

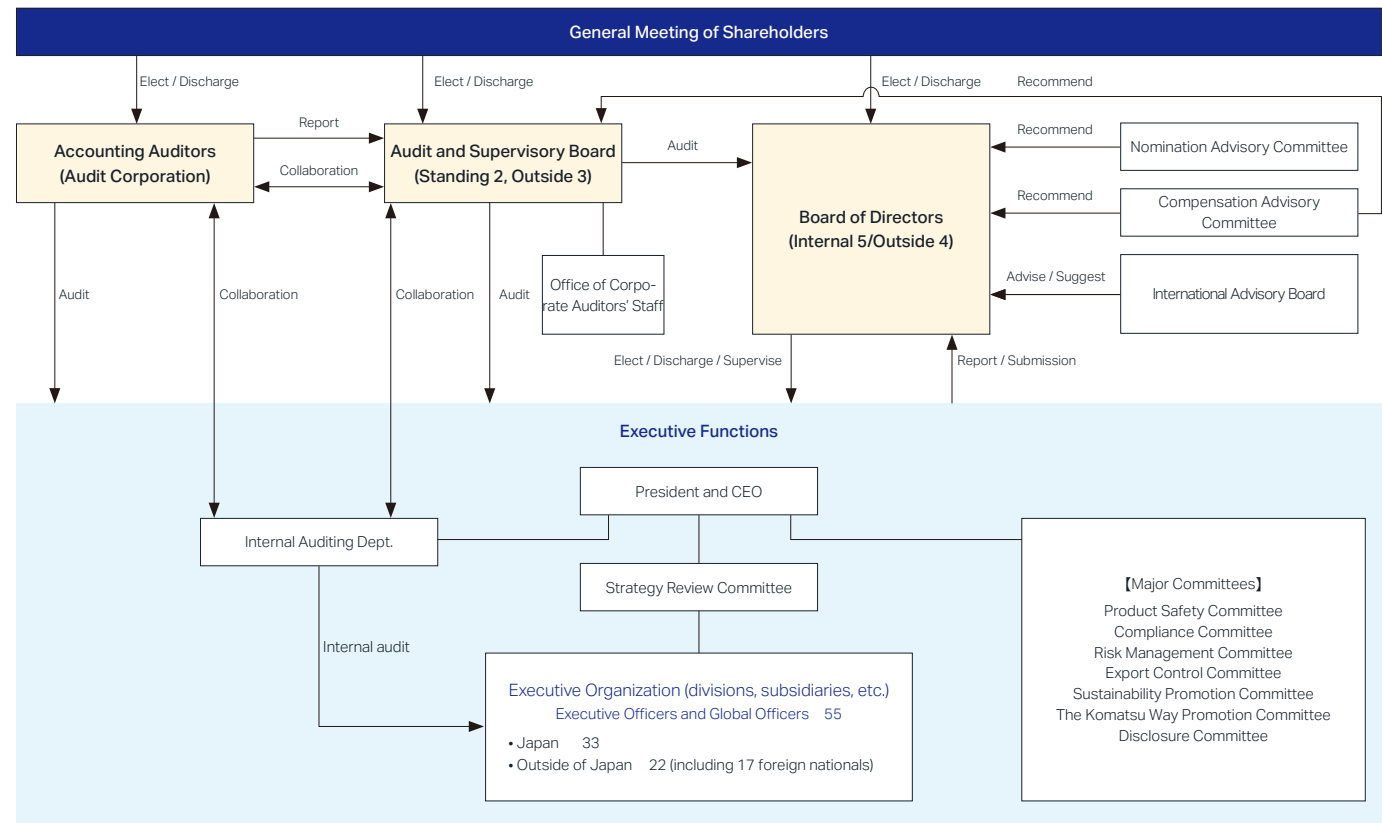
Corporate governance

It has been our management principle to commit ourselves to quality and reliability in order to maximize the total sum of trust given to us by society and all Komatsu stakeholders. To become a company that enjoys more trust from all stakeholders, Komatsu is working to strengthen corporate governance, improve management efficiency, advocate corporate ethics, and ensure sound management on a group-wide basis.

Corporate governance framework

At Komatsu, the Board of Directors is positioned as the core of corporate governance, and to improve the effectiveness of discussions at meetings of the Board of Directors, we have worked to put in place a system to ensure thorough discussions of important management matters and prompt decision-making, and reform their operational aspect. Having introduced the executive officer (*shikko yakuin*) system in 1999, we have separated management decision-making and supervisory functions from executive functions to the extent permitted by laws and regulations, limiting the Board of Directors to a small number of members while appointing Outside Directors and Outside Audit & Supervisory Board Members to ensure objectivity and the soundness of management.

Figure: Corporate governance chart*



*As of June 30, 2024.

Corporate governance

■ Corporate governance reforms

Komatsu has proceeded to implement reforms to its corporate governance system in order to ensure effective and adequate performance of matters related to management decision-making and oversight. Specific reforms have included separation of corporate management from business execution, enhancement of corporate management decision making by the Board of Directors, strict management and supervision of business execution, measures undertaken by Outside Directors to improve transparency and objectivity of management, and measures undertaken by the Audit & Supervisory Board to appropriately audit Directors' execution of duties. As a means of supplementing business execution, we established the International Advisory Board (IAB) in 1995. Through the IAB, we aim to secure objective advice and suggestions from experts about how to function as a global company by exchanging opinions and holding discussions. Going forward, we will pursue increases to the effectiveness of the Board of Directors while appointing Outside Directors to ensure transparency and soundness and promoting openness and accountability in management.

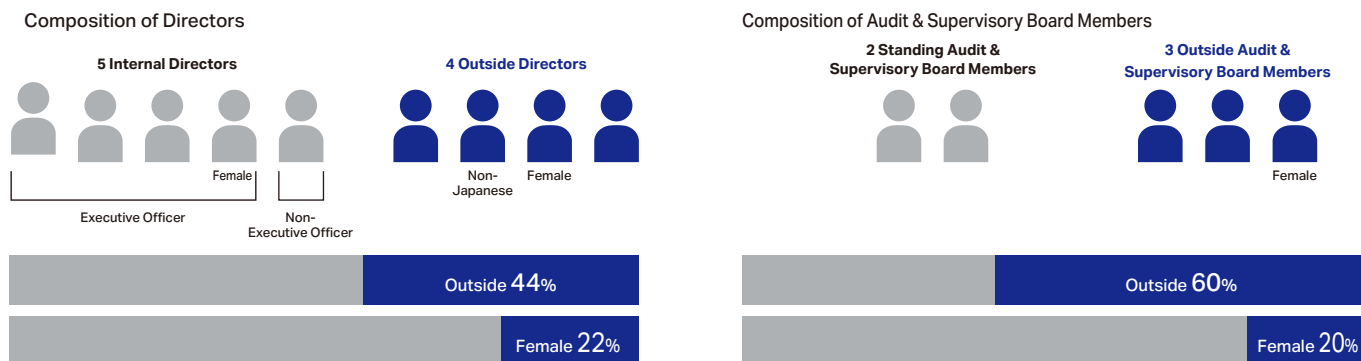
Figure: Number of the Board Members



Figure: Number of Audit & Supervisory Board Members



Figure: Composition of Directors and Audit & Supervisory Board Members (as of June 30, 2024)



Other organizations and systems

Organization / System	Establishment	Overview
Nomination Advisory Committee	2015	The Nomination Advisory Committee consists of four Outside Directors (including one committee chair) and two Internal Directors (the Chairman and the President). The committee deliberates the nominations of candidates for Directors and Audit & Supervisory Board Members, as well as the selection and dismissal of Executive Officers, including the President (CEO), and reports to the Board of Directors.
Compensation Advisory Committee	1999	The Compensation Advisory Committee consists of five outside members (four Outside Directors (including the chair and one Outside Audit & Supervisory Board Member) and one Internal Director (the Chairman). For greater objectivity and transparency in Director and Outside Audit & Supervisory Board Member compensation, the committee deliberate compensation policies and compensation levels, and report to the Board of Directors or Audit & Supervisory Board Members.
International Advisory Board	1995	It was established with the purpose of incorporating the objective advice and suggestions of external experts on the management and corporate activities expected of a global company into the discussions of the Board of Directors.
Executive Officer System	1999	It was introduced in 1999 to separate supervisory functions from executive functions. This system has enabled the Company to limit the Board of Directors to a small number of members.
Global Officers	2016	Global officers are appointed to senior management positions at major group companies outside of Japan to facilitate the consolidated management of the Komatsu Group.

Corporate governance

Board of Directors

The Company holds Board of Directors' meetings periodically, at least once every month. The Board of Directors deliberates and makes resolutions on important matters, determines management policies of the Komatsu Group, and rigorously controls and supervises the execution of duties by all members of the executive management team including Representative Directors. Of the nine (9) Directors on the Board, four (4) are Outside Directors to ensure transparent and objective management. The members of the Board of Directors are as listed under 1) Meeting frequency and attendance, below. The chairman of the board chairs meetings of the Board of Directors.

The Board of Directors make decisions on important management matters based on the Standards for Matters to be Referred to a Meeting of the Board of Directors and reports on business execution. The Board holds free discussions on topics related to medium- and long-term issues at Board of Directors meetings and opportunities outside Board of Directors meetings.

To ensure thorough discussions by the Board of Directors, the Company secures ample time for thorough discussions and has adopted a process in which the Board of Directors meets twice to discuss and resolve important agenda items separately. While the business execution reports in Board meetings cover virtually 100% of businesses on a consolidated revenue basis, details of very small operations are also reported, focusing on safety, compliance, and risk matters.

The President reports at Board of Directors meetings monthly regarding the most recent important matters and topics, including safety, compliance, and risk. The CFO also reports monthly on the status of sales, profit and loss, orders received, and borrowings.

(1) Activities of the Board of Directors

1) Meeting frequency and attendance

During FY2023, the Company held 16 meetings of the Board of Directors, and the attendance of individual directors is shown as follows.

Position	Name	Frequency*	Attendance rate
Chairman of the Board	Tetsuji Ohashi	16	100%
President and CEO	Hiroyuki Ogawa	16	100%
Representative Director	Masayuki Moriyama	16	100%
Representative Director	Kiyoshi Mizuhara	4	100%
Director	Takeshi Horikoshi	16	100%
Director	Mitsuko Yokomoto	12	100%
Outside Director	Takeshi Kunibe	16	100%
Outside Director	Arthur M. Mitchell	15	93%
Outside Director	Naoko Saiki	16	100%
Outside Director	Michitaka Sawada	16	100%
Standing Audit & Supervisory Board Member	Yasuhiro Inagaki	16	100%
Standing Audit & Supervisory Board Member	Terumi Sasaki	16	100%
Outside Audit & Supervisory Board Member	Eiko Shinotsuka	4	100%
Outside Audit & Supervisory Board Member	Kotaro Ohno	16	100%
Outside Audit & Supervisory Board Member	Tatsuro Kosaka	16	100%
Outside Audit & Supervisory Board Member	Mariko Matsumura	12	100%

*Representative Director Kiyoshi Mizuhara and Outside Audit & Supervisory Board Member Eiko Shinotsuka retired at the 154th Ordinary General Meeting of Shareholders held in June 2023, and Director Mitsuko Yokomoto and Outside Audit & Supervisory Board Member Mariko Matsumura were appointed at the same Ordinary General Meeting of Shareholders. Therefore, the number of meetings of the Board of Directors to be attended differs from that of other Directors and Audit & Supervisory Board Members.

2) Number of agenda items, etc., for Board of Directors meetings in FY2023

Agenda item numbers	Resolutions	29
	Deliberations	4
	Reports	43
Free discussion	2	

Activities outside the Board of Directors

In addition to meetings, of the Board of Directors Members took part in the following activities.

- (1) Free discussions were arranged centering on the topic of medium- to long-term management issues.
- (2) Outside Directors and Outside Audit & Supervisory Board Members held meetings at which these Outside Board Members shared opinions regarding management issues from their objective and independent standpoints. Discussions with the President were also arranged to foster sharing recognition.
- (3) Outside Directors and Outside Audit & Supervisory Board Members participate in business site tours to gain a deeper understanding of the Group's business and exchange opinions with employees.



Tour of the Test Engineering Center (Oita Prefecture)



Plant tour of the Komatsu NTC Ltd.

Corporate governance

Supporting system for Outside Directors and Audit & Supervisory Board Members

The support systems for Outside Directors and Outside Audit & Supervisory Board Members include the following.

Distribution of materials and pre-meeting briefings	As a general rule, the Company provides materials for Board of Directors meetings to Outside Directors and Outside Audit & For newly appointed Outside Directors and Outside Audit & Supervisory Board Members, the concerned departments conduct explanatory meetings on the agenda items to be discussed at meetings of the Board of Directors, as needed. Such meetings are attended by the Secretariat of the Board of Directors and held prior to Board of Directors meetings.
Discussion process	With respect to matters that may be of particular importance, the Board of Directors discusses them at the Board of Directors meeting prior to the Board of Directors meeting where such matters are scheduled for resolution. In this manner, the Company ensures that the Directors have sufficient time to review the matters before decisions are made and that they will have an opportunity to consider the points noted in earlier discussions before deciding upon such matters.
Material database	The Company has built a database that houses materials, minutes, and other information on past Board of Directors and other major committee meetings. This database can be accessed by all members of the Board of Directors and the Audit & Supervisory Board Members, including outside members. The Company has also built a database to manage materials and minutes of past meetings of the Audit & Supervisory Board. This database can be accessed by all Audit & Supervisory Board Members, including outside members.

Evaluation of the effectiveness of the Board of Directors

The results of the evaluation of the effectiveness of the Board of Directors conducted in FY2023 were as follows.

(1) Process of analysis and evaluation

With regard to the process of analysis and evaluation, the Company has confirmed the evaluation method for FY2023 based on the effectiveness evaluation method and results of the Board of Directors' evaluation from the previous fiscal year.

This fiscal year, we engaged a third-party organization to participate in the evaluation process to enhance objectivity and transparency.

Outline of evaluation of the effectiveness of the Board of Directors

Subjects	All nine Directors and all five Audit & Supervisory Board Members
Conduction/ Evaluation	<ol style="list-style-type: none"> 1) Questionnaire filled out by the subjects 2) Interviews with subjects (conducted by a third party) 3) Analysis and evaluation by a third party organization based on (1) and (2) above 4) Discussion by Outside Directors and Outside Audit & Supervisory Board Members 5) Discussion by Internal Directors and Standing Audit & Standing Audit & Supervisory Board Members 6) Analysis and evaluation based on (1) through (5) above followed by planning and drafting of a proposal for holding a Board of Directors meeting 7) Report and discussion at the Board of Directors meeting
Questions (Major Categories)	<ol style="list-style-type: none"> 1) Roles and functions of the Board of Directors 2) Size and composition of the Board of Directors 3) Proceedings of Board meetings (agenda setting) 4) Proceedings of Board meetings (reporting and explanation, provision of information, follow-up) 5) Discussion at Board meetings 6) Business understanding and communication 7) Self-evaluation

(2) Outline of the evaluation results

After reviewing the discussion by the Board of Directors, based on the analysis of the questionnaires, interviews, and discussions arranged as part of the evaluations of effectiveness, the Company has confirmed that the effectiveness of the Komatsu Board of Directors remains ensured with a generally high level in regard to each of the evaluation items.

The main points that were highly rated were as follows:

- 1) Diversity of Board members (background, internationality, gender, etc.)
- 2) Timely provision of information and explanation of management issues through the President's report made at the beginning of Board meetings
- 3) Provision of explanatory videos in advance of Board meetings to simplify explanations on the day of the meeting and to ensure sufficient time for discussion
- 4) Frank and multifaceted discussions by members with diverse backgrounds and knowledge
- 5) Steady improvement of issues in meeting operations

Conversely, the issues to be further examined in the future are as follows:

- 1) Continuation and enhancement of discussions on medium and long-term issues (business portfolio, changes in the internal and external environment, human capital, etc.) to enhance corporate value
- 2) Continuation of clarification of discussion themes in agenda for reports, concise reports focusing on the day's key discussion points, etc.
- 3) Enhancement of opportunities for free discussions and other discussions outside Board of Directors meetings

In FY2024, the Company will work on these points to achieve an even more effective Board of Directors.

Corporate governance

Audit & Supervisory Board

The activities of the Audit & Supervisory Board Members and the Audit & Supervisory Board were as follows.

(1) Frequency of and attendance at meetings of the Audit & Supervisory Board

In FY2023, 15 meetings of the Audit & Supervisory Board were held, and the attendance of individual Audit & Supervisory Board Members is as follows.

Position	Name	Frequency*	Attendance rate
Standing Audit & Supervisory Board Member	Yasuhiro Inagaki	15	100%
Standing Audit & Supervisory Board Member	Terumi Sasaki	15	100%
Outside Audit & Supervisory Board Member	Eiko Shinotsuka	4	100%
Outside Audit & Supervisory Board Member	Kotaro Ohno	15	100%
Outside Audit & Supervisory Board Member	Tatsuro Kosaka	15	100%
Outside Audit & Supervisory Board Member	Mariko Matsumura	11	100%

* Outside Director Eiko Shinotsuka retired at the 153rd Ordinary General Meeting of Shareholders held in June 2024, and Outside Director Mariko Matsumura was appointed at the same Ordinary General Meeting of Shareholders. Therefore, the number of meetings of the Audit & Supervisory Board attended differs from that of other Audit & Supervisory Board Members.

(2) Details of discussions at meetings of the Audit & Supervisory Board

Details of discussions at meetings of the Audit & Supervisory Board in FY2023 are as follows:

- 1) Made resolutions after deliberation on the audit policy, audit method, key audit matters, allocation of duties, and audit report
- 2) Conferred with the independent auditor to identify key audit matters (KAMs) in the audit and confirmed that these were disclosed properly
- 3) Discussed and confirmed the method of the independent auditor's audit, the appropriateness of the results, and its independence of the independent auditor
- 4) Discussed the appointment or dismissal of the independent auditor and passed a resolution for reappointment
- 5) Received reports on internal audit results of the Company and its subsidiaries from the Internal Auditing Department and offered appropriate opinions and discussed said matters
- 6) Received a report from the Compliance Department on the status of its activities and offered appropriate opinions and discussed said matters
- 7) Investigated the status of implementation of the basic policy on internal controls and confirmed no issues
- 8) Discussed and passed resolutions regarding the revision of the Company's Audit & Supervisory Board regulations and audit standards for Audit & Supervisory Board Members in light of revisions of laws and regulations
- 9) The Audit & Supervisory Board also discussed and implemented improvements for efficient and effective operation of the Audit & Supervisory Board and audit duties.

(3) Activities of Audit & Supervisory Board Members

In accordance with the audit policies, assignment of duties, and other matters determined by the Audit & Supervisory Board, the Audit & Supervisory Board Members attended important meetings of the Board of Directors, the Strategy Review Committee, the Compliance Committee, the Risk Management Committee, and other bodies, and inspected and confirmed business operations and assets through review of important resolution documents and associated information as well as on-site inspection of the Company and its subsidiaries.

Moreover, the Audit & Supervisory Board Members endeavored to communicate and exchange information with Representative Directors, other Directors and Audit & Supervisory Board Members, and the management of the Company and its subsidiaries, and received explanations and reports on execution of their duties and the status of businesses and also periodically received explanations and reports on the establishment, improvement, and operation of internal control systems and expressed opinions as needed. In addition, the Audit & Supervisory Board Members worked to improve the environment for auditing through liaison meetings and individual interviews with the Internal Auditing Department and subsidiaries' standing Audit & Supervisory Board Members while maintaining close contact to enhance effectiveness.

Furthermore, Audit & Supervisory Board Members also monitored and verified whether the independent auditor maintained its independent position and implemented appropriate audits, received reports on the execution of duties from the firm, and requested an explanation as needed.



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■ Activities of advisory committees

Nomination Advisory Committee

The Nomination Advisory Committee (66.7% of members are Outside Directors) consists of four Outside Directors (including one committee chair) and two Internal Directors (the Chairman and the President). The committee deliberates the nominations of candidates for Directors and Audit & Supervisory Board Members, as well as the selection and dismissal of Executive Officers, including the President (CEO), and reports to the Board of Directors.

In selecting candidates, the committee also considers diversity in terms of gender, nationality, and race. The Board of Directors deliberates and decides on the nomination of candidates for Directors and Audit & Supervisory Board Members, as well as the selection and dismissal of Executive Officers, etc., based on the reports received.

Compensation Advisory Committee

For greater objectivity and transparency in Director and Outside Audit & Supervisory Board Member compensation, the Compensation Advisory Committee (83.3% outside members), which consists of five outside members (four Outside Directors (including the chair and one Outside Audit & Supervisory Board member) and one Internal Director (the chair), deliberate compensation policies and compensation levels. Based on reports received from the committee, the Board of Directors determines compensation for Directors and the Audit & Supervisory Board Members discuss and determine compensation for Audit & Supervisory Board Members within the scope of total compensation resolved in advance at the general meeting of shareholders.

	Nomination Advisory Committee	Compensation Advisory Committee
Membership	Six members (including Chairperson) <Chairperson> Outside Director Takeshi Kunibe <Committee Members> Outside Director Arthur M. Mitchell Outside Director Naoko Saiki Outside Director Michitaka Sawada Chairman of the Board Tetsuji Ohashi President and CEO Hiroyuki Ogawa	Six members (including Chairperson) <Chairperson> Outside Director Takeshi Kunibe <Committee Members> Outside Director Arthur M. Mitchell Outside Director Naoko Saiki Outside Director Michitaka Sawada Outside Audit & Supervisory Board Member Kotaro Ohno Chairman of the Board Tetsuji Ohashi
Purpose	Deliberation, resolution, and reporting to the Board of Directors on selection of the next President and human resource development methods, succession plans, and appointment and dismissal of Directors	Deliberation, resolution, and reporting to the Board of Directors and Audit & Supervisory Board on remuneration systems for Directors, Audit & Supervisory Board Members, and Executive Officers to ensure objectivity and transparency
Meetings in FY2023	3	4
Agenda items in FY2023	<ul style="list-style-type: none"> • Selection and cultivation of candidates for the next President • FY2024 nomination of Director and Audit & Supervisory Board Member candidates • Director and Audit & Supervisory Board Member skill matrix • Selection of Executive Officer candidates • Membership of Nomination Advisory Committee and Compensation Advisory Committee in FY2024, etc. 	<ul style="list-style-type: none"> • Revision of Director and Audit & Supervisory Board Member compensation • Policy for determining Director compensation, etc. • Revision of compensation system and stock-based remuneration system for directors • Monthly compensation levels for Directors and Audit & Supervisory Board Members for FY2024 • Evaluation indicators for performance-based remuneration for Directors in FY2024, etc.

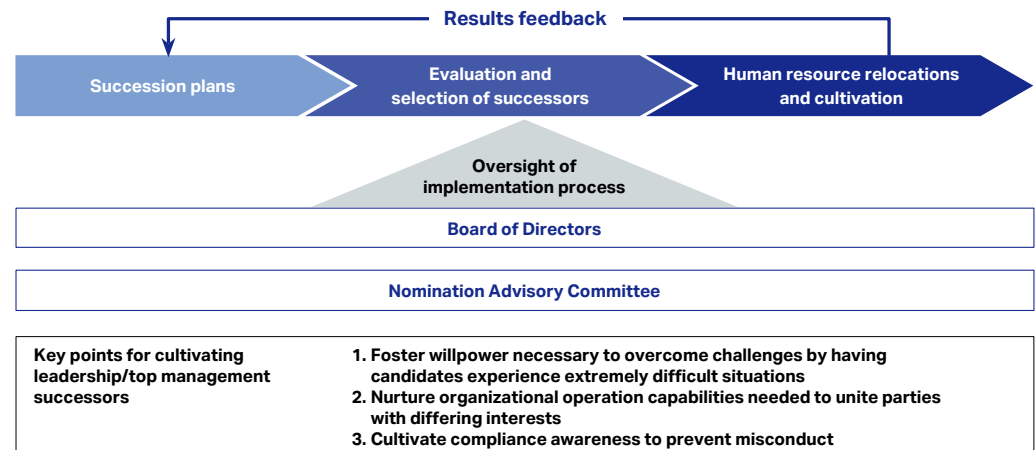
■ Succession plans

One of the items contained in the guidelines for leadership / top management that has been clearly delineated in The Komatsu Way is “continue to think about your succession plan.”

In order to ensure that Komatsu’s management values are transmitted to the next generation, the basic requirements for candidates for the position of President are discussed and clearly defined by the Nomination Advisory Committee. In addition, successors for important global positions up to and including that of the President are decided through the annual implementation of succession plans (see chart below).

Selected candidates are assigned to challenging tasks and granted even larger roles in the organization to systematically develop them in an environment that encourages the pursuit of mutual growth.

Figure: Overview of succession plans



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■ Remuneration systems

In an effort to maintain an objective and transparent remuneration system, the policy and levels of remuneration for Directors and Audit & Supervisory Board Members of the Company are deliberated by the Compensation Advisory Committee. With regard to the level of monthly remuneration paid as basic remuneration, comparison by position at other key, globally active manufacturers in Japan is made by the Compensation Advisory Committee and is reflected in its reports and recommendations.

The remuneration for Directors excluding the Outside Directors (hereinafter "Internal Directors") comprises basic remuneration (fixed remuneration) and performance-based remuneration linked to the Company's consolidated performance for a single fiscal year (bonus in cash and the stock-based remuneration A) as well as the performance based remuneration (stock-based remuneration B) that will reflect the degree of achievement of the targets raised in the mid-term management plan, so that it will further contribute to the enhancement of the medium- and long-term corporate value of the Company, by linking the remuneration.

The remuneration for Outside Directors only consists of basic, in consideration of their role as members of the Board of Directors to make recommendations on overall management.

Furthermore, the remuneration for Audit & Supervisory Board Members only consists of basic (fixed remuneration) designed to support their independent position with authority to audit the execution of duties by Directors without getting fettered by the movements of corporate performance of the Company.

The retirement allowance system for Directors and Audit & Supervisory Board Members was terminated as of June 2007.

Figure: Composition of remuneration of Directors and Audit & Supervisory Board Members

Internal Directors	Monetary remuneration		Stock-based remuneration	
	Basic remuneration	Performance-based remuneration for a single year (Monthly remuneration (base amount by position for stock-based remuneration) x 0-27 months)		Mid-term management plan performance-based remuneration (base amount by position x 0-3 months)
		↓0-12 months	↓0-15 months	
Monthly remuneration x 12 months	Bonus in cash	Stock-based remuneration A Stock-based remuneration (trust) (granted upon retirement)	Stock-based remuneration B Stock-based remuneration (trust) (granted upon retirement)	

Outside Directors and Audit & Supervisory Board Members	Monetary remuneration	← Not influenced by the Company performance
	Basic remuneration	
	Monthly remuneration x 12 months	

After consultation with the Compensation Advisory Committee and receiving a report from the same, the Komatsu Board of Directors resolved on April 26, 2024, to revise the remuneration plan for Internal Directors. The resolution was approved at the Ordinary General Meeting of Shareholders held in June 2024. With this revision, the ratio of stock-based remuneration will be increased and the timing of stock grants to Directors will be upon retirement. The objective of this revision is to further enhance Director awareness of their contribution to the Company's medium- to long-term performance and role in corporate value enhancement, as well as to establish common interests with shareholders.

Specifically, the performance-based stock-based remuneration will be revised to include a trust-type stock-based remuneration plan (Board incentive plan trust) in place of the previous restricted stock-based remuneration system. In addition, the maximum for single-year performance-based stock-based remuneration (stock-based remuneration A) will be increased from 12 months to 15 months of monthly remuneration. As a result, the maximum amount of performance-based remuneration (cash bonus and stock-based remuneration A) for a single fiscal year will be revised from 24 months to 27 months of monthly remuneration. While the previous restricted stock-based remuneration plan had a three-year restricted stock transfer period, the new trust-type stock-based remuneration plan will call for stock to be delivered to Directors at the time of retirement.

Performance-based remuneration for a single fiscal year

The basic consolidated performance indicators for a single fiscal year will be consolidated ROE^{*1}, consolidated ROA^{*2}, and consolidated operating profit ratio. The plan will also take growth potential (consolidated sales growth rate) into account and evaluate performance based on the ratios shown in the table below to calculate the total amount of performance-based remuneration paid each year.

Consolidated performance-based remuneration indicators for a single fiscal year

	Indicator	Ratio
Basic Indicator	Consolidated ROE ^{*1}	50%
	Consolidated ROA ^{*2}	25%
	Consolidated operating profit ratio	25%
Adjustment Indicator	Adjusted by consolidated sales growth	

*1 ROE = Net income attributable to Komatsu Ltd./((beginning shareholder's equity + ending shareholders' equity)/2)

*2 ROA = Income before income taxes and equity in earnings of affiliated companies/((beginning total assets + ending total assets)/2)

A certain percentage of the total amount of consolidated performance-based remuneration paid in a single fiscal year shall be paid as a cash bonus. The remainder, less said cash bonus, shall be paid as stock-based remuneration subject to a resolution of the Board of Directors (stock-based remuneration A). The goal here is to encourage the sharing of common values with shareholders. However, the maximum cash bonus shall be equivalent to 12 months of monthly remuneration. Any portion exceeding 12 months shall be paid as stock-based remuneration A in lieu of cash. Stock-based remuneration A shall be a trust-type stock-based remuneration (board incentive plan (BIP) trust for Directors), and the number of share delivery points shall be determined and granted to eligible Internal Directors each fiscal year. When an eligible Director retires, the Director in question will be paid for the number of Company shares equivalent to the number of the points granted to the time of retirement in a monetary amount equivalent to the cash proceeds from the conversion of the Company shares.

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Performance-based remuneration linked to performance of the mid-term management plan

Komatsu will pay eligible Directors the equivalent of a three-month portion of the base amount by position every fiscal year as remuneration linked to the period of the Company's mid-term management plan by granting stock-based remuneration (Stock-Based Remuneration B). Stock-Based Remuneration B shall be a trust-type stock-based remuneration plan (BIP trust for Directors), and single fiscal year points shall be allocated to eligible Directors each fiscal year in accordance with their position in the Company. After the end of the period of the mid-term management plan in question, the number of points to be granted will be determined by calculating the cumulative total of single-year points granted to eligible Directors and multiplying this cumulative total by a performance-based coefficient based on the achievement of the mid-term management plan targets and other factors. Upon retirement, the Director in question will be paid for the number of Company shares equivalent to the number of points granted to the time of retirement in a monetary amount equivalent to the cash proceeds from the conversion of Company shares.

P.34 Management targets

Malus and clawback system

Komatsu resolved to adopt a malus (reduction or confiscation) and clawback (return) system at a meeting of the Board of Directors held on April 28, 2022. In the event of a significant revision of financial statements or an event that has a significant impact on the reputation of the Company due to the execution of business by Directors, the performance-based remuneration paid to the Internal Directors could be required to be reduced, confiscated, or refunded. In principle, the content of the refund request, etc. be decided by the Board of Directors after deliberation by the Compensation Advisory Committee according to each event.

* The performance indicators used as the basis for calculating remuneration are subject to change upon a resolution of the Board of Directors.

International Advisory Board (IAB)

Komatsu established the International Advisory Board (IAB) in 1995 to incorporate objective advice and suggestions from external experts into the Board of Directors concerning management and operations of Komatsu as a global company. The IAB has met a total of 39 times through meetings of traditional bodies and new organizations combined. In FY2023, the advisors took part in discussions with Directors and Audit & Supervisory Board Members and provided advice and suggestions with regard to carbon neutrality and Komatsu competitive strategy built in digital transformation.

The advisors for the 9th IAB session were selected and began new activities in April 2024. We will continue to enhance corporate value by improving management and strengthening corporate governance further, making use of advice from an international and multifaceted perspective on the various management issues surrounding the Company.

Advisors of the 9th session (current)



John Paul Bilbrey

Former Chairman, President and CEO, Hershey Company



Baba N Kalyani

Chairman and Managing Director, Bharat Forge Ltd.



Heinz-Gerhard Wente

Chairman of the Supervisory Board, Salzgitter AG

Major executive committees

Committee name	Purpose	Meeting frequency (yearly)*2
Product Safety Committee	Discussions on and decisions regarding policies and systems related to product safety activities and technologies, assessment of product safety activities of business divisions and deliberation on issues regarding said activities, and reporting of important matters at monthly Board of Directors' meetings	2
Compliance Committee*1	Discussion on and decision and execution of policies and important measures pertaining to group-wide compliance	2
Risk Management Committee*1	Discussion and approval of group-wide risk management tasks and risk countermeasures	1
Export Control Committee	Discussion on and decision of policies and important matters regarding group-wide security and export control measures and systems	1
Sustainability Promotion Committee*1	Discussion on and decision and execution of policies and important measures regarding the environmental and social activities implemented as part of the Group's ESG activities	2
The Komatsu Way Promotion Committee*1	Discussion on and decision and execution of policies and important measures regarding human resources, labor affairs, education and human resource development, employee benefits, for the Company and the Group	2
Disclosure Committee	Discussion and assessment to facilitate accurate information disclosure as required by the Financial Instruments and Exchange Act and submission of recommendations to internal information control representatives regarding judgments on material developments	4

*1 Chairperson: President

*2 Meeting frequency represents the number of meetings in principle. Additional meetings are held as necessary.