMASAKI Yuji	From Other Company									△			
ONITSUKA Hiromi	From Other Company									△			

\* Categories for "Relationship with the Company":

“○” When the Audit & Supervisory Board Member currently falls or has recently fallen under the category. “△” When the Audit & Supervisory Board Member fell under the category in the past

“●” When a close relative of the Audit & Supervisory Board Member currently falls or has recently fallen under the category.

“▲” When a close relative of the Audit & Supervisory Board Member fell under the category in the past

a Executive of the Company or its subsidiary

b Non-executive Director or executive of a parent company of the Company

c Executive of a fellow subsidiary company of the Company

d A party whose major client or supplier is the Company or an executive thereof

e Major client or supplier of the Company or an executive thereof

f Consultant, accountant, or legal professional who receives a large amount of monetary consideration or other property from the Company other than compensation as a Director/Audit & Supervisory Board Member

g Major shareholder of the Company (or an executive of said major shareholder if the shareholder is a legal entity)

h Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the Director himself/herself only)

i Executive of a company with which the Company's External Directors/Audit & Supervisory Board Members are mutually appointed (the Director himself/herself only)

j Executive of a company or an organization that receives a donation from the Company (the Director himself/herself only)

k Others

External Directors' Relationship with the Company (2) **Updated**

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
IWATA Shinjiro	○	<p>Regarding companies where Mr. Iwata previously served as an executive, Hitachi, Ltd. and the Company had in the past and currently have business relations with regard to purchases and sales; Hitachi Automotive Systems, Ltd. (currently Hitachi Astemo, Ltd.) and the Company had in the past and currently have business relations with regard to sales; Hitachi Kokusai Electronic Inc. and the Company had in the past and currently have business relations with regard to sales, and; Hitachi Transport System, Ltd. and the Company had business relations in the past with regard to purchases and sales (no business relations in the fiscal year under review). However, the transactions with the Company amounted to less than one (1) percent of the consolidated net sales of the Company or each of these companies and do not fall under major transactions for any of the companies. Moreover, no other mutual relationship exists between these companies and the Company, including donations, mutual dispatch of directors or shareholding. Mr. Iwata resigned as an executive of Hitachi, Ltd., Hitachi Automotive Systems, Ltd., Hitachi Kokusai Electronic Inc., and Hitachi Transport System, Ltd. about four (4) years ago, five (5) years ago, eight (8) years ago, and about four (4) years ago, respectively, and currently has no relationship with any of these companies. No mutual relationship exists between A.L.I. Technologies Inc., NACHI-FUJIKOSHI CORP., Hitachi Data Systems Corporation, Hitachi Global Storage Technologies, Inc. (currently HGST, Inc.), Hitachi Koki Co., Ltd. (currently Koki Holdings Co., Ltd.), or Benesse Holdings, Inc., where Mr. Iwata previously served as an executive, and the Company, such as business transactions including donations, mutual dispatch of directors or shareholding.</p> <p>In addition, Mr. Iwata has not been an operating officer or the like of the Company's major business partners and major shareholders in the past other than that stated above.</p> <p>For these reasons, the Company regards him as independent.</p>	<p>The Company proposes to elect Mr. IWATA Shinjiro as an external director and expects that his extensive experience, knowledge, professional views and personal relationships in electronics, information &amp; communication, and corporate management experience overseas obtained through business and management of listed companies outside the Group will be utilized in the Company's management and also contribute to the enhancement of the corporate value of the Group. As an independent officer, the Company also expects that he will play an active role in supervising the Company's management by providing advice and proposals to the Company as an objective third party not involved in the Group's business execution in order to ensure the appropriateness and correctness of the decision-making process by the Board of Directors..</p>

<p>HAMASAKI Yuji</p>	<p>○</p>	<p>Director &amp; Chairman of MEIDENSHA CORPORATION</p> <p>Director of The Japan Electrical Manufacturers' Association</p> <p>No mutual relationship exists between MEIDENSHA CORPORATION or The Japan Electrical Manufacturers' Association, where Mr. HAMASAKI Yuji concurrently holds office, and the Company, such as business transactions including donations, mutual dispatch of directors or shareholding.</p> <p>Sumitomo Electric Industries, Ltd. ("Sumitomo Electric"), where Mr. Hamasaki previously served as an executive, and the Company had in the past and currently has business relations with regard to purchases and sales. However, the transactions in the past and in the consolidated fiscal year under review amounted to less than one (1) percent of the consolidated net sales in each corresponding fiscal year of the Company or Sumitomo Electric, and do not fall under major transactions for either the Company or Sumitomo Electric. Moreover, no other mutual relationship exists between Sumitomo Electric and the Company, including donations, mutual dispatch of directors or shareholding. Mr. Hamasaki resigned as an executive of Sumitomo Electric more than ten (10) years ago and currently has no relationship with the company.</p> <p>In addition, Mr. Hamasaki has not been an operating officer or the like of the Company's major business partners and major shareholders in the past other than that stated above.</p> <p>For these reasons, the Company regards him as independent</p>	<p>The Company proposes to elect Mr. HAMASAKI Yuji as an external director and expects that his extensive experience, knowledge, professional views and personal relationships in information &amp; communication as well as heavy electric-related fields obtained through business and management of listed companies outside the Group will be utilized in the Company's management and contribute to the enhancement of the corporate value of the Group. The Company also expects that he will play an active role in supervising the Company's management by providing advice and proposals to the Company as an objective third party not involved in the Group's business execution in order to ensure the appropriateness and correctness of the decision-making process by the Board of Directors..</p>
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<p>ONITSUKA Hiromi</p>	<p>○</p>	<p>Auditor of Yahoo Japan Corporation Outside Director (Independent Director) of Tokyo Electron Device Limited</p> <p>Tokyo Electron Device Limited (“Tokyo Electron”), where Ms. ONITSUKA Hiromi concurrently holds office, had in the past and currently has business relations with the Company with regard to purchases and sales. However, Tokyo Electron’s transactions with the Company in the past and in the consolidated fiscal year under review amounted to less than one (1) percent of the consolidated net sales of the Company or Tokyo Electron in each corresponding fiscal year, and do not fall under major transactions for either the Company or Tokyo Electron. In addition, no mutual relationship exists between Tokyo Electron and the Company, including donations, mutual dispatch of directors or shareholding. No mutual relationship exists between Yahoo Japan Corporation, where Ms. Onitsuka concurrently holds office, and the Company, such as donations, mutual dispatch of directors or shareholding.</p> <p>Tokyo Shibaura Electric Co., Ltd. (currently TOSHIBA CORPORATION) (“TOSHIBA”), where Ms. Onitsuka previously served as an executive, had in the past and currently has business relations with the Company with regard to purchases. The amount of transactions between the Company and TOSHIBA in the consolidated fiscal year ended March 31, 2013 amounted to about 4 billion yen, more than one (1) percent of the consolidated net sales of the Company and less than one (1) percent of the consolidated net sales of TOSHIBA, in each corresponding fiscal year. However, the amount of transactions in the consolidated fiscal year under review amounted to less than one (1) percent of the consolidated net sales of the Company and TOSHIBA, and do not fall under major transactions for either the Company or TOSHIBA. No other mutual relationship exists between TOSHIBA and the Company, including donations, mutual dispatch of directors or shareholding. Ms. Onitsuka resigned as an executive of Tokyo Shibaura Electric Co., Ltd. more than ten (10) years ago and currently has no relationship with the company.</p> <p>Toshiba Medical Systems Corporation (currently Canon Medical Systems Corporation) (“Toshiba Medical”), where Ms. Onitsuka previously served as an executive, had in the past and currently has business relations with the Company with regard to purchases. However, Toshiba Medical’s transactions with the Company in the past and in the consolidated fiscal year under review amounted to less than one (1) percent of the consolidated net sales of the Company or Toshiba Medical in each corresponding fiscal year, and do not fall under major transactions for either the Company or Toshiba Medical. Moreover, no other mutual relationship exists between Toshiba Medical and the Company, including donations, mutual dispatch of directors or shareholding. Ms. Onitsuka resigned as an executive of Toshiba Medical ten (10) years ago and currently has no relationship with the company. No mutual relationship exists between eBook Initiative Japan Co., Ltd. or Z Holdings Corporation, where she previously served as an executive, and the Company, such as business transactions including donations, mutual dispatch of directors or shareholding.</p>	<p>The Company proposes to elect Ms. ONITSUKA Hiroko as an external director and expects that her extensive experience, knowledge, professional views and personal relationships in the information and electrical industries, mainly OEM sales and overseas distributor sales, gained through business operations and corporate management at listed companies outside the Group will be utilized in the Company’s management and also contribute to the enhancement of the corporate value of the Group. As an independent officer, the Company also expects that she will play an active role in supervising the Company’s management by providing advice and proposals to the Company as a third party not involved in the Group’s business execution in order to ensure the appropriateness and correctness of the decision-making process by the Board of Directors.</p>
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		In addition, Ms. Onitsuka has not been an operating officer or the like of the Company's major business partners and major shareholders in the past other than that stated above. For these reasons, the Company regards her as independent.	
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Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established
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Committee's Name, Composition, and Attributes of Chairperson

	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Nomination and Remuneration Advisory Committee	Nomination and Remuneration Advisory Committee
All Committee Members	4	4
Full-time Members	0	0
Directors	1	1
External Directors	3	3
Outside Experts	0	0
Other	0	0
Chairperson	External Director	External Director

The Company established the Nomination and Remuneration Advisory Committee, for which all of its External Directors serve as committee members, in December 2015, with the aim of strengthening the independence and objectivity of the functions of the Board of Directors. Since its establishment, the Nomination and Remuneration Advisory Committee has made proposals to JVCKENWOOD regarding candidate representatives for the Board of Directors, and reviewed the appropriateness of director candidates and directors' compensation plans proposed by the representatives and others, and reported its opinions. The Board of Directors has determined director candidates and directors' compensation, taking into consideration the opinions stated by the Nomination and Remuneration Advisory Committee.

In accordance with the foregoing procedures, the Company determined, according to the reports submitted by the Nomination and Remuneration Advisory Committee, that the execution system was effective as of April 1, 2022 and determined candidates for Directors and Audit & Supervisory Board Member to be referred to the 14th Ordinary General Meeting of Shareholders held on June 24, 2022 as a corporate proposal, at the Board of Directors meeting held on February 25, 2022.

With regard to executive compensation, the Company has provided for a method of determining the amount of remuneration for Directors and Executive Officers in accordance with internal rules. As to the establishment, revision and abolition of internal rules, the Nomination and Remuneration Advisory Committee comprised of a majority of Independent External Directors will review the appropriateness, etc. of proposals discussed by the Representative Director of the Board, etc. and submit a report to the Board of Directors, and the Board of Directors will determine the establishment, revision and abolition of the internal rules taking into consideration the details of the report. Details of individual remuneration for Directors, etc. will not be determined at the discretion of the Representative Director of the Board again.

In the fiscal year ended March 2022, meetings of the Nomination and Remuneration Advisory Committee were held 16 times in total, and each committee member's number of meetings attended and the attendance rate are as follows:

- Mr. IWATA Shinjiro	Number of Meetings Attended:	15	(Attendance Rate: 93.8%)
- Mr. HAMASAKI Yuji	Number of Meetings Attended:	16	(Attendance Rate: 100.0%)
- Ms. ONITSUKA Hiromi	Number of Meetings Attended:	12*	(Attendance Rate: 100.0%)

\*Attendance between June 2021, when she took office as a Director, and March 2022

In addition, in April 2019, the Company added the Chief Executive Officer (CEO) to committee members of the Nomination and Remuneration Advisory Committee in order for External Directors who serve as committee members to share accurate internal information in a timely manner and to improve the effectiveness of the Nomination and Remuneration Advisory Committee. The procedures for deliberating a proposal and making determination regarding candidate representatives for the Board of Directors by the Nomination and Remuneration Advisory Committee are performed by three committee members who serve as External Directors except for the committee member who is the CEO.

As of June 24, 2022, Mr. IWATA Shinjiro, Mr. HAMASAKI Yuji and Ms. ONITSUKA Hiromi, who serve as External Directors, and Mr. EGUCHI Shoichiro, who serves as CEO, serve as committee members, and Mr. HAMASAKI Yuji chairs the Nomination and Remuneration Advisory Committee by resolution of the Nomination and Remuneration Advisory Committee as of the same date.

### Audit & Supervisory Board Members

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in Articles of Incorporation	6
Number of Audit & Supervisory Board Members	4

### Coordination Among Audit & Supervisory Board Members, Accounting Auditors, and Internal Audit Division

External Audit & Supervisory Board Members receive reports at the Audit & Supervisory Board meetings on monthly regular reports on the status of internal audits in which Full-time Audit & Supervisory Board Members interview with the Internal Audit Division (Corporate Audit Office), and ask questions and express their opinions at the Board of Directors meetings about internal audit result reports as necessary.

External Audit & Supervisory Board Members also attend regular meetings with Accounting Auditors and Audit & Supervisory Board Members, receive reports from Accounting Auditors on Accounting Auditors' annual audit plans and the status of accounting audits, and express their opinions as necessary.

In addition, External Audit & Supervisory Board Members attend visiting audits of the division in charge of internal control (Internal Governance Office), and hear and express opinions as necessary about the status of construction and operation of the internal control system.

Appointment of External Audit & Supervisory Board Members	Appointed
Number of External Audit & Supervisory Board Members	3
Number of External Audit & Supervisory Board Members Designated as Independent Audit & Supervisory Board Members	3

External Audit & Supervisory Board Members' Relationship with the Company (1) **Updated**

Name	Attributes	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
SAITO Katsumi	From Other Company													
KURIHARA Katsumi	From Other Company										△			
FUJIOKA Tetsuya	From Other Company										△			

\* Categories for "Relationship with the Company":

“○” When the Audit & Supervisory Board Member currently falls or has recently fallen under the category.

“△” When the Audit & Supervisory Board Member fell under the category in the past

“●” When a close relative of the Audit & Supervisory Board Member currently falls or has recently fallen under the category.

“▲” When a close relative of the Audit & Supervisory Board Member fell under the category in the past

- a Executive of the Company or its subsidiary
- b Non-executive Director or accounting advisor of the Company or its subsidiaries
- c Non-executive Director or executive of a parent company of the Company
- d Audit & Supervisory Board Member of a parent company of the Company
- e Executive of a fellow subsidiary company of the Company
- f A party whose major client or supplier is the Company or an executive thereof
- g Major client or supplier of the Company or an executive thereof
- h Consultant, accountant, or legal professional who receives a large amount of monetary consideration or other property from the Company other than compensation as an Audit & Supervisory Board Member
- i Major shareholder of the Company (or an executive of said major shareholder if the shareholder is a legal entity)
- j Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the Audit & Supervisory Board Member himself/herself only)
- k Executive of a company with which the Company's External Directors/Audit & Supervisory Board Members are mutually appointed (the Audit & Supervisory Board Member himself/herself only)
- l Executive of a company or an organization that receives a donation from the Company (the Audit & Supervisory Board Member himself/herself only)
- m Others

External Audit & Supervisory Board Members' Relationship with the Company (2) **Updated**

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
SAITO Katsumi	○	Director (Outside Director) of CHUCHIKU  No mutual relationship exists between CHUCHIKU, where Mr. SAITO Katsumi concurrently holds office, and the Company, including donations, mutual dispatch of directors or shareholding. Furthermore, Idemitsu Kosan Co., Ltd. and Showa Shell Sekiyu K.K., where he previously served as a management executive, have no mutual relationship with the Company, including donations, mutual	Mr. SAITO Katsumi was elected as an External Audit & Supervisory Board Member as he is expected to utilize his insight, extensive experience, knowledge, professional views and personal relationships concerning corporate management and governance that were obtained through his work in operational and corporate planning divisions and as a director of listed companies

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
		<p>dispatch of directors or shareholdings.</p> <p>Furthermore, Mr. Saito has not been an operating officer or the like of our major business partners and major shareholders in the past other than those stated above.</p> <p>For these reasons, the Company regards him as independent.</p>	<p>outside the Group for the enhancement of the Company's auditing. He is also expected to play an active role in auditing the Company's management as an external director by providing proper advice and proposals at the Board of Directors meeting as an objective third party, separate from the Group and contribute to the enhancement of the corporate value of the Group.</p>
KURIHARA Katsumi	○	<p>Director (Outside Director) of NIPPON ANTENNA Co., Ltd.</p> <p>NIPPON ANTENNA Co., Ltd. ("NIPPON ANTENNA"), where Mr. KURIHARA Katsumi concurrently holds office, had in the past and currently has business relations with the Company with regard to purchases. However, NIPPON ANTENNA's transactions with the Company in the past and in the consolidated fiscal year under review amounted to less than one (1) percent of the consolidated net sales of the Company or NIPPON ANTENNA in each corresponding fiscal year, and do not fall under major transactions for either the Company or NIPPON ANTENNA. Moreover, no other mutual relationship exists between NIPPON ANTENNA and the Company, including donations, mutual dispatch of directors or shareholding.</p> <p>And Ricoh Company, Ltd. ("Rico"), where he previously served as a management executive, had in the past and currently has business relations with the Company with regard to purchases and sales. However, Ricoh's transactions with the Company in the past and in the consolidated fiscal year under review amounted to less than one (1) percent of the consolidated net sales of the Company or Ricoh in each corresponding fiscal year, and do not fall under major transactions for either the Company or Ricoh. Moreover, no other mutual relationship exists between Ricoh and the Company, including donations, mutual dispatch of directors or shareholding.</p> <p>Furthermore, Mr. Kurihara has not been an operating officer or the like of our major business partners and major shareholders in the past other than those stated above.</p> <p>For these reasons, the Company regards him as independent.</p>	<p>Mr. KURIHARA Katsumi was elected as an External Audit &amp; Supervisory Board Member as he is expected to utilize his extensive experience, knowledge, professional views and personal relationships, such as his insights on technology and quality that were obtained through his work in operational and development divisions of listed companies outside the Group, as well as corporate governance based on his experience as a full-time Audit &amp; Supervisory Board Member, for the enhancement of the Company's auditing. He is also expected to play an active role in auditing the Company's management as an external director by providing proper advice and proposals at the Board of Directors meeting as an objective third party separate from the Group and contribute to the enhancement of the corporate value of the Group.</p>
FUJIOKA Tetsuya	○	<p>NEC Corporation ("NEC"), where Mr. FUJIOKA Tetsuya previously served as a management executive, had in the past and currently has business relations with the Company with regard to purchases and sales. However, NEC's transactions with the Company in the past and in the consolidated fiscal year under review amounted to less than one (1) percent of the consolidated net sales of the Company or NEC in each corresponding fiscal year, and do not fall under major transactions for either the Company or NEC. Moreover, no other mutual relationship exists between NEC and the Company, including donations, mutual dispatch of directors or shareholding.</p> <p>In addition, no other mutual relationship exists between NEC Capital Solutions Limited, NEC</p>	<p>Mr. FUJIOKA Tetsuya was elected as an External Audit &amp; Supervisory Board Member as he is expected to utilize his extensive experience, knowledge, professional views and personal relationships, such as his insights on accounting and corporate management that were obtained through his work in finance &amp; accounting division and an overseas corporation of listed companies outside the Group, as well as corporate governance based on his experience as a full-time Audit &amp; Supervisory Board Member, for the enhancement of the Company's</p>

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons for Appointment
		<p>Europe Ltd. (London), The NEC C&amp;C Foundation, Council on Competitiveness-Nippon, or Public Interest Incorporated Association Shiba Houjinkai, where he previously served as a management executive and the Company, including donations, mutual dispatch of directors or shareholding.</p> <p>Furthermore, Mr. Fujioka has not been an operating officer or the like of our major business partners and major shareholders in the past other than those stated above.</p> <p>For these reasons, the Company regards him as independent.</p>	<p>auditing. He is also expected to play an active role in auditing the Company's management as an external director by providing proper advice and proposals at the Board of Directors meeting as an objective third party separate from the Group and contribute to the enhancement of the corporate value of the Group.</p>

### Independent Directors/Audit & Supervisory Board Members

Number of Independent Directors/Audit & Supervisory Board Members <b>Updated</b>	6
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#### Matters Relating to Independent Directors/Audit & Supervisory Board Members

The Company has designated all of its External Directors and External Audit & Supervisory Board Members as Independent Directors and Independent Audit & Supervisory Board Members who satisfy the qualifications therefor.

The Company, when electing candidates for External Director and External Audit & Supervisory Board Members, works to ensure the effectiveness of the supervisory function of management based on experience, achievements, professional expertise, insights, and other attributes, as well as independence which avoids conflicts of interest with general shareholders. To this end, it elects candidates by confirming their business backgrounds and ensuring that they are not major shareholders of the Company or have never been engaged in the execution of business at the Company's main business partners (whose transactions with the Company exceed 1% of the Company's consolidated net sales) based on its criteria and policies for independence set out in accordance with the "Guidelines for the Governance of Listed Companies (III 5. (3)-2)," established by Tokyo Stock Exchange, Inc. On June 24, 2022, the Company appointed Mr. IWATA Shinjiro, Mr. HAMASAKI Yuji and Ms. ONITSUKA Hiromi as External Directors, and Mr. SAITO Katsumi, Mr. KURIHARA Katsumi and Mr. FUJIOKA Tetsuya as External Audit & Supervisory Board Members.

## Incentives

Incentive Policies for Directors

Introduction of performance-based remuneration system

Supplementary Explanation **Updated**

At the 13th Ordinary General Meeting of Shareholders held on June 25, 2021, it was decided to introduce an incentive system with a three-tier structure for the remuneration, etc. of directors, which consists of fixed remuneration, short-term incentive (hereinafter, “STI”<sup>\*1</sup>) and medium- to long-term incentive (hereinafter, “LTI”<sup>\*2</sup>), each of which will be clearly defined. Specifically, the resolution stipulates that in addition to the fixed remuneration, the amount of remuneration, etc., including bonuses and other monetary remuneration as the above STI, shall be no more than 432 million yen per year (including no more than 96 million yen per year for external Directors).

\*1: STI stands for Short Term Incentive.

\*2: LTI stands for Long Term Incentive.

The above amount of remuneration for Directors include the employee’s portion (including the Executive Officer’s portion) of the Directors who work as employees at the same time, and the above stock-based payment as LTI is separate. As of the close of the 13th Ordinary General Meeting of Shareholders held on June 25, 2021, the number of Directors was nine (including three external Directors), and the number of Directors concurrently serving as Executive Officers was six.

With respect to stock-based payment, it was resolved to introduce a stock-based remuneration system using a trust (below, “stock-based remuneration system”) and to contribute up to 32 million yen per fiscal year (96 million yen in total for the initial period) to the trust for Directors (excluding external Directors and Directors who do not concurrently serve as Executive Officers) who will hold office during a period of up to five fiscal years (for the initial coverage period, from the fiscal year ended March 31, 2022 to the fiscal year ending March 31, 2024) as determined by the Company, and the maximum number of points (number of shares) to be granted per fiscal year is 290,000 points (one point is one share of the Company’s stock, and the number of shares corresponding to the maximum number of points per fiscal year is 290,000 shares. However, in the event of a stock split, reverse stock split, etc., the number of points shall be adjusted in accordance with such split ratio, reverse stock split ratio, etc.).

The Company has an established method for determining the amounts of remuneration for Directors within the total amount of remuneration resolved by the General Meeting of Shareholders, based on the internal rules resolved by the Board of Directors’ meetings and with reports from the Nomination and Remuneration Advisory Committee. Specifically, the basic amount of remuneration for each person is determined after setting the base remuneration and the amount of remuneration for each title (President, Executive Vice President, Senior Managing Executive Officer, Managing Executive Officer, etc.) and each position (Representative, Chief Executive Officer, Chairman of the Board, Member of Nomination and Remuneration Advisory Committee, etc.) and paid. The Company’s officer remuneration system is three-tiered, with fixed remuneration, STI, and LTI, each of which is clearly defined. A summary of the Company’s remuneration system is as follows.

Remuneration Structure (i) Fixed remuneration and (ii) STI are paid within the limit of remuneration for Directors (432 million yen\* a year). (iii) LTI is paid separately.

(i) Fixed remuneration: The amount of remuneration determined by the internal rules for each title (President, Executive Vice President, Senior Managing Executive Officer, Managing Executive Officer, etc.) and position (Representative, Chairman of the Board, Member of Nomination and Remuneration Advisory Committee, etc.). Payable in cash as monthly remuneration.

(ii) Short term incentive (STI): Bonuses are paid to reflect the current results in the current year. The amount of a fixed percentage calculated from the monthly remuneration shall be the amount of calculation base. The amount to be paid is determined within the range of 0% (no payment) to 200% (double the amount of the calculation base) of the calculation base amount and is paid in cash according to the annual performance (profit, capital efficiency index, etc.).

(iii) Long term incentive (LTI): Please refer to Stock-based Remuneration System Using a Trust below.

Remarks: External Directors and Non-executive Directors are not eligible for STI or LTI payment. The ratio of fixed remuneration to STI to LTI has been determined to be 85:8:7 at a meeting of the Board of Directors.

Stock-based Remuneration System Using a Trust



(1) Individuals eligible for the stock-based remuneration system: Directors of the Company (excluding external Directors and Non-executive Directors)

(2) Initial applicable period: From the fiscal year ended March 31, 2022 to the fiscal year ending March 31, 2024

(3) Upper limit of cash contributed by the Company as funds for the acquisition of the Company's shares necessary to be delivered to the eligible individuals described in (1) during the applicable period (three fiscal years) described in (2): Total 96 million yen

(4) Acquisition method of the Company's shares: Disposal of treasury stock or acquisition from the exchange market (including off-floor trading)

(5) Upper limits of the total number of points to be granted and the number of shares to be delivered to the eligible individuals described in (1): 290,000 points per fiscal year (One point shall correspond to one share of the Company, and the number of shares corresponding to the upper limit of the number of points per fiscal year is 290,000. However, in the event of a stock split or reverse stock split of the Company's shares, the number of shares will be adjusted according to such split ratio or reverse stock split ratio.)

(6) Criteria for granting points: Points to be granted according to title, etc.

(7) Timing of delivery of the Company's shares to the eligible individuals described in (1): Upon retirement, in principle

The number of Directors eligible for the stock-based remuneration system in FY2021 was six, and 83,048 points (equivalent to 18 million yen in monetary terms) were granted.

The STI for FY2021 was determined by the Board of Directors in July 2021, based on the STI outlined in 2) above, including the determination of specific indicators and factors for changed to be linked to performance, after the Nomination and Remuneration Advisory Committee's deliberations concluded that it was appropriate. The Company pays as a bonus an STI that will be added to or subtracted from the calculation base amount calculated from the individual basic remuneration amount, ranging from 0% (no payment) to 200% (double the amount of the calculation base) according to the annual performance (sales revenue, operating profit, capital efficiency index (ROE), etc.). The performance evaluation of STI eligible employees (Executive Officers, including those who concurrently serve as Directors) for FY2021 has not yet been conducted during the current fiscal year, as it will be determined based on their performance in FY2021 (performance is as stated in 1 Matters Concerning the Current Situation of the Group (9) State of Assets and Profit & Loss above), and the evaluation will be completed before the bonus payment in July 2022.

The Company's decision-making process for individual remuneration of Directors and Executive Officers within the amount of remuneration resolved at the General Meeting of Shareholders is subject to the report of the Nomination and Remuneration Advisory Committee. This is clarified in the internal rules resolved by the Board of Directors' meetings, and the decision on the content of individual remuneration for Directors and Executive Officers is not reassigning to the Representative Directors of the Board. In addition, as to the establishment, revision and abolition of internal rules, the Nomination and Remuneration Advisory Committee comprised of a majority of Independent External Directors will review the appropriateness, etc. of proposals discussed by the Representative Director of the Board, etc. and submit a report to the Board of Directors, and the Board of Directors will determine the establishment, revision and abolition of the internal rules taking into consideration the details of the report. Details of individual remuneration for Directors, etc. will not be determined at the discretion of the Representative Director of the Board again.

The Board of Directors of the Company, confirming that the remuneration and its determination method, and the determined remuneration are consistent with the internal rules resolved by the Board of Directors' meetings, and that the report of the Nomination and Remuneration Advisory Committee is respected, determines that the remuneration for each Director, etc. in the fiscal year under review is in line with the policy for determination.

Recipients of Stock Options	
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Supplementary Explanation
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## Remuneration for Directors



Disclosure of Individual Directors' Remuneration

No individual disclosure

Supplementary Explanation **Updated**

In the previous fiscal year ended March 31, 2022, the amount of remuneration and other financial benefits paid as consideration for business execution to Directors and Audit & Supervisory Board Members and the number of persons subject to payment for the year were as follows.

Directors (excluding external Directors, number of eligible officers 7 persons)

Total amount of remuneration: 273 million yen, including fixed remuneration of 250 million yen (including non-monetary remuneration, etc. of 18 million yen), performance-linked remuneration, etc. 22 million yen

Audit & Supervisory Board Members (excluding external Directors, number of eligible officers 2 persons)

Total amount of remuneration: 27 million yen, including fixed remuneration of 25 million yen

External Officers (number of eligible officers 7 persons)

Total amount of remuneration: 66 million yen, including fixed remuneration of 66 million yen

(Notes)

1. The above includes two (2) Directors who retired at the close of the 13th Ordinary General Meeting of Shareholders of the Company held on June 25, 2021.
2. The above includes one (1) Audit & Supervisory Board Member who retired at the close of the 13th Ordinary General Meeting of Shareholders of the Company held on June 25, 2021.
3. The above remuneration of Directors includes salaries of those who are also employees. In accordance with internal rules for executive remuneration, the Company makes a distinction between remuneration for Directors and remuneration for Executive Officers who are company employees. There are five (5) directors concurrently serving as employees who received payment of the employee's portion of the salaries, and the total amount of the employee's portion of salaries that the Company paid to said five (5) individuals was a total of 83 million yen, including fixed remuneration of 67 million yen and bonuses to officers that are performance-linked remuneration, etc. of 16 million yen.
4. From fiscal 2021, the Company has introduced a stock-based remuneration system as a medium- to long-term incentive, and during the consolidated fiscal year under review, the Company granted 83,048 points (monetary equivalent: 18 million yen) to six (6) Directors concurrently serving as Executive Officers, separate from the above remuneration amounts. Under this stock-based remuneration system, shares of Company stock are granted to points holders at a rate of 1 (1) share per one (1) point on the holders' retirement.
5. There is no person whose total amount of consolidated remuneration is 100 million yen or more.

Regarding payment of bonuses to Directors for the fiscal year ended March 31, 2021, it was resolved that remuneration, etc., limited to a maximum amount of 33.3 million yen in total (the sum of up to three months' monthly remuneration for each Executive Officer who is eligible for the payment) will be paid as Directors' bonuses to five (5) Directors serving concurrently as Executive Officers at the end of fiscal 2020 (March 31, 2021) at the 13th Ordinary General Meeting of Shareholders held on June 25, 2021. In accordance with this resolution, the Company reported the individual performance evaluation of Directors serving concurrently as Executive Officers to the Board of Directors meeting held on July 29, 2021, after going through the consultation process of the Nomination and Compensation Advisory Committee. In fiscal 2020, the Company paid a total of 19 million yen in bonuses to five (5) Directors serving concurrently as Executive Officers.

Officer bonuses were paid as bonuses based on the basic remuneration amount calculated in accordance with internal rules, multiplied by a coefficient based on sales revenue and core operating profit according to individual responsibilities and the degree of achievement of qualitative evaluation, with incentive amount added or subtracted, and the individual remuneration amount with a performance-linked element added as a bonus. This formula was deliberated and concluded to be appropriate at the Nomination and Compensation Advisory Committee meeting and determined and adopted at the Board of Directors meeting for the reason that KPIs are clear and that the incentives are effective in encouraging the Executive Officers to work for the better because their remuneration changes with an increase or decrease in the profit performance.

The STI for FY2021 was determined by the Board of Directors in July 2021, based on the STI outlined in 2) above, including the determination of specific indicators and factors for changed to be linked to performance, after the Nomination and Remuneration Advisory Committee's deliberations concluded that it was appropriate.

The Company pays as a bonus an STI that will be added to or subtracted from the calculation base amount calculated from the individual basic remuneration amount, ranging from 0% (no payment) to 200% (double the amount of the calculation base) according to the annual performance (sales revenue, operating profit, capital efficiency index (ROE), etc.). The performance evaluation of STI eligible employees (Executive Officers, including those who concurrently serve as Directors) for FY2021 has not yet been conducted during the current fiscal year, as it will be determined based on their performance in FY2021 (performance is as stated in 1 Matters Concerning the Current Situation of the Group (9) State of Assets and Profit & Loss above), and the evaluation will be completed before the bonus payment in July 2022.

Policy on Determining Remuneration Amounts or Calculation Methods	Established
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Disclosure of Policy on Determining Remuneration Amounts or Calculation Methods
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Please refer to Article 15 of the CG Policy for the policy and [Incentive (above mentioned)] on determining remuneration amounts or calculation methods.

[CG Policy:]

[https://www.jvckenwood.com/content/dam/pdf/Corporate\\_Governance\\_Policy.pdf](https://www.jvckenwood.com/content/dam/pdf/Corporate_Governance_Policy.pdf)

### Support System for External Directors and/or Audit & Supervisory Board Members Updated

Since June 2016, JVCKENWOOD has appointed an External Director independent from and neutral to the management of the Company as the Chairman of the Board of Directors, and established a place for active exchange of opinions and discussions at meetings of the Board of Directors. As of June 24, 2022, Mr. IWATA Shinjiro, who serves as External Director, chairs the Board of Directors. The Chairman of the Board determines agendas for a meeting of the Board of Directors in consultation with the Chief Executive Officer (CEO) and Head of Administrative Division prior to deliberations of the Board of Directors. In addition, the Chief Executive Officer (CEO) is responsible for convening meetings of the Board of Directors and preparing minutes of meetings of the Board of Directors, etc. as the Representative Director of the Board.

Information is delivered to Directors and Audit & Supervisory Board Members by the Secretariat of the Board of Directors (Corporate Secretary Office) in coordination with members of the Audit & Supervisory Board Office, and in a timely manner. For example, the notice for matters to be discussed at Board of Directors' meetings and meeting documents are distributed by electromagnetic or other means in advance. In addition, meeting documents for the Executive Officers Committee are distributed by the Secretariat of the Executive Officers Committee (Corporate Secretary Office) when needed, with a view to enhancing the supervisory function of business execution.

Further, the Nomination and Remuneration Advisory Committee composed of all three (3) External Directors and the Chief Executive Officer (CEO) has also appointed the Secretariat (Corporate Secretary Office) to support the duties of the committee such as preparation of minutes of the Nomination and Remuneration Advisory Committee meeting.

## 2. Functions of Business Execution, Auditing, Oversight, Nomination, and Remuneration Decisions (Overview of Current Corporate Governance System) Updated

### 1. Matters concerning the Board of Directors

The Company shall regard the Board of Directors as the fundamental and strategic decision-making body, as well as the supervisory body for business execution. The Board of Directors shall have a regular meeting once a month and an extraordinary meeting as necessary to discuss and resolve basic policies and important

matters relating to management, as well as supervise and monitor the status of business execution. The term of office of Directors is one year to ensure the clarification of their responsibilities and swift management decision-making. The Board of Directors shall also actively appoint External Directors to promote highly transparent decision-making and take the initiative in corporate reform and governance.

Nine Directors—Mr. IWATA Shinjiro (Chairman of the Board and External Director), Mr. EGUCHI Shoichiro (Representative Director of the Board), Mr. NOMURA Masao (Representative Director of the Board), Mr. MIYAMOTO Masatoshi (Representative Director of the Board), Mr. SUZUKI Akira, Mr. KURIHARA Naokazu, Mr. SONODA Yoshio, Mr. HAMASAKI Yuji (External Director) and Ms. ONITSUKA Hiromi (External Director)—were elected at the 14th Ordinary General Meeting of Shareholders held on June 24, 2022.

Since June 2016, JVCKENWOOD has appointed an External Director independent from and neutral to the management of the Company as the Chairman of the Board of Directors, and established a place for active exchange of opinions and discussions at meetings of the Board of Directors. As of June 24, 2022, Mr. IWATA Shinjiro, who serves as External Director, chairs the Board of Directors. The Chairman of the Board determines agendas for a meeting of the Board of Directors in consultation with the Chief Executive Officer (CEO) and Executive Officer in charge of Administrative Division, etc. prior to deliberations of the Board of Directors. In addition, the Chief Executive Officer (CEO) is responsible for convening meetings of the Board of Directors and preparing minutes of meetings of the Board of Directors, etc. as the Representative Director of the Board.

## 2. Matters concerning the Audit & Supervisory Board

The Company adopts a company with an Audit & Supervisory Board framework as its organizational structure. Audit & Supervisory Board Members are responsible for the corporate audit function and their duties include attending Board of Directors' meetings and other important meetings, as well as holding Audit & Supervisory Board meetings, auditing the execution of Directors' duties, the business execution of the entire Group, and corporate accounting. The Audit & Supervisory Board holds meetings once a month, and extra meetings as needed.

Three Audit & Supervisory Board Members—Mr. IMAI Masaki (Audit & Supervisory Board Member), Mr. SAITO Katsumi (External Audit & Supervisory Board Member) and Mr. KURIHARA Katsumi (External Audit & Supervisory Board Member)— were elected at the 12th Ordinary General Meeting of Shareholders held on June 19, 2020, and Mr. FUJIOKA Tetsuya was elected at the 13th Ordinary General Meeting of Shareholders held on June 25, 2021.

## 3. Matters concerning the Nomination and Remuneration Advisory Committee

The Company established the Nomination and Remuneration Advisory Committee, for which all of its External Directors serve as committee members, in December 2015, with the aim of strengthening the independence and objectivity of the functions of the Board of Directors. Since its establishment, the Nomination and Remuneration Advisory Committee has made proposals to the Board of Directors regarding candidate representatives for JVCKENWOOD, and reviewed the appropriateness of director candidates and directors' compensation plans proposed by the representatives and others, and reported its opinions. The Board of Directors has determined director candidates and directors' compensation, taking into consideration the opinions stated by the Nomination and Remuneration Advisory Committee.

In addition, in April 2019, the Company added the Chief Executive Officer (CEO) to committee members of the Nomination and Remuneration Advisory Committee in order for External Directors who serve as committee members to share accurate internal information in a timely manner and to improve the effectiveness of the Nomination and Remuneration Advisory Committee. The procedures for deliberating a proposal and making determination regarding candidate representatives for the Company by the Nomination and Remuneration Advisory Committee are performed by three committee members who serve as External Directors except for the committee member who is the CEO.

As of June 24, 2022, Mr. IWATA Shinjiro, Mr. HAMASAKI Yuji and Ms. ONITSUKA Hiromi, who serve as External Directors, and Mr. EGUCHI Shoichiro, who serves as CEO, serve as committee members, and Mr. HAMASAKI Yuji chairs the Nomination and Remuneration Advisory Committee by resolution of the Nomination and Remuneration Advisory Committee as of the same date.

## 4. Matters concerning Executive Officer System

The Company has introduced an Executive Officer System under which the management supervisory function is separated from the business execution function to clarify management responsibility and business execution responsibility since its establishment in October 2008.

The Board of Directors, in order to lead the Company's initiatives in corporate reform and governance, is chaired by an External Director, holds discussions between External Directors as independent directors and Directors concurrently serving as Executive Officers to make highly transparent decisions, and entrusts the business execution to Executive Officers. In accordance with decisions made at meetings of the Board of Directors, the Chief Executive Officer (CEO), serving as the Chairman, takes the lead in the Executive Officers Committee's meetings.

Each of the Executive Officers is in charge of the Mobility & Telematics Service Sector (M&T Sector), Public Service Sector (PS Sector), or Media Service Sector (MS Sector) or serves as General Executive of the Business Division in those sectors while being in charge of the DX (Digital Transformation) Business Development Department, which continues growing in the other sector, and assumes responsibility for the overall operations of all businesses in the four regions, the Americas, EMEA (Europe, Middle East, and Africa), APAC (Asia Pacific), and China as the general manager or representative, and thus their responsibilities are clarified in both businesses and regions. Furthermore, we introduced an execution system under which each Executive Officer is appointed to the positions of CFO (Chief Financial Officer) or CTO (Chief Technology Officer) or CISO (Chief Information Security Officer) or is in charge of each corporate division to support the CEO, and performs their duties.

On April 1, 2021, 13 Executive Officers (6 serving concurrently as Directors) named below were appointed:

- EGUCHI Shoichiro  
Representative Director of the Board, President, Chief Executive Officer (CEO)
- NOMURA Masao  
Representative Director of the Board, Senior Managing Executive Officer, COO Mobility & Telematics Service Sector, In Charge of Business Reform
- MIYAMOTO Masatoshi  
Representative Director of the Board, Senior Managing Executive Officer, Chief Financial Officer (CFO)
- SUZUKI Akira  
Director of the Board, Senior Managing Executive Officer, COO Public Service Sector, In Charge of SCM\*1 Reform (In Charge of SCM Innovation Department and Procurement & Logistics Department)
- KURIHARA Naokazu  
Director of the Board, Managing Executive Officer, In Charge of Administrative Division (In Charge of Legal & Compliance Office, Group Management Office, Corporate Secretary Office, Human Resources Department, General Administration Department, and Sustainability Management Office), COO EMEA\*2
- SONODA Yoshio  
Director of the Board, Managing Executive Officer, Chief Technology Officer (CTO)(In Charge of Prospective Creation Research Laboratory, Intellectual Property Department, and Engineering Innovation Department), Chief Information Security Officer (CISO) (In Charge of Information Technology Department and JK-CIRT\*2/CC\*3)
- TAKADA Shinichi  
Managing Executive Officer, General Executive of Mobility & Telematics Service Sector, General Executive of Aftermarket Business Division, Assistant to COO Mobility & Telematics Service Sector
- TERADA Akihiko  
Managing Executive Officer, COO China
- HAYASHI Kazuyoshi  
Executive Officer, General Manager of Corporate Strategy Department, In Charge of Corporate Communication Department, In Charge of New Business Development
- MURAOKA Osamu  
Executive Officer, COO Americas, COO APAC (Asia Pacific), In Charge of Strengthening International Business, General Executive of Overseas Business Marketing Division
- SEKIYA Naoki  
Executive Officer, General Executive of Domestic Business Marketing Division
- IWASAKI Hatsuhiko  
Executive Officer, COO Media Service Sector, General Executive of Media Business Division,
- SATO Katsuya  
Executive Officer, General Executive of Communications Systems Division, Public Service Sector,

Assistant to COO Public Service Sector

- KAMATA Hiroaki

Executive Officer, General Executive of Telematics Service Division of Mobility & Telematics Services Sector, General Manager of DX\*4 Business Development Department

(Note) \*1 SCM: Supply Chain Management

\*2 JK-CIRT: JVCKENWOOD Central Incident Response Team

\*3 CC: Coordination Center

\*4 DX: Digital Transformation

#### 5. Matters concerning Accounting Auditor

- Name of audit corporation: Deloitte Touche Tohmatsu LLC

- Number of continuous audit years: Since 1994

\* Refers to the timing when Kenwood Corporation, the acquiring enterprise in terms of business combination in the stock transfer conducted at the founding of the Company, appointed the Accounting Auditor.

- Certified public accountants who executed audit duties

Mr. SON Nobuo: Number of continuous audit years: 3

Mr. SHIMODAIRA Takafumi: Number of continuous audit years: 6

Mr. ONO Yohei: Number of continuous audit years: 2

- Composition of assistants who supported audit duties

Assistants who supported audit duties are composed of 45 persons in total: 15 certified public accountants and 30 other assistants.

- Reason for and policy on determining audit corporation

When Victor Company of Japan, Limited and Kenwood Corporation established the Company as a joint holding company (JVC KENWOOD Holdings, Inc.) through a stock transfer on October 1, 2008, the Company's current Accounting Auditor, Deloitte Touche Tohmatsu LLC was appointed as the Accounting Auditor for the Company from the perspective of the continuity of accounting audits because it was the accounting auditor for Kenwood Corporation, the acquiring enterprise in terms of business combination accounting.

JVC KENWOOD Holdings, Inc. changed its trade name to the present name, JVCKENWOOD Corporation, on August 1, 2011, and completed an absorption-type merger of its subsidiaries—Victor Company of Japan, Limited, Kenwood Corporation and J&K Car Electronics Corporation—on October 1, 2011.

The reasons why Kenwood Corporation, the acquiring enterprise in terms of business combination through a stock transfer, appointed Tohmatsu & Co. (currently, Deloitte Touche Tohmatsu LLC) as its accounting auditor in June 1994 are that under the circumstances where overseas sales accounted for most of the sales of Kenwood Corporation at that time and the share of overseas production in overseas sales rose, Tohmatsu & Co. was a leading Japanese audit corporation having an international network organized together with overseas audit corporations and that the majority of Kenwood Corporation's subsidiaries outside Japan entrusted their audits to Deloitte Touche (at that time), an affiliate of Tohmatsu & Co., which was highly recognized by each such subsidiary.

In addition, the Company has established the "Policy on Determining Dismissal or Refusal of Reappointment of the Accounting Auditor" as follows:

"The Audit & Supervisory Board shall dismiss the Accounting Auditor with the unanimous consent of Audit & Supervisory Board Members when any of the matters set out in each item of Paragraph 1, Article 340 of the Companies Act applies to the Accounting Auditor. In addition, when the Accounting Auditor receives an order to suspend its auditing operations from the regulatory authorities or any other similar event occurs that would materially interfere with the Company's audit duties, the Audit & Supervisory Board shall, as a general rule, decide on the details of a proposal on dismissal or refusal of reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders.

- Evaluation of the audit corporation by Audit & Supervisory Board Members and the Audit & Supervisory Board

Audit & Supervisory Board Members and the Audit & Supervisory Board evaluate the audit corporation each year in accordance with the "Criteria for Evaluation of Appointment and Dismissal of

Accounting Auditor” established by the Audit & Supervisory Board, and further examine and consider whether it is necessary to appoint or dismiss the audit corporation also based on the aforementioned “Policy on Determining Dismissal or Refusal of Reappointment of the Accounting Auditor.” The Audit & Supervisory Board has determined that it is appropriate to reappoint the current audit corporation, Deloitte Touche Tohmatsu LLC, concluding that there is no problem as a result of qualification evaluation under the said criteria as well as the examination and consideration under the “Policy on Determining Dismissal or Refusal of Reappointment of the Accounting Auditor.”

6. Summary of the Contents of an Agreement Limiting Liability for Damages

With a view to recruiting and retaining outstanding personnel as External Directors and External Audit & Supervisory Board Members, the Articles of Incorporation of the Company stipulate, pursuant to Paragraph 1, Article 427 of the Companies Act, that the Company may enter into an agreement with an External Director or External Audit & Supervisory Board Member to limit the liability for damages due to his/her negligence of duties within a certain level.

As of June 25, 2021, with respect to the liability for damages stipulated in Paragraph 1, Article 423 of the Companies Act, the Company and the three External Directors and the three External Audit & Supervisory Board Members have concluded an agreement limiting liability for damages arising from the execution of their duties in good faith and without gross negligence. The maximum liability under the agreement will be either 5 million yen or a minimum liability amount stipulated by laws and regulations, whichever is greater.

7. Compensation Agreements with Executives as the Insured

The Company has not entered into a compensation agreement with any of its executives (Directors of the Board, Audit & Supervisory Board Members, and Accounting Auditors).

8. Liability Insurance Contracts for Executives as the Insured

The Company has concluded executive liability insurance (D&O insurance) contracts as prescribed in Paragraph 3, Article 430 of the Companies Act for all Directors of the Board, Audit & Supervisory Board Members and Executive Officers of the Company and its subsidiaries as the insured so that the executives can fully play their expected roles in the execution of their duties and so that the Company can attract useful human resources. These insurance contracts indemnify the insured against losses that may occur as a result of being held liable for the execution of his/her duties or receiving a claim related to the pursuit of the said liability through a shareholder lawsuit or a third party action.

The Company pays all the insurance premiums including those for riders, and the insured pays in effect no insurance premiums. However, there are certain exemptions. For example, the insurance does not cover damage caused by acts committed with the recognition that they are in violation of laws and regulations. These insurance contracts also include provisions for a deductible and provide that the insurance does not cover damage up to the deductible.

These insurance contracts are renewed every October.

9. Quorum of and Requirements for Resolution to Elect and Dismiss Directors

The Articles of Incorporation stipulate that the number of Directors shall be nine or less, and that resolutions for electing Directors at the General Meetings of Shareholders shall require the presence of shareholders holding one-third or more of the exercisable voting rights of shareholders and the majority of votes thereof. Moreover, no cumulative voting shall be accepted.

10. Matters to be Determined by Resolutions at the General Meetings of Shareholders that may be Determined by Resolution of the Board of Directors

Corporate decisions are made at the General Meetings of Shareholders, the highest decision-making body of the Company, regarding fundamental matters stipulated in the Companies Act. However, unless otherwise specified in laws and regulations, matters stipulated in each item of Paragraph 1, Article 459 of the Companies Act, including dividends of surplus, may be determined by resolutions of the Board of Directors, instead of resolutions at the General Meetings of Shareholders, in accordance with the Articles of Incorporation to enable the formulation of flexible capital and dividend policies.

Further, with a view to limiting the scope of liability assumed by Directors and Audit & Supervisory Board Members to reasonable levels, the Articles of Incorporation of the Company stipulate, pursuant to Paragraph 1, Article 426 of the Companies Act, to exempt Directors, including those who served in the past, and Audit & Supervisory Board Members, including those members who served in the past, from liability, subject to

approval by resolution of the Board of Directors, for damages due to negligence of duties and to the extent permitted by laws and regulations.

#### 11. Matters Concerning Compliance

JVCKENWOOD views compliance as a response to social needs, not merely as adherence to laws and regulations. This means that the objective of compliance is not merely to comply with laws and regulations, but to respond to social needs behind them through adherence to them. With the recognition of this objective, the Company enhances compliance activities of the Group comprehensively through the Compliance Committee chaired by the Chief Executive Officer (CEO).

The Regulation for JVCKENWOOD Group Compliance Code of Conduct that targets the entire Group was established in March 2010. The contents of the said regulation were circulated to all Group officers and employees by distributing booklets (in three languages) as well as via the Group's intranet and the compliance officers appointed by the Board of Directors of the Company at all affiliated companies to ensure full awareness of all Group members.

Compliance education is supervised by the Internal Governance Office. Compliance training by using e-learning training programs via the intranet and practical training is provided to officers and employees of the Company and its major affiliated companies.

If any suspicions about compliance matters arise, they will be directly reported to the Internal Whistle-blowing System (Helpline) set up by the Internal Governance Office via the liaison for third-party reporting, dedicated email reception/transmission devices, dedicated phone/fax, documents, etc. in accordance with the Regulation for JVCKENWOOD Group Whistle-blowing system and the said regulation, and corrective measures will be taken under the leadership of the Compliance Committee. In addition, the Auditing Informer System is in place at the Audit & Supervisory Board Office, and if suspicions arise about accounting or auditing operations, they will be directly reported to the system. These systems serve as infrastructure for exclusive communication to protect the confidentiality of reported contents and reporters' names, and are operated by assigned staff to detect and correct activities that do not adhere to the needs of society.

### 3. Reasons for Adoption of Current Corporate Governance System

The Company's basic corporate governance policy "separates management from the execution of operations," "recruits External Directors and Audit & Supervisory Board Members," and "improves the function of acting as a check by establishing the Internal Audit Division." The Company has concluded that in order to effectively implement the policy, the most effective corporate governance system is to adopt the organizational structure of a company with an Audit & Supervisory Board and to introduce an Executive Officer System. This would enable institutions within the Company to collaborate with each other.

### III. Implementation of Measures for Shareholders and Other Stakeholders

#### 1. Measures to Vitalize the General Shareholder Meeting and Facilitate the Smooth Exercise of Voting Rights

**Updated**

	Supplementary Explanations
Early Notification of General Shareholder Meeting	The Company, as a general rule, provides notices via the Internet and through other media immediately following a resolution of convocation of the Ordinary General Meeting of Shareholders (about four weeks prior to the date of the meeting) and sends a notice of convocation of the Ordinary General Meeting of Shareholders promptly (about three weeks prior to the date of the meeting). This gives shareholders sufficient time to review the proposals.
Scheduling Annual General Meeting to Avoid the Peak Time	The Company determines the date to hold a General Meeting of Shareholders to avoid so-called peak time in scheduling the date to hold a General Meeting of Shareholders. The latest 13th Ordinary General Meeting of Shareholders was held on June 24, 2022.
Allowing the Electronic Exercise of Voting Rights	The Company has made it possible for shareholders to exercise their voting rights by electromagnetic means (e.g., the Internet). In addition, voting rights can be exercised using mobile phones and smartphones.
Participation in Electronic Voting Platform	The Company participates in the voting platform for institutional investors operated by ICJ, Inc. Even nominal shareholders including custody and trust banks, standing proxies, and other institutions can use the platform to exercise their voting rights.
Providing Convocation Notice in English	The English version of convocation notices is available on the Company's website and elsewhere, so as to facilitate the smooth exercise of voting rights at the General Meeting of Shareholders.
Others	Pursuant to the Cabinet Office Ordinance on the Disclosure of Corporate Affairs, etc., the Company discloses resolution results of proposals at the General Meeting of Shareholders, including the number of "for" and "against" votes (the Extraordinary Report).  In addition to posting convocation notices and other information of General Meetings of Shareholders, the Company's website provides a form to receive questions in advance and explanations about matters attracting a lot of attention from shareholders among questions submitted in advance, as well as contents such as narrated business reports, live distribution of General Meeting of Shareholders, notices of resolution, and results of resolution (the Extraordinary Report).

#### 2. IR Activities

	Supplementary Explanation	Explanation by Representative
Preparation and Publication of Disclosure Policy	The Company disclosed its policy for "ensuring appropriate disclosure of information and transparency" under Article 13 of the Corporate Governance (CG) Policy. [CG Policy:] <a href="https://www.jvckenwood.com/content/dam/pdf/Corporate_Governance_Policy.pdf">https://www.jvckenwood.com/content/dam/pdf/Corporate_Governance_Policy.pdf</a>	
Regular Investor Briefings for Analysts and Institutional Investors	As a general rule, the Company holds briefings for analysts and institutional investors four times a year, after the close of its quarterly accounts.	Yes
Posting of IR Materials on Website	The Company posts securities reports, accounting reports, annual reports, press releases, and other materials, on its website in a timely manner.	
Establishment of Department and/or Appointment of Manager in Charge of IR	The Public & Investor Relations Group is established within the Corporate Communication Department to provide individual explanations for analysts, institutional investors, and other parties, as necessary, and to serve as a contact point to handle inquiries from investors including individual shareholders.	



### 3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanation
Stipulation of Internal Rules for Respecting the Position of Stakeholders	The Group will promote active and careful dialogue with various stakeholders in order to strongly promote sustainable business operations and enhancement of corporate value. In so doing, the Group identifies stakeholders of particular importance and discloses engagement with each of them (building trust relationships) on the Company's website. Its details are available on the "Stakeholder Engagement" page of the Company's website. [Website address of the Stakeholder Engagement webpage] <a href="https://www.jvckenwood.com/en/sustainability/group/engagement.html">https://www.jvckenwood.com/en/sustainability/group/engagement.html</a>
Undertaking Environmental Activities, CSR Activities, etc.	The JVCKENWOOD Group discloses the concept of and efforts to sustainability, etc. on the Company's website. [Details of our concept of sustainability are available on the Sustainability page of the Company's website:] <a href="https://www.jvckenwood.com/en/sustainability.html">https://www.jvckenwood.com/en/sustainability.html</a>
Development of Policies on Information Provision to Stakeholders	The Company has established the Regulations for Timely Disclosure, which are established internally. The Information Disclosure Committee examines the content and means of information disclosure on matters decided or identified within the Company, and it provides accurate information to stakeholders in a timely manner.

## IV. Matters Related to the Internal Control System

### 1. Basic Views on Internal Control System and the Progress of System Development Updated

The Company has established an internal control system and risk management system as described below with the aim of ensuring the appropriateness of business operations.

1. Frameworks for ensuring that the execution of duties of the Directors, employees, and other personnel of the corporate group consisting of the Company and its major subsidiaries (hereinafter the "Group") conforms to laws and regulations and the Articles of Incorporation
  - (1) The corporate vision, management policies and conduct guide are prepared and followed, while being shared and fully recognized by all officers and employees of the Group under the leadership of a division in charge of compliance.
  - (2) Various internal rules, regulations, guidelines, and other guidance, for the entire Group are prepared and updated as the guidelines for the execution of duties by employees.
  - (3) The JVCKENWOOD GROUP Compliance Code of Conduct is established and followed.
  - (4) Each of the Group companies establishes the "Board of Directors Rules" to properly supervise management's decision-making and Directors' execution of duties.
  - (5) Internal audits on the entire Group are conducted. In addition, the "JVCKENWOOD Group Internal Whistle-blowing Rules" are stipulated as a means of enabling internal reporting by all employees of the Group to establish the procedures for internally notifying any act that deviates from the "JVCKENWOOD GROUP Compliance Code of Conduct," carrying out corrective measures against such act and protecting the whistle-blowers from unfair treatment.
  - (6) Audit & Supervisory Board Members audit the execution of duties by the Group's Directors, employees, and other personnel from an independent standpoint.
2. Frameworks for storing and managing information in relation to the execution of duties by the Company's Directors
  - (1) The minutes of the Board of Directors' meetings are created in accordance with the "Board of Directors Rules" and stored at the main office in accordance with the relevant laws and regulations and internal rules.
  - (2) The "Regulation for Information Security" are established to define the basic rules to be observed in managing confidential information whether in print or in electronic form, and are handled determinately.

3. Regulations and other frameworks for managing the risk of loss of the Group
  - (1) The Group regulations for compliance and risk management are established, together with an across-the-board organization for monitoring them with responsibilities being clearly defined, thereby promoting the Group's risk management efforts in a proper manner.
  - (2) The risk management rules by type of risk are prepared and updated to prevent various risks that might occur in the Group and clarify the actions to be taken in the event of such risks, as well as measures for restoration, thereby preventing the damage from spreading and minimizing the loss should a critical issue arise.
4. Frameworks for ensuring the efficient execution of duties of the Group's Directors
  - (1) The Company formulates business and other plans on a Group-wide basis, thereby clarifying management targets, promoting awareness thereof in the Group and evaluating the status of achievement thereof.
  - (2) The Company has in place the Executive Officer System to entrust the duty of business execution to the Executive Officers, thereby separating management oversight functions from business execution functions and clarifying the realms of oversight responsibility and business execution responsibility.
  - (3) The Company establishes the "Board of Directors Rules" and the "Executive Officers Committee Rules," as well as the "Administrative Authority Regulation," the "Standards for Decision-making and Authority," and the "Approval List" for the entire Group, to clarify the method of making decisions for the entire Group management.
  - (4) The rules regarding segregation of duties for each division of the Group are established to clarify the scope of duties and execute them determinately.
5. Frameworks for ensuring the propriety of business operations in the Group
  - (1) Based on the "Basic Policy of Consolidated Business Management," the corporate philosophy and management policies are shared among Group companies. In addition, the "Administrative Authority Regulation," the "Standards for Decision-making and Authority," and the "Approval List" are established as the regulations applying to the entire Group to ensure the propriety of business operations on a Group-wide basis.
  - (2) The Company dispatches officers or business supervising officers to major subsidiaries to ensure the propriety of business operations.
  - (3) The Company executes the internal audits of the Group subsidiaries through its Internal Audit Division.
6. Frameworks for reporting to the Company on matters concerning the execution of duties of Directors, business executing employees, and other personnel, of the Group subsidiaries
  - (1) The Company assigns a responsible division in each subsidiary to ensure that the subsidiary reports important information to such division, which in turn has responsibility for the overall management of that subsidiary.
  - (2) If necessary, the Company dispatches officers and/or administrative staff members to a subsidiary so that the Company's business execution team can grasp the status of business operation of that subsidiary.
  - (3) The Company keeps in place a reporting system to ensure that reports of any abnormal situation occurring internally and possibly affecting the operations of the Group's businesses will be delivered to the top management of the Company through an appropriate procedure and without delay.
7. Systems concerning employees who assist the Company's Audit & Supervisory Board Members in performing their duties, matters concerning the independence of such employees from the Company's Directors and matters concerning how to ensure the effectiveness of directions given to such employees
  - (1) The Company assigns employees as dedicated staff members who assist the Company's Audit & Supervisory Board Members in performing their auditing duties.
  - (2) The Company lets Audit & Supervisory Board Members evaluate the performance of employees exclusively assigned as staff of Audit & Supervisory Board Members and has prior discussion with Audit & Supervisory Board Members with regard to the assignment of such staff.
  - (3) The Company's Audit & Supervisory Board Members clarify the necessary matters to ensure the independence of the employees assisting them, including the Audit & Supervisory Board Members' authority to give orders to the supporting staff. The Company respects such matters.

8. Frameworks for giving reports to the Company's Audit & Supervisory Board Members by Directors and employees of the Company, Directors, Audit & Supervisory Board Members, business operating employees and employees of the Company's subsidiaries, or persons who have received reports therefrom
  - (1) The Company's Audit & Supervisory Board Members attend the Board of Directors' meetings and other important meetings to receive reports on the status of business execution of the Group and other important matters.
  - (2) The Company's Directors and General Managers of head office divisions report their business execution status to the Company's Audit & Supervisory Board Members periodically and as needed.
  - (3) The Company's Audit & Supervisory Board Members execute auditing of the Company's business units and subsidiaries according to the annual audit plan, including the above, and receive reports and hear opinions therefrom.
  - (4) The Group's Directors and employees and persons who have received reports therefrom promptly respond whenever the Company's Audit & Supervisory Board Members ask for reports on the businesses or investigate the status of the Group's business and property.
  - (5) A Group-wide notification system is provided, by which parties such as Group employees can directly notify any fraudulent activities and concerning issues regarding accounting and auditing that might arise within the Group to the Audit & Supervisory Board.
  - (6) The Company's Audit & Supervisory Board Members periodically receive reports on the audit plans and audit results of the Internal Audit Division.
  
9. Frameworks for ensuring that Directors and employees of the Company, Directors, Audit & Supervisory Board Members, business operating employees and employees of the Company's subsidiaries, or persons who have received reports therefrom do not receive unfair treatment due to the act of delivering reports provided for in 8. above
  - (1) It is prohibited to unfairly treat a person within the Group who has delivered reports to the Company's Audit & Supervisory Board Members on account of said act of delivering notification. This is fully recognized among the Directors and employees of the Group.
  - (2) The Company's Audit & Supervisory Board Members who have received notification through the whistle-blowing system ask the related divisions not to unfairly treat that whistle-blower due to the act of notification. Should the Audit & Supervisory Board Members be informed by that whistle-blower that he/she is having unfair treatment, they call on the Company and the Group's Personnel Division to stop such unfair treatment.
  
10. Matters concerning the policies on the procedures for advance payment or redemption of expenses arising from the execution of the duties of the Company's Audit & Supervisory Board Members and any other treatment of expenses or liabilities arising from the execution of such duties
  - (1) When the Company's Audit & Supervisory Board Members ask the Company for advance payment or other treatment of expenses that arise in relation to their execution of duties, the Company will immediately address such expenses or liabilities, unless such expenses or liabilities are proved to be unnecessary for the execution of the duties of the Company's Audit & Supervisory Board Members.
  - (2) The Company's Audit & Supervisory Board Members pay audit expenses while giving due consideration to the efficiency and appropriateness of the audit.
  
11. Other frameworks for ensuring effective auditing of the Company's Audit & Supervisory Board Members
  - (1) The Company's Directors prepare conditions to enable the execution of effective audits in accordance with the audit plan made up by the Company's Audit & Supervisory Board Members.
  - (2) The Company's Representative Directors and Audit & Supervisory Board Members have periodic meetings in order to enhance mutual communication.
  - (3) The Company's Directors prepare conditions to enable the Company's Audit & Supervisory Board Members to cooperate with the divisions in charge of legal affairs, accounting and internal audit as well as external experts for the implementation of their duties.
  - (4) The appointment of the Company's External Audit & Supervisory Board Members is made with consideration to their independence and professional expertise.

## 12. Frameworks for ensuring the propriety of financial reports

- (1) In accordance with the Financial Instruments and Exchange Act and related laws and regulations, systems are provided to ensure the propriety of financial reports of the corporate group, which consists of the Company and its subsidiaries.
- (2) The enhancement and operation of the system to ensure propriety of financial reports is periodically evaluated and improvements thereof are made.

## 13. Basic policy for the elimination of antisocial forces

The Group shall block any and all transactions, including the provision of funds and backstage deals, with all antisocial organizations which could possibly cause damage to the entire Group, including its stakeholders by making unjustifiable requests to the Group's officers and employees or by obstructing healthy business activities, by means of tying up with external professional organizations as necessary and taking appropriate measures including legal actions. The Group recognizes that the exclusion of such antisocial forces is essential for ensuring the propriety of the Company's businesses.

<Summary of the major efforts made by the Company in the consolidated fiscal year under review based on the aforementioned internal control and risk management systems>

### 1. Efforts on Compliance

The Compliance Committee chaired by the Chief Executive Officer (CEO) and responsible divisions take the lead in updating relevant regulations, providing in-house education and distributing information related to compliance, etc. In addition, the Company ensures that every employee is fully aware of the Helpline and the Internal Whistle-blowing System, which is the Auditing Informer System.

### 2. Efforts on Risk Management

The risk surveillance and business continuity plan have been updated, and each division conducts training on dealing with possible emergencies. Further, the Company ensures that every employee is fully aware of reporting and response systems in case of abnormal conditions.

### 3. Efforts on Management of the Board of Directors

In addition to the Executive Officer System, the Company appoints an External Director as the Chairman of the Board to manage the Board of Directors, thereby strengthening governance and having in place a management system to entrust the duty of business execution to the Executive Officers, and clarifying the realms of oversight responsibility and business execution responsibility.

Furthermore, the Company established the Nomination and Remuneration Advisory Committee, for which all of its External Directors and President, Chief Executive Officer (CEO) serve as committee members, with the aim of strengthening the independence and objectivity of the functions of the Board of Directors. The Nomination and Remuneration Advisory Committee has made proposals to JVCKENWOOD regarding candidate representatives for the Board of Directors, and reviewed the appropriateness of director candidates and directors' compensation plans proposed by the representatives and others, and reported its opinions. The Board of Directors has determined director candidates and directors' compensation, taking into consideration the opinions stated by the Nomination and Remuneration Advisory Committee.

As of June 24, 2022, Mr. HAMASAKI Yuji, who serves as External Director, chairs the Nomination and Remuneration Advisory Committee, and Mr. IWATA Shinjiro and Ms. ONITSUKA Hiromi, who serve as External Directors, and Mr. EGUCHI Shoichiro, who serves as CEO, serve as committee members.

### 4. Efforts on Management of Subsidiaries

The Corporate Audit Office conducts audits on operations of affiliates inside/outside Japan every two to three years. Due to the spread of COVID-19, one affiliate performs joint audits with Audit & Supervisory Board Members in coordination with them. In addition, a follow-up is provided for the issues identified during business audits regarding the implementation status of improvement actions.

### 5. Audits by Audit & Supervisory Board Members

Audit & Supervisory Board Members attend Board of Directors' meetings and Executive Officers Committee's meetings and other important meetings to receive reports on the status of business execution and other important matters, as well as receive reports on the status of business execution, etc. from

Directors, Executive Officers and General Managers of divisions, etc. of the Company and the Group subsidiaries through interviews and visiting audits. In addition, in the consolidated fiscal year under review, Audit & Supervisory Board Members performed visiting audits on 44 offices in total including affiliated companies inside/outside Japan as well as head office divisions, operational divisions, and other domestic sales offices (including 6 offices remotely audited by using the internet conference system), and received reports on annual internal audit plans at the beginning of the term and results of monthly internal audits from the Corporate Audit Office.

## 2. Basic Policy for the Elimination of Antisocial Forces and the Progress of System Development

The Company's basic policy against antisocial forces is stated in "13. Basic policy for the elimination of antisocial forces" under the heading "1. Basic Views on Internal Control System and the Progress of System Development," as shown above.

In accordance with the above policy, the Group stipulates in the "JVCKENWOOD GROUP Compliance Code of Conduct" that it will not be involved with any antisocial forces or organizations that pose a threat to social order and safety and not to accept unlawful or unreasonable claims from them, and that it acts accordingly.

## V. Others

### 1. Adoption of Anti-takeover Measures

Adoption of Anti-takeover Measures	Not adopted
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Supplementary Explanation
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### 2. Other Matters Concerning Corporate Governance System Updated

#### 1. Recent Status of Implementation of Initiatives towards the Enhancement of the Company's Corporate Governance

The Company disclosed a summary of the results of an evaluation on the effectiveness of the Board of Directors on May 13, 2022.

[The details of the method of effectiveness evaluation and the summary of the results of evaluation thereof are available on the Company's website:]

[https://www.jvckenwood.com/jp/corporate/governance/evaluation\\_of\\_effectiveness.html](https://www.jvckenwood.com/jp/corporate/governance/evaluation_of_effectiveness.html)(Japanese-only)

#### 2. Status of the Internal System for Timely Disclosure of the Company's Corporate Information

The Company ensures that every employee fully understands its basic policy and procedures for timely disclosure of information, and at the same time, it discloses important information about the Company, its subsidiaries and affiliates in a fair, timely, and proper manner, so that shareholders, investors, and all stakeholders are able to make appropriate evaluations and judgments.

A summary of the Company's Regulations for Timely Disclosure concerning information disclosure procedures is as described below.

##### (1) Method of timely disclosure

As a general rule, the Company will make timely disclosure via the Timely Disclosure network (TDnet) run by Tokyo Stock Exchange, Inc. and then promptly notify the press and follow other disclosure procedures via the methods stipulated by laws and regulations. The disclosed information will be posted on the Company's website, immediately following the disclosure.

##### (2) Divisions responsible for timely disclosure

- There is no particular division solely responsible for timely disclosure; it is regarded as a Company-wide task and every business unit bears the responsibility for it.
- In each Division in charge of incidents that are required to be disclosed in a timely manner, the

responsible Executive Officer is appointed as a chief responsible person for timely disclosure, while the Senior Manager is designated as a responsible person for timely disclosure. The chief responsible person for timely disclosure is responsible for drafting procedures for in-house approval, including the Board of Directors and the Executive Committee, for matters involving information subject to timely disclosure and managing information subject to timely disclosure.

- The chief responsible person for timely disclosure and responsible person for timely disclosure take responsibility for formulating, maintaining, and supervising the timely disclosure framework within their Division to ensure that no important information fails to be disclosed. Inquiries concerning timely disclosure must be referred to the Information Disclosure Committee. One issue pertaining to this matter is whether the information is important enough to be disclosed on a timely basis.
- The Information Disclosure Committee is responsible for supervising the entire Company's timely disclosure in accordance with the Regulations for Timely Disclosure. No other division but the said Committee acts as the liaison for making timely disclosure.

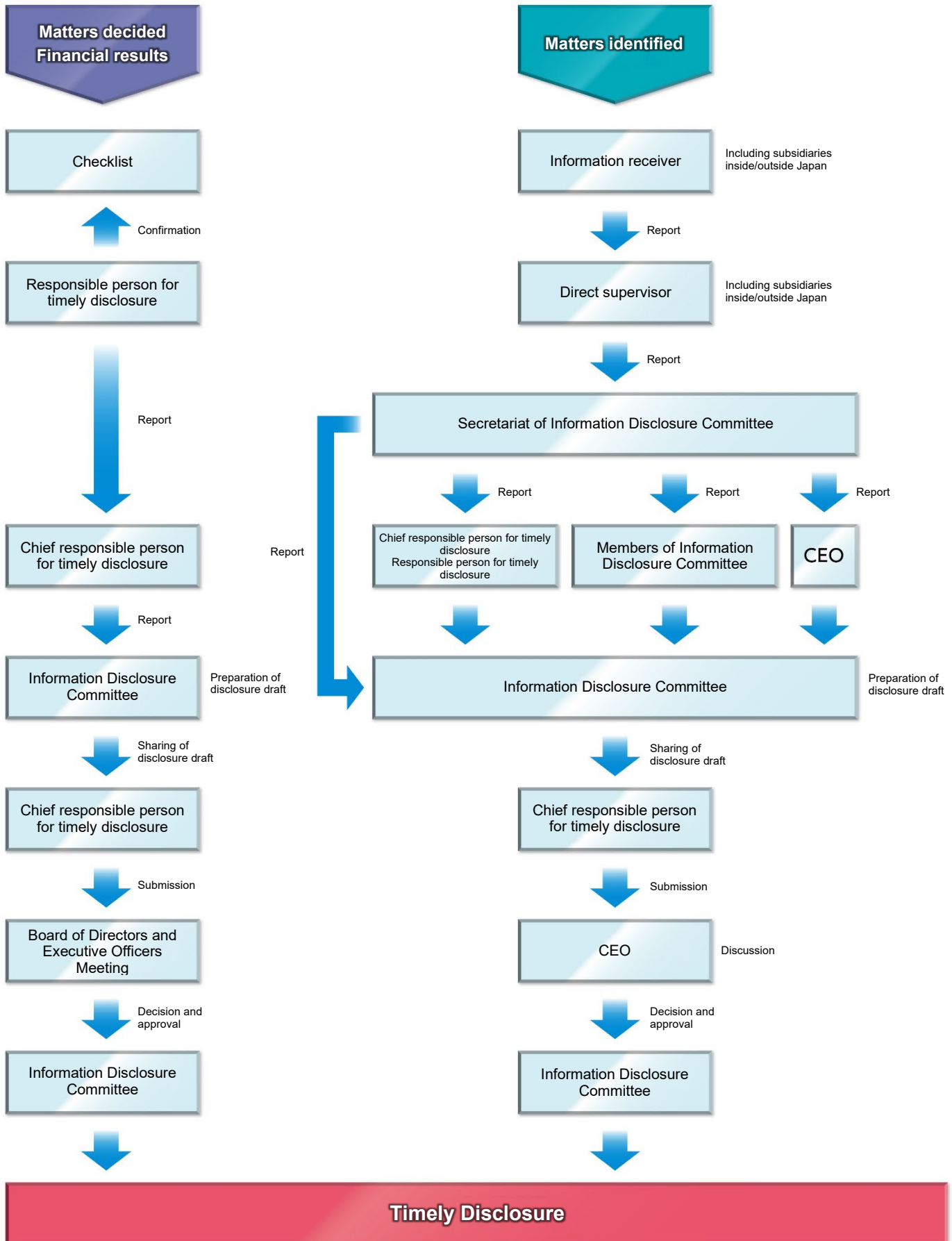
(3) Information Disclosure Committee

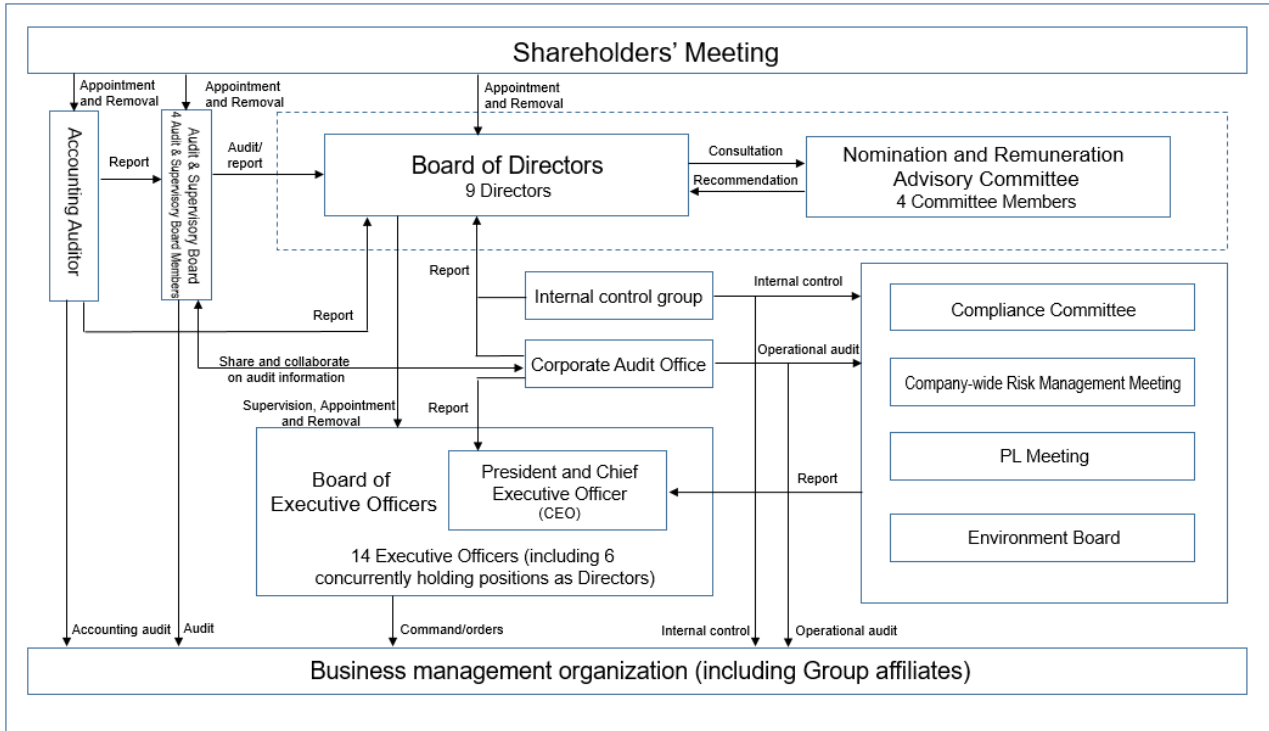
- The Information Disclosure Committee is responsible for maintaining and supervising the Company-wide timely disclosure framework.
- Any disclosed information concerning the Company is to be consolidated and managed by the Information Disclosure Committee, which acts as the contact point of external disclosure.
- The Information Disclosure Committee collaborates with Company lawyers or the Accounting Auditor regarding timely disclosure whenever necessary.
- Main roles of the Information Disclosure Committee are as follows:
  - (1) Determination of necessary information disclosure and support and advice to a chief responsible person for timely disclosure in drafting in-house approval procedures for matters involving information subject to timely disclosure
  - (2) Formulation, development, revision and abolition of the Regulations for Timely Disclosure
  - (3) Formulation, maintenance, and supervision of internal systems for timely disclosure
  - (4) Designing and securing the effectiveness of procedures for timely disclosure
  - (5) In-house education on timely disclosure (promotion of understanding and dissemination)
  - (6) Preparation of disclosure documents and implementation of timely disclosure
- The Information Disclosure Committee consists of the following members.

Chairman:	Executive Officer In charge of Administrative Division
Members:	Chief Financial Officer (CFO), General Manager of Corporate Strategy Department, General Manager of Corporate Communication Department
Secretariat Head:	General Manager of Corporate Secretary Office
Secretariat:	Corporate Communication Department (Public & Investor Relations Group), Corporate Secretary Office (Corporate Affairs Group)

# Overview of Timely Disclosure Framework (Pattern Diagram)

## Information Disclosure Flowchart







## (Reference) Skill matrix

The Company formulated a medium-term management plan, VISION 2023, in May 2021. The following is a summary of the areas of expertise and skills expected of the management team in order to solve the management issues faced by the Company and achieve medium to long-term improvements in corporate value, as well as to ensure diversity and balance on the Board of Directors.

### Director of the Board

Name					Years of service	Expected areas of expertise	Nomination and Remuneration Advisory Committee	Skills				
								Corporate management	Overseas business International business	Manufacturing and technology, R&D	IT Digital	Finance and M&As
IWATA Shinjiro	Male	Non-executive	External	Independent	5 years	Corporate management, telecommunications	●	●	●	●		
	Chairman of the Board											
EGUCHI Shoichiro	Male	Executive			11 years in total	Corporate strategy, marketing	●	●	●		●	
NOMURA Masao	Male	Executive			4 years	ICT*, business growth strategy		●	●		●	
MIYAMOTO Masatoshi	Male	Executive			5 years	Finance and accounting, business management		●			●	
SUZUKI Akira	Male	Executive			2 years	Technology development, supply chain			●	●		
KURIHARA Naokazu	Male	Executive			6 years in total	Human resources, human resource development, risk management		●	●			
SONODA Yoshio	Male	Executive			3 years	Intellectual property, research and development				●	●	
HAMASAKI Yuji	Male	Non-executive	External	Independent	3 years	Corporate management, technology development	● Chairman	●		●	●	
ONITSUKA Hiromi	Female	Non-executive	External	Independent	1 year	Business management, diversity	●	●	●		●	

\*: Information and communication technology

### Audit & Supervisory Board Member

Name					Years of service	Expected areas of expertise	Audit & Supervisory Board	Skills				
								Corporate management	Overseas business International business	Manufacturing and technology, R&D	IT Digital	Finance and M&As
IMAI Masaki	Male	Full-time			2 years	Management audits, production management	● Chairman	●				●
SAITO Katsumi	Male	Part-time	External	Independent	2 years	Corporate planning, legal, risk management	●	●	●			
KURIHARA Katsumi	Male	Part-time	External	Independent	2 years	Technical development, quality control	●			●	●	
FUJIOKA Tetsuya	Male	Part-time	External	Independent	1 year	Finance and accounting, accounting audits	●		●			●