



APR CORP.

# **REGULATIONS OF THE BOARD OF DIRECTORS**

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# REGULATIONS OF THE BOARD OF DIRECTORS

## CHAPTER I GENERAL PROVISIONS

### Article 1: Purpose

The purpose of these Regulations of the Board of Directors (hereinafter referred to as these “Regulations”) is to prescribe matters necessary for the efficient operation of the Board of Directors (hereinafter referred to as the “BoD”) of APR Co., Ltd. (hereinafter referred to as the “Company”).

### Article 2: Scope of Application

Matters concerning the BoD shall be governed by these Regulations, except as otherwise provided in relevant laws and regulations or the Articles of Incorporation.

### Article 3: Authorities

(1) The BoD shall resolve matters provided for in applicable laws and regulations or the Articles of Incorporation, matters delegated by the General Meeting of Shareholders, and matters relating to the execution of business as set forth in these Regulations.

(2) The BoD shall supervise the performance of duties by directors.

## CHAPTER II COMPOSITION

### Article 4: Composition

(1) The BoD shall be composed of all directors elected at the General Meeting of Shareholders.

(2) Members of the Audit Committee may attend meetings of the BoD and state their opinions.

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#### **Article 5: Chairperson**

- (1) The chairperson of the BoD shall be elected from among the outside directors by a resolution of the BoD.
- (2) In cases where the chairperson is unable to perform his/her duties, another director shall act on his/her behalf in the order determined by the BoD. Where the BoD has not designated a substitute in advance, the BoD may appoint a temporary chairperson.

#### **Article 6: Hearing of Opinions from Relevant Persons**

In deliberating on agenda items, the BoD may, where deemed necessary, request advisors, consultants, or relevant employees to attend meetings and provide explanations or opinions on such agenda items.

### **CHAPTER III MEETINGS**

#### **Article 7: Types of Meetings**

- (1) Meetings of the BoD shall consist of regular meetings and extraordinary meetings.
- (2) Regular meetings shall be held at least once each year.
- (3) Extraordinary meetings may be convened as necessary.

#### **Article 8: Authority to Convene**

Meetings of the BoD shall be convened by the Representative Director and President. In cases where the Representative Director is unable to perform his/her duties or the position is vacant, a substitute shall act on his/her behalf in the order prescribed in Article 5(2) of these Regulations.

#### **Article 9: Convocation Procedure**

- (1) In convening a meeting of the BoD, the date of the meeting shall be fixed, and notice thereof shall be given to each director at least seven (7) days prior to the meeting date.
- (2) With the unanimous consent of all directors, a meeting may be convened at any time without following the procedure set forth in paragraph (1).

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## **Article 10: Methods of Resolution**

(1) Resolutions of the BoD shall be adopted by the attendance of a majority of the incumbent directors and the affirmative vote of a majority of the directors present.

(2) Each director shall have one (1) vote.

(3) The BoD may allow all or some of the directors to participate in resolutions by means of remote communication, in lieu of attending the meeting in person. In such a case, the relevant directors shall be deemed to have attended the meeting in person.

## **Article 11: Matters for Resolution**

The BoD shall deliberate and resolve on the following matters:

1. Matters provided for in applicable laws and regulations, the Articles of Incorporation, or delegated by the General Meeting of Shareholders;
2. Issuance of bonds, approval of stock transfers, and cancellation of stock options;
3. Disposal and cancellation of treasury shares;
4. Disposal and transfer of major assets of the Company, and borrowing of significant funds;
5. Appointment and removal of managers, and the establishment, relocation, or closure of branches;
6. Supervision of the performance of duties by directors;
7. The right to convene General Meetings of Shareholders and the designation of the person authorized to convene BoD meetings;
8. Approval of transactions between a director and the Company, and approval of a director's competitive transactions;
9. Approval of financial statements and business reports;
10. Interim dividends;
11. Approval of merger agreements for simplified mergers or small-scale mergers;
12. Simplified share exchanges or small-scale share exchanges;
13. Appointment of the Representative Director or Co-representative Directors;
14. Issuance of new shares and capitalization of reserves;
15. Issuance of convertible bonds and bonds with warrants; and
16. Any other matters deemed necessary by the BoD for resolution in connection with the execution of business.

## **Article 12: Matters for Reporting**

The following matters shall be reported to the BoD:

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1. The progress and results of the implementation of BoD resolutions; and
  2. Any other matters deemed necessary for the performance of the BoD's duties.

#### **Article 13: Submission of Agenda Items**

- (1) Documents relating to agenda items to be submitted to the BoD shall be provided to the BoD at least three (3) business days prior to the date of the meeting.
- (2) Notwithstanding paragraph (1), the BoD may deliberate on matters without prior submission of agenda materials where such matters are deemed to require resolution, provided that the unanimous consent of all directors is obtained.

#### **Article 14: Preparation of Minutes**

- (1) Minutes shall be prepared with respect to the proceedings of the BoD.
- (2) The minutes shall include the agenda, the course of proceedings, and the results thereof, and shall be signed or sealed by the directors and Audit Committee members present and kept at the head office of the Company.

#### **Article 15: BoD Secretariat**

- (1) The BoD may establish a secretariat to support the administrative affairs of the BoD. The secretariat shall, under the direction of the BoD, perform duties including the issuance of meeting notices, organization and distribution of agenda materials, preparation of minutes, and follow-up actions on matters resolved by the BoD.
- (2) The secretariat may assign its personnel to perform the relevant duties through internal appointments.

## **CHAPTER IV BOD COMMITTEES**

#### **Article 16: BoD Committees**

- (1) The BoD may, at its discretion, establish the following committees:
  1. Audit Committee;
  2. Nomination Committee for (Outside) Director Candidates;
  3. Management Strategy Committee;
  4. Risk Management Committee;
  5. Transparency Management Committee;
  6. Systems Improvement Committee;

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7. Human Resources Committee; and
  8. Budget Review Committee.

(2) Detailed matters concerning the composition, authorities, and operation of each committee shall be determined by a resolution of the BoD.

## **CHAPTER V MISCELLANEOUS**

### **Article 17: Amendment and Repeal**

Any amendment to or repeal of these Regulations shall be subject to a resolution of the BoD.

## **ADDENDA**

### **ADDENDUM <Version 1.0, July 1, 2017>**

Article 1: Enforcement Date

These Regulations shall be established and enter into force on July 1, 2017.

### **ADDENDUM <Version 2.0, July 15, 2020>**

Article 1: Enforcement Date

These Regulations shall enter into force on July 15, 2020.

### **ADDENDUM <Version 3.0, June 22, 2023>**

Article 1: Enforcement Date

These Regulations shall enter into force on June 22, 2023.

### **ADDENDUM <Version 4.0, April 7, 2025>**

Article 1: Enforcement Date

These Regulations shall enter into force on April 7, 2025.