

Supporting Regional Revitalization

Besides addressing societal issues through the AIDA Group’s business activities, we are also supporting activities to build local communities. We are actively supporting social initiatives aimed at enriching our communities and building a sustainable society.

Sponsorship of the “Supporting Children’s Futures” Program

As a TSE Prime-listed company headquartered in the city of Sagami-hara, AIDA is involved as a corporate sponsor of the “Supporting Children’s Futures” program run by the Sagami-hara Sports Association. In October 2024, we were selected as a sponsor of a local soccer club, the “OS Junior Sagami-hara.”* As a specific initiative under the same program, we sponsored a junior soccer tournament involving eight local teams battling in a fierce competition to win the “AIDA ENGINEERING-OS Junior Dream Cup for the U-8.” Through activities targeting the healthy growth of children, we will continue to support initiatives that revitalize the local community, develop human capital, and promote culture.

* Established in 1971, the “OS Junior Sagami-hara” soccer club has approximately 80 elementary school and kindergarten players.



Continuing Official Sponsorship of S.C. Sagami-hara

AIDA has had an official sponsorship contract with the J-League soccer club S.C. Sagami-hara since April 2022. We share the club’s vision of “being a part of, and developing and growing with the local community, and working together to build relationships that create universal pride.” As a leading partner for the club in the 2025 season, AIDA is lending it the support of the entire company as part of its efforts to help revitalize the community by supporting local culture. We are also involved in forest conservation activities in the Sagami-hara area together with the soccer club under the banner of “Activities to Foster Connections with Our Forests by AIDA ENGINEERING.” The program’s first event, with the aim of helping people learn by experiencing the lifecycle of forests, was held in May 2025.



Source:
S.C. SAGAMIHARA

Sponsorship of the Sagami-hara Stage of the “Tour of Japan 2025”

Since 2023, AIDA has proudly sponsored the Sagami-hara stage of the “Tour of Japan” road race, the premier UCI-sanctioned international cycling event held in Japan each year. Aiming to make this a cherished annual cultural event for the community, we are working to create an environment that will make cycling more appealing, such as holding events for children.

In May 2025, Sagami-hara hosted the seventh stage of the Tour of Japan 2025. Top-class cycling teams from around the world competed, and the event attracted approximately 24,000 spectators. Through our sponsorship we will continue to work with the local community to promote the event while also promoting sports to foster a healthy society.

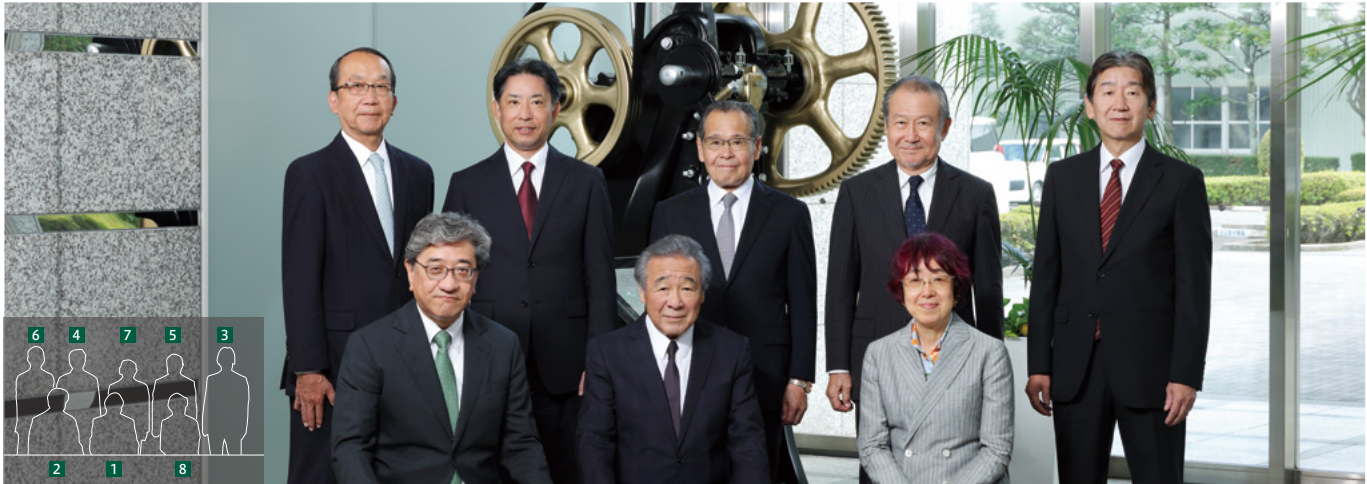


Source:
TOJ Organizing Committee

Source: TOJ Organizing Committee

Corporate Governance

Directors



- 1 Kimikazu Aida Representative Director and Chairman
- 2 Toshihiko Suzuki Representative Director and President (CEO)
- 3 Hiromitsu Ugawa Director, Managing Executive Officer
- 4 Junichi Yonaiyama Director, Operating Officer
- 5 Hirofumi Gomi Outside Director (Independent)
- 6 Mikio Mochizuki Outside Director (Independent)
- 7 Isao Iguchi Outside Director (Independent)
- 8 Kiyoe Kado Outside Director (Independent)

Director Skill Matrix

The Board of Directors is composed of sufficient members to ensure substantive and active discussion and also reflect an overall balance of knowledge, experience, and abilities together with appropriate diversity.

	Name	Gender	Independent	Primary Areas of Professional Expertise/Areas Where Significant Contributions Are Expected							IT & DX	Personnel Affairs & Human Resource Development
				Corporate Management	Accounting Finance Capital Markets	Risk Management Legal Affairs Compliance	International Operations	Sales & Marketing	Technology & Research and Development			
Inside	Kimikazu Aida	Male		○			○	○	○			
	Toshihiko Suzuki	Male		○		○		○	○	○		
	Hiromitsu Ugawa	Male			○	○	○					○
	Junichi Yonaiyama	Male					○	○				
Outside	Hirofumi Gomi	Male	✓	○	○	○						
	Mikio Mochizuki	Male	✓		○	○	○					
	Isao Iguchi	Male	✓					○		○		
	Kiyoe Kado	Female	✓			○						○

Note 1: “Risk Management/Legal Affairs/Compliance” includes the perspective of product liability (PL).
Note 2: The chart above shows fields in which the directors are particularly expected to make contributions to the Company’s management, and does not show all the skills and specialized knowledge that each director possesses.

Statutory Auditors



- Kiyotaka Sasaki Outside Statutory Auditor (Independent)
- Junichiro Hiratsuka Outside Standing Statutory Auditor (Independent)
- Fusakazu Kondo Outside Statutory Auditor (Independent)

Operating Officers

Managing Executive Officer	Yoshinori Ozaki	Division Manager, Service Headquarters Division Manager, Production Headquarters
Managing Executive Officer	Yoshiharu Hashimukai	Deputy Division Manager, Research and Development Headquarters Deputy Division Manager, Production Headquarters (Engineering)
Executive Officer	Naoki Nakatsuka	Deputy Division Manager, Production Headquarters (Procurement)
Operating Officer	Koji Okurano	Deputy Division Manager, Production Headquarters (Production)
Operating Officer	Takashi Koshimizu	Deputy Division Manager, Production Headquarters (Engineering)
Operating Officer	Hideki Abe	Deputy Division Manager, Production Headquarters (Production)

For further information about the reasons for appointing each director and the professional backgrounds of the directors and statutory auditors, etc., please refer to the Notice of the 90th Ordinary General Meeting of Shareholders and the 90th FY Annual Securities Report.

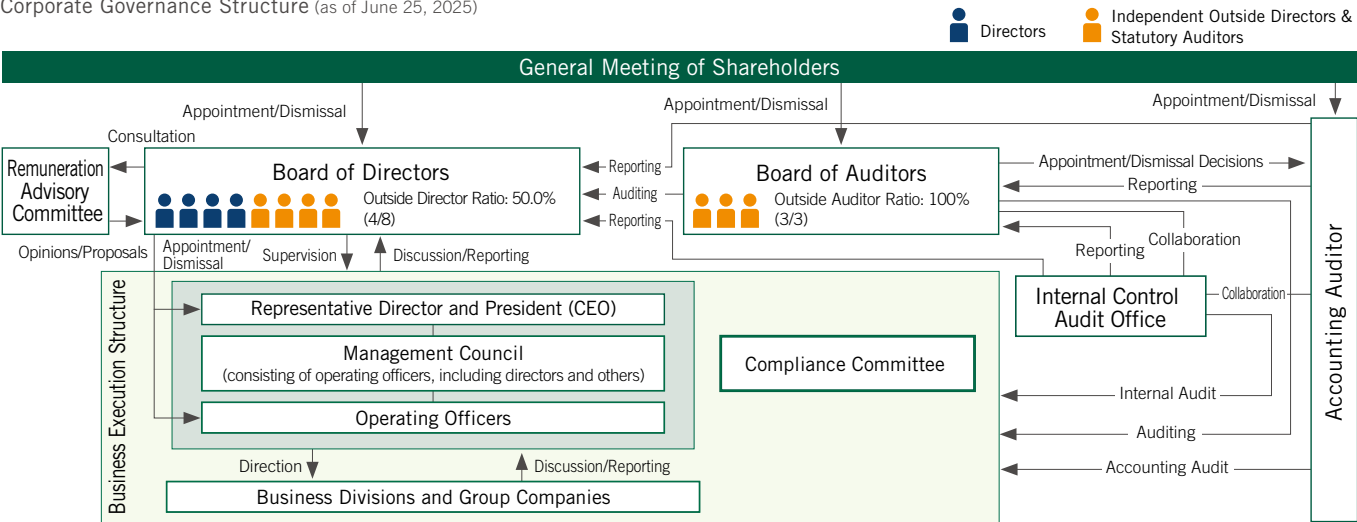
Notice of the 90th Ordinary General Meeting of Shareholders
<https://www.aida.co.jp/en/ir/event/index.html>

Corporate Governance

Basic Stance on Corporate Governance

Guided by our Group-wide corporate philosophy and management vision, the Company places top priority on having each Group company achieve sustainable and stable growth and improving corporate value. To this end, the Group has a global business management system led by Japan that organically connects our five global manufacturing facilities and our sales and Service operations around the world to make maximum use of their respective functions, and we are constantly enhancing our corporate governance structure to support this system.

Corporate Governance Structure (as of June 25, 2025)



Details about corporate governance and the status of the Company's implementation of Japan's Corporate Governance Code are described in the Corporate Governance Report. <https://www.aida.co.jp/en/ir/management/governance.html>

History of Strengthening Corporate Governance

	2000–	2006–	2015–	2023–
Institutional Design	- Board of Auditors composed entirely of outside auditors - Adopted an operating officer system	Established the Internal Control Audit Office		Established the Remuneration Advisory Committee
Remuneration		- Abolished an executive retirement benefits plan - Adopted a stock remuneration plan for inside directors	Reviewed and revised the stock remuneration plan for inside directors	Reviewed the remuneration system for inside directors and revised the stock remuneration plan
Composition of the Board of Directors	Appointed one outside director	- Established a system with two outside directors - All outside directors registered as independent directors - Appointed one foreign director	- Established a system with three outside directors - Structured so that at least one-third of Board members are outside directors	- Number of outside directors increased to four - Majority of Board members to be independent outside directors - Appointment of a female outside director
Other Items	- Established Action Guidelines - Shortened directors' terms from two years to one year	- Formulated a basic policy for the establishment of an internal control system - All statutory auditors registered as independent auditors	- Compliance with the Corporate Governance Code - Began evaluating the effectiveness of the Board of Directors - Disclosed the director skill matrix	- Abolished takeover defense measures - Disclosure of initiatives regarding an Action to Implement Management That Is Conscious of Cost of Capital and Stock Price

Directors, the Board of Directors, Operating Officers, and the Management Council

The Company has adopted an operating officer system since April 2001 to separate management supervisory functions and business execution functions, and strives to expedite management decision-making and clarify lines of authority and responsibility. The current management structure comprises operating officers who concurrently serve as directors, along with four outside directors (all of whom are independent directors). As a general rule, the Board of Directors convenes monthly ordinary board meetings with the President serving as the chair, and convenes extraordinary board meetings as needed, thereby performing a decision-making function for important matters mandated by law and a supervisory function for the execution of business operations.

In addition, the Management Council, which as a general rule is convened twice a month, is chaired by a person approved by the Board of Directors and is composed of operating officers and others. The Management Council deliberates and resolves important matters related to business execution based on management policies decided by the Board of Directors, and strives to achieve a consensus among management and the swift execution of business operations. Outside directors attend important meetings of the Board of Directors,

Management Council, and other bodies to develop a clear understanding of the current status of business execution by the Company and Group companies. They also provide valuable advice and suggestions on the Company's management from an objective perspective.

Specific Items Discussed by the Board of Directors in the Fiscal Year Ended March 31, 2025 (14 meetings)

- Monthly business execution status
- Establishment of a Remuneration Advisory Committee and the methods for determining amounts, etc.
- Policy for holding strategic shareholdings
- Agenda items relating to strategic investments
- Abolition of measures against large-scale acquisitions of Company stock (takeover defense measures)
- Acquisition and cancellation of treasury stock
- Other statutory matters, etc.

Overview of the Analysis and Evaluation of the Effectiveness of the Board of Directors

In order to further strengthen governance, all members of the Board of Directors, including outside directors and outside statutory auditors, complete an annual self-evaluation questionnaire on the subject of the Board's overall effectiveness, which combines a three-point evaluation scale with open comments.

Based on the results of this survey, we analyze the current situation, identify issues, and utilize the results to improve the operation of the Board of Directors and thereby increase the effectiveness of the Board as a whole.

The results of the survey from the fiscal year under review

confirmed that there are no significant issues relating to the overall effectiveness of the Board of Directors and supports the conclusion that it operates effectively. However, there were calls for increased opportunities for discussion and free exchange of opinions on topics such as growth investments and medium-term and long-term management issues. The Company is aware of this as an ongoing issue and will strive for improvement.

The Company will actively continue to improve the effectiveness of the Board of Directors by utilizing the recommendations in the questionnaires.

Statutory Auditors and the Board of Auditors

The Company has adopted a statutory auditor system. In order to strengthen the functions of the Board of Auditors, it has appointed three highly independent statutory auditors (all of whom are independent auditors), one of whom also serves as a standing statutory auditor. The activities of the statutory auditors include attending important meetings of the Board of Directors, the Management Council, and other bodies in accordance with the audit plan to oversee the performance of duties by directors, as well as asking questions and expressing opinions to ensure the legality and validity of the decision-making by the Board of Directors and other bodies. In addition, statutory auditors receive reports from the accounting auditor, listen to ask questions about business reports, examine important documents, and conduct inspections of the operations and assets of each division in order to monitor and gain a clear understanding of the status of management operations.

The Company has built a structure to support audits performed by the statutory auditors by assigning staff from the Internal Control Audit Office, the Finance & Accounting Department, and other administrative divisions.

Specific Items Discussed by the Board of Auditors in the Fiscal Year Ended March 31, 2025 (12 meetings)

- Formulation of audit plans; compilation of audit reports
- Determination of the appropriateness of the accounting audit and the appointment of accounting auditors, etc.
- Verification of resolutions and reported items from important meetings
- Verification of the status and operation of the internal control systems
- Internal audit status reports
- Reviews of non-assurance services performed by auditors
- Analysis/review of audit fees for the accounting auditor
- Other statutory matters, etc.

Corporate Governance

Remuneration Advisory Committee

Since April 2024, a voluntary Remuneration Advisory Committee has operated to improve transparency and objectivity in determining the remuneration of inside directors. The committee deliberates on matters such as individual remuneration for inside directors and the policy for calculating such, and presents its viewpoints and proposals

to the Board of Directors and the final decision maker. The Remuneration Advisory Committee is composed of four or more directors, including the Representative Director. More than half of the members are outside directors, and an outside director has been selected as the committee chair.

Remuneration for Directors and Statutory Auditors

In the fiscal year ended March 31, 2025, remuneration for the Company's directors and statutory auditors is shown in the table to the right:

Note: In addition to the amounts shown to the right, ¥43 million (including payments by subsidiaries) was paid in employee wages and bonuses to two directors also holding positions as employees.

*1 Performance-based remuneration is the amount reserved for bonuses for directors (and other officers)

*2 Non-monetary remuneration refers to expenses booked in the fiscal year under review based on the Board Benefit Trust (BBT) system, which was introduced after being approved in the 82nd General Meeting of Shareholders held on June 19, 2017

Officer Category	Number of Eligible Officers	Total Remuneration by Type (Million Yen)				Total (Million Yen)
		Monetary Remuneration			Non-Monetary Remuneration (Stock Remuneration)	
		Basic Remuneration	Performance-Based Remuneration	Subtotal		
Directors (Excluding Outside Directors)	4	139	68 ^{*1}	207	24 ^{*2}	231
Outside Directors	4	33	—	33	—	33
Statutory Auditors (All Outside)	3	26	—	26	—	26

Overview of the Status of the Internal Control System

Ensuring Appropriate Business Execution

For the appropriate and efficient execution of the Company's business, the Board of Directors and the Management Council deliberate and share information on important matters that could significantly affect management and discuss countermeasures as necessary. In the fiscal year under review, the Board of Directors and Management Council were convened 14 times and 17 times, respectively. Meanwhile, risks related to day-to-day operations are dealt with by the individual business division, with meetings of the divisional managers convened

where necessary to formulate response measures. Group-wide risks are addressed by a cross-Group committee for each risk area, including safety, the environment, disaster prevention, quality, compliance, export regulatory control, and product liability. We have also taken steps to enhance the effective practice of legal compliance by establishing an internal reporting hotline that connects to an outside attorney's office and to the Internal Control Audit Office.

Group Company Management Structure

Processes for both decision-making by Group companies and approval by the parent company are set forth in the AIDA Global Management Regulations. The Internal Control Audit Office takes the lead in monitoring whether actual operations are in line with the regulations in order to ensure the appropriate conduct of business operations at each Group company. Every month, each Group company presents a performance report and an update on the status of initiatives to the Board of Directors and the Management Council, and also shares the details of the Management Council meetings held regularly at each Group company with the Company's management team. In July 2025, to strengthen coordination and oversight of

governance between the Company and each Group company, we established a Global Operation Headquarters at Head Office. Moreover, at the AIDA Global Business Plan Meetings held twice a year, top management from the Company and each Group company gather to report their progress in achieving performance targets. They also share information on issues and risks faced by each Group company and discuss countermeasures. In addition, the Internal Control Audit Office regularly monitors the internal control and compliance status of each Group company and conducts regular on-site audits.

Compliance

To ensure legal compliance and high ethical standards in the conduct of its business, the Company formulated the AIDA Corporate Philosophy, the AIDA Group Action Guidelines, the Sustainability Policy, and the AIDA Group Human Rights Policy. Our Group Action policy states that AIDA will respect the dignity and basic human rights

of all stakeholders and create a corporate culture imbued with respect for mankind. We distribute relevant language versions of the AIDA Corporate Philosophy, the Sustainability Basic Policy and the AIDA Group Action Guidelines to domestic and overseas Group companies to ensure they are fully understood.

Compliance Framework

The Company established the AIDA Group Compliance Hotline*, a communication channel that provides access to an outside attorney and the whistleblower desk within the Internal Control Audit Office. The Company also has a system in place to receive reports from domestic and overseas Group companies regarding the status of compliance, and we are working to ensure appropriate operation and enhance the effectiveness of legal compliance.

Hotline reports are initially consolidated and presented to the executive officer in charge of internal controls. Depending on their importance, matters are also reported to the Compliance Committee

and the Board of Directors. These bodies discuss responses and recurrence prevention measures, and then issue directions. Meanwhile, the Internal Control Audit Office conducts various types of internal training to help ensure that all Group employees fully understand the AIDA Corporate Philosophy, the AIDA Group Action Guidelines, and the AIDA Group Compliance Hotline.

* A system for reporting compliance violations that have occurred or may occur— including legal actions and improper conduct—to the whistleblower desk. It was established to reinforce the AIDA Group's compliance management efforts.

Risk Management System

Risks related to the execution of management strategies are analyzed by the relevant business divisions, which also consider countermeasures. These matters are also discussed by the Board of Directors and Management Council as necessary. Risks related to daily operations are addressed by the respective business divisions based on the nature of the risk. We also have a flexible management system in place to help develop responses based on the degree of

operational impact, including committees for health and safety, product liability, export controls, and risk assessment promotion, and there are also other cross-functional committees as well as specific project teams. For managing crises such as natural disasters, we have created a Business Continuity Management Manual and a business continuity plan.

Information Security Initiatives

The Company formulates and implements regulations such as the Document Management Regulations, the Corporate Secrets Management Regulations and the AIDA Information Network System Management Regulations as measures to prevent the leakage of information from inside the Company.

In addition to managing software used in daily operations and monitoring and restricting internet access, the Company utilizes software to monitor computers for viruses, unauthorized access, and other issues. It also oversees remote access to the Company's internal systems from overseas Group companies. As part of its IT audit, the Company also verifies the status of anti-virus countermeasures implemented at major Group companies at least once a year, and also assures that security and information management systems are in place. The Company has advanced technological assets, and any

technology or intellectual property leaks, or any infringement of intellectual property rights, could threaten its fundamental management foundation.

For that reason, the Company protects technical information by restricting employee access to confidential drawing data, and when third parties require access to such information, a nondisclosure agreement is concluded beforehand. Moreover, all drawing data is encrypted to prevent it from being viewed on external devices. In addition, the Company actively seeks to obtain patents in Japan and overseas in order to protect intellectual property.

As described above, the Company has information security measures in place and works meticulously to protect technical information and intellectual property rights to support the advancement of business strategies.



Message from an Outside Director

Kiyoe Kado
Outside Director
(Independent)

I have served as a university professor for many years. I have studied civil law, especially secured transaction law. I graduated from university before the enactment of the Equal Employment Opportunity Law. I began my academic career in the late 1970s. In many instances, I was the first woman to occupy these positions. Women have made considerable progress in the workplace compared to when I graduated. AIDA, which was once considered a very male-oriented company, is now also proactively recruiting women.

With the current unprecedented labor shortage, all companies seem to have become proactive in hiring women, and the Japanese government is also actively promoting “women’s empowerment.” But why is it important to promote women’s recruitment and promotion

to managerial levels? It should not be simply a stopgap measure to remedy labor shortages. Rather, it should be to create workplaces that are supportive not only for women but also for everyone. We often hear the phrase “supportive workplace,” but what does it really mean? I think every employee has to think about its meaning. And for seeking an answer, frank and open discussions are indispensable.

A workplace where a wide range of opinions can be discussed freely—in other words, a workplace with an open culture—is vital in the current management environment, where uncertainty is growing and there is an ever-increasing number of issues that cannot be addressed solely through conventional approaches. I, as an outside director with an external perspective, will continue to make every effort to contribute to the enhancement of AIDA’s corporate value, taking into account the perspectives of not only our shareholders but also our employees, business partners, local communities, and other stakeholders.



Message from a Statutory Auditor

Junichiro Hiratsuka
Outside Statutory Auditor
(Independent)

With geopolitical risks compounded by concerns over the impact of the trade policies being pursued by the United States, there is a persisting sense of uncertainty in AIDA’s business environment. In response to these conditions, directors and statutory auditors engage in discussions during Board of Directors meetings, leveraging their particular expertise and knowledge in efforts to increase corporate value. Outside of Board of Directors meetings, there are additional opportunities for sharing information and exchanging opinions about the issues of the moment, such as business strategies and capital policy, and this has increased the Board’s effectiveness.

In the course of my work as a standing statutory auditor, I have many opportunities to interact with employees in the

workplace, but I sometimes feel that they find it hard to move beyond “the AIDA way” and “conventional methods.” One of the reasons is that, unlike members of the executive management team, they are rarely exposed to outside views. I think that an important role of outside statutory auditors is to encourage an awareness of different ways of thinking and of the modern ways of doing things and to monitor initiatives that are intended to improve the corporate culture.

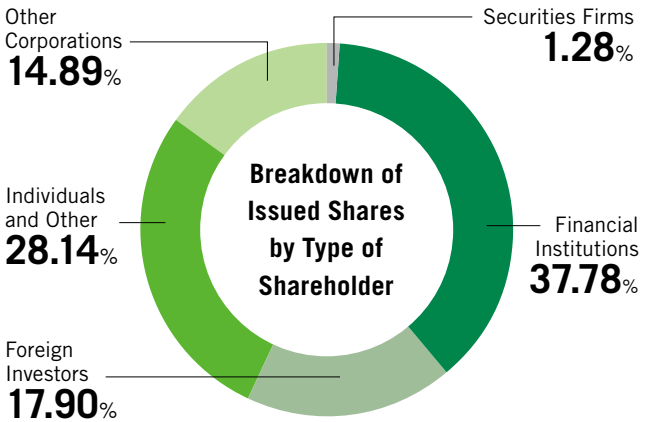
Based on audit findings, I speak with directors to exchange opinions and make proposals about management issues, ranging from the management of overseas Group companies to the management of Service operations. In order to contribute to increasing AIDA’s corporate value, going forward I am committed to fulfilling my duties as a statutory auditor by drawing on my own expertise and knowledge which I gained in the outside world, and working to ascertain the actual conditions in the workplace.

Stock Information

As of March 31, 2025

Securities Code	6118
Stock Listing	Tokyo Stock Exchange, Prime Market
Number of Shares Authorized	188,149,000
Number of Shares Issued	67,204,621
Number of Shares of Treasury Stock	9,665,994*
Number of Shares per Trading Unit	100
Number of Shareholders	8,672
Shareholder Registry Administrator	Mizuho Trust & Banking Co., Ltd.

* Number of shares of treasury stock includes 4,348,481 shares of treasury stock held by Custody Bank of Japan, Ltd. (Trust Account E) in a re-entrustment related to a J-ESOP (Japanese Employee Stock Ownership Plan) and BBT (Board Benefit Trust).
Note: In September 2025, the Company canceled 3,242,600 shares of treasury stock.



Major Shareholders (Top 10)*1

Name of Shareholders	Number of Shares Held (Thousands)	Percentage of Total Issued Shares (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	6,672	10.78
Custody Bank of Japan, Ltd. (Trust Account E)*2	4,348	7.03
The Dai-ichi Life Insurance Company, Limited	2,805	4.53
Nippon Life Insurance Company	2,587	4.18
Custody Bank of Japan, Ltd. (Trust Account)	2,577	4.16
Meiji Yasuda Life Insurance Company	2,516	4.07
MM Investments Co., LTD.	2,414	3.90
Mizuho Bank, Ltd.	2,179	3.52
MSIP CLIENT SECURITIES	1,886	3.05
AIDA ENGINEERING Trading-partner Shareholding Association	1,605	2.59

*1 Although the Company holds 5,317,513 shares of treasury stock, it is excluded from the major shareholders listed above.
Ownership percentages are based on 61,887,108 shares, the total number of issued and outstanding shares, less treasury stock.
*2 Shares shown as held by Custody Bank of Japan, Ltd. (Trust Account E) are being held in a re-entrustment related to a J-ESOP and BBT.

Share Price and Trading Volume

