Corporate Governance Guidelines

Established: May 20, 2026

Chapter 1: General Provisions

Article 1: Purpose

These Guidelines set forth the basic philosophy and framework for corporate governance at Komatsu Ltd. (the “Company”) for the purpose of achieving the sustainable growth of the Company and its subsidiaries and affiliates (the “Group”) and enhancing their medium- and long-term corporate value.

Article 2: Basic Philosophy

The Company’s management principle is to commit ourselves to Quality and Reliability and to maximize the total sum of trust given to us by society and all stakeholders. To become a company which enjoys more trust from all the stakeholders, the Company is working to strengthen corporate governance, improve management efficiency, advocate corporate ethics and ensure sound management on a group-wide basis. To further improve the transparency of management for its shareholders and investors, the Company discloses information in a fair and timely manner and actively engages in investor relations’ activities by holding meetings with shareholders and investors.

Article 3: Scope of Application

Based on the separation of management and execution in the Company, these Guidelines serve as the basic philosophy governing decision-making and supervision, including the enhancement of corporate management decision-making by the Board of Directors, the Board of Directors’ 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 audit Directors’ execution of their duties.

Chapter 2: Ensuring Shareholders' Rights and Equality, and Engagement with Shareholders

Article 4: Ensuring Shareholders' Rights

The Company develops an appropriate framework to effectively secure shareholders’ rights and ensures substantive equality among shareholders.

Article 5: Basic Policy on Engagement with Shareholders

The Company focuses on constructively engaging with shareholders and investors. Such engagement is conducted based on fair, timely, and adequate disclosure through an appropriate framework involving the Company’s management team.
Feedback and other insights gathered through such interaction are shared with the Board of Directors and the Executive Officers responsible for business execution and utilized to enhance corporate value.

Article 6: Exercise of Rights at General Meetings of Shareholders

1. The Company considers General Meetings of Shareholders as opportunities for constructive communication with shareholders.
   To enable shareholders to exercise their voting rights based on sufficient information, the Company makes proper disclosure and develops an appropriate disclosure framework.
   The Company strives to create an environment that facilitates shareholders' exercise of voting rights, including early disclosure and sending out of the notice of convocation, allowing electronic exercise of voting rights, and participation in the Electronic Voting Platform for institutional investors.
2. If a Company proposal is approved at a General Meeting of Shareholders while receiving a significant number of dissenting votes, the Company will analyze the reasons and consider appropriate measures.

Article 7: Cross-Shareholdings

1. With a view to avoiding risks associated with stock price fluctuations and improving asset efficiency, the Company refrains from holding listed shares, except where necessary for business relationships with investees or collaboration with the Company.
2. The Company exercises voting rights pertaining to cross-shareholdings appropriately based on comprehensive judgments from the perspective of enhancing medium- and long-term corporate value of both investees and the Company.

Article 8: Related Party Transactions

In accordance with the Companies Act of Japan and the Board of Directors' Rules of Procedure of the Company, a transaction involving a conflict of interest by a director is subject to the approval of the Board of Directors, and important issues related to such transactions must be reported to the Board of Directors. Executive officers are prohibited from engaging in conflict-of-interest transactions without the Company's approval. Furthermore, the Company regularly verifies whether its directors, Audit & Supervisory Board Members, and Executive Officers have conducted conflict-of-interest transactions.

Chapter 3: Responsibilities of the Board of Directors

Article 9: Basic Roles of the Board of Directors

The Board of Directors determines the Company's basic business policies and important matters and supervises the Company's business execution.
Through thorough deliberations and discussions, the Board of Directors seeks to improve the quality of the Company's decision-making concerning important matters including management strategies, capital policies, significant investments, and risk management.
To enhance its effectiveness, the Board of Directors endeavors to enhance discussions on important management matters and to develop and improve systems capable of speedy decision-making. In addition, the Board of Directors receives timely and appropriate reports on issues related to business execution.

Article 10: Responsibilities of the Board of Directors

The Board of Directors' responsibilities are as follows.

1. Decide management strategies and management plans, including the Strategic Growth Plan
2. Review capital policies and major investments
3. Supervise the identification and assessment of material risks and decide strategies for addressing those risks
4. Supervise business execution
5. Supervise important sustainability-related issues
6. Supervise the development and operation of internal control systems

Article 11: Management Strategy and Capital Allocation

The Board of Directors deliberates and formulates management strategies and management plans and, with a view to enhancing corporate value, supervises whether the Company properly allocates management resources—including investments in human capital, research and development, and other intangible assets—taking the cost of capital into consideration.

Article 12: Appointment and Discharge of Executive Officers

The Board of Directors is appropriately involved in the appointment and discharge of the CEO and other Executive Officers. Such appointment and discharge must be conducted through a highly transparent and objective process, based on deliberations by the Nomination Advisory Committee and its reports and recommendations to the Board of Directors.

Article 13: Evaluation of Executive Officers

The Board of Directors evaluates the degree of contribution by the CEO and other Executive Officers to the Company's medium- to long-term performance and the enhancement of its corporate value.
In the course of such evaluation, the Board of Directors examines both financial indicators and non-financial indicators, including key performance indicators (KPIs) for addressing social challenges based on the Strategic Growth Plan then in effect.
Furthermore, evaluation findings must be properly reflected in decisions on remuneration payable to those officers and their appointment or removal, based on deliberations by the Compensation Advisory Committee and the Nomination Advisory Committee.

Article 14: Appointment

1. The appointment of Directors, Executive Officers, and other officers must be conducted through a process that ensures objectivity and transparency.
2. The Board of Directors is appropriately involved in succession planning for the CEO and other Executive Officers, based on the deliberations by the Nomination Advisory Committee. The succession plan should be reviewed on an ongoing basis.

Article 15: Remuneration

1. Executive remuneration should be designed to serve as an incentive to enhance corporate value.

2. Subject to deliberations by the Compensation Advisory Committee, executive remuneration consists of fixed remuneration, remuneration linked to the Company's annual performance, and remuneration linked to the Company's performance under the Strategic Growth Plan.

Chapter 4: Composition and Effectiveness of the Board of Directors

Article 16: Composition of the Board of Directors

1. The Board of Directors consists of Directors with diverse expertise and experience. When organizing the Board of Directors, the Company identifies the types of expertise and experience necessary for achieving the business strategies under the Strategic Growth Plan and tries to optimize the balance among various fields including corporate management, finance, technology, marketing, human resources development, compliance, and global affairs.
2. In the context of seeking to achieve management strategies under the Strategic Growth Plan and addressing major business challenges, the Company clearly defines the types of skills, expertise, and experience which members of the Board of Directors are expected to possess. The Company discloses those defined qualifications appropriately.
3. The Board of Directors ensures diversity in terms of expertise, experience, gender, nationality, and other factors. In addition, the Company aims to improve the quality of decision-making by incorporating diverse perspectives.

Article 17: Independent Outside Directors

To ensure objectivity and transparency in corporate governance, the Company retains Independent Outside Directors and secures the effectiveness of the Board of Directors' supervisory functions through their appropriate involvement.

Article 18: Support for Outside Directors

1. To enable Outside Directors to adequately fulfill their roles, the Company develops necessary information-sharing and support systems. Furthermore, the Company endeavors to deepen their understanding through briefings upon their appointment and ongoing communication.
2. To facilitate frank and candid discussions by Outside Directors and deepen their understanding of the Company's business, the Company arranges meetings, site visits, and other appropriate opportunities for Outside Directors.

Article 19: Executive Officer System

The Company adopts an Executive Officer System and separates the decision-making and supervisory functions of the Board of Directors from executive functions to the extent permitted by laws and regulations.

Article 20: Operation of the Board of Directors

1. To discuss important matters extensively, the Board of Directors endeavors to set appropriate meeting agendas and secure sufficient time for deliberation.
   In addition, the Board of Directors aims to improve the quality of decision-making

through candid and constructive discussions.
2. To ensure effective deliberations by the Board of Directors, the Company provides information to the Board with appropriate content in a timely manner.
3. To ensure effective deliberations by the Board of Directors, the Company provides information that clearly defines key discussion points and appropriately monitors and reviews the implementation of the matters resolved.

Article 21: Delegation of Authority

To ensure speedy and efficient business execution, the Board of Directors delegates its authority appropriately.
When delegating its authority, decision-making authority over significant matters shall remain with the Board of Directors.

Article 22: Effectiveness Assessment

1. The Board of Directors assesses its effectiveness every year.
2. Based on the findings of the effectiveness assessment described in the preceding paragraph, the Board of Directors considers its composition, agenda setting, amounts of time for deliberations, content and methods of information provision, systems for supporting Outside Directors, and other measures necessary for improving the Board of Directors' operation.
3. The Board of Directors formulates improvement plans, as necessary and periodically reviews the status of their implementation.
4. The Board of Directors monitors and reviews the progress and results of improvement measures and endeavors to continuously enhance the Company's corporate governance.
5. After assessment of the Board of Directors' effectiveness, the Company discloses a summary of its findings and the key areas for improvement through appropriate means.

Chapter 5: Responsibilities of the Audit & Supervisory Board

Article 23: Composition of the Audit & Supervisory Board

To effectively fulfill its roles and responsibilities, the Audit & Supervisory Board consists of members who possess appropriate experience and capabilities, as well as necessary knowledge.
At least one of the Audit & Supervisory Board Members must be an individual who possesses sufficient knowledge in finance and accounting.

Article 24: Roles of Audit & Supervisory Board Members and the Audit & Supervisory Board

Since Audit & Supervisory Board Members and the Audit & Supervisory Board owe a fiduciary duty to shareholders, they are required to appropriately fulfill their roles and responsibilities — including audits of Directors' execution of their duties — from an independent and objective standpoint.
To adequately fulfill their roles and responsibilities, Audit & Supervisory Board Members

and the Audit & Supervisory Board should use their authority in a self-initiated and proactive manner and, as necessary, express their opinions appropriately to the Board of Directors or the executive management team.

Article 25: Operation of the Audit & Supervisory Board

1. To discuss and audit important issues extensively, the Audit & Supervisory Board endeavors to set appropriate meeting agendas and secure sufficient time for deliberation.
2. To ensure effective deliberations and audits by the Audit & Supervisory Board, the Company provides information to the Board with appropriate content in a timely manner and, as necessary, reports the status of implementation of important matters to the Board.
3. The support described in Article 18, paragraphs 1 and 2, shall also be provided to Outside Audit & Supervisory Board Members.

Chapter 6: Risk Management and Internal Control

Article 26: Risk Management

The Company establishes a group-wide risk management policy. Under this policy, the Company develops a company-wide risk management framework for identifying and assessing material risks from a cross-functional perspective and monitoring and reviewing the implementation of risk management measures. In addition, the Company endeavors to improve this framework on an ongoing basis. If an event involving a material risk occurs, the Company will take appropriate actions to minimize the damage.

Article 27: Internal Control

The Company establishes internal control systems and supervises their operation.
In addition, the Company establishes systems for ensuring the effectiveness of audits conducted by the Audit & Supervisory Board Members and the Audit & Supervisory Board, as well as the effectiveness of audit functions.
Furthermore, the Company ensures the effectiveness of internal control through appropriate cooperation among the Internal Audit Department, the Board of Directors, the Audit & Supervisory Board, and the Accounting Auditors.

Article 28: Cooperation with Accounting Auditors

Given that the Accounting Auditors appointed by the Company are responsible to the Company's shareholders and investors, the Company ensures their independence and expertise.
The Audit & Supervisory Board appoints or removes the Accounting Auditors, evaluates their performance, and verifies their independence and expertise.
The Company ensures that the Accounting Auditors closely cooperate with the Audit & Supervisory Board and the Internal Audit Department.

Article 29: Internal Reporting System

The Company establishes and properly operates an internal reporting system that ensures the protection of whistleblowers.

Article 30: Group Governance

To ensure governance across the entire Group, the Company establishes a framework for managing subsidiaries.
The Company ensures the effectiveness of governance across the entire Group through cooperation with its subsidiaries and affiliates.

Article 31: Export Control

The Company implements export control properly.

Chapter 7: Relations with Stakeholders and Disclosure

Article 32: Collaboration with Stakeholders

1. Recognizing that corporate value can be defined as the total sum of trust given to us by all stakeholders and society, the Company focuses on building long-term trust with stakeholders. At the same time, the Company is committed to addressing social challenges through its business activities and contributing to building a sustainable society.
2. The Company considers all those affected by its business activities as stakeholders. Stakeholders include customers, shareholders and investors, distributors, business partners, regional communities, and employees.
   The Company defines these stakeholders as partners who work with the Company to achieve the Group's sustainable development and to find solutions to social challenges through the Group's business activities. The Company is therefore committed to building and maintaining long-term trust with these partners.

Article 33: Basic Disclosure Policy

1. The Company complies with the Financial Instruments and Exchange Act and other applicable laws and regulations (collectively, "Laws and Regulations"), as well as the timely disclosure rules established by the securities exchanges on which the Company's shares are listed ("Timely Disclosure Rules"). The Company makes timely disclosure.
   When the Company determines that certain information that is not required to be disclosed under the Laws and Regulations or the Timely Disclosure Rules could materially affect the investment decisions of shareholders and other investors, or help deepen understanding of the Company, the Company may disclose such information in a fair and timely manner.
2. To ensure fairness and transparency, the Company establishes internal disclosure systems and operates them properly.

Article 34: Disclosure in English

To enhance disclosure to overseas investors, the Company discloses its financial reports, documents related to General Meetings of Shareholders, integrated reports, and other disclosure documents in English, while expanding opportunities for dialogue with overseas investors, including briefings.

Article 35: Sustainability-Related Disclosure

In addition to the disclosures required by law, the Company endeavors to appropriately disclose its sustainability efforts and other related information.

Article 36: Sustainability Policy

Based on its Sustainability Policy, the Company promotes sustainability-oriented business management aimed at achieving sustainable growth through a positive cycle of creating new value to address social issues and improve profitability.

At the same time, the Company is committed to addressing social issues together with stakeholders, aiming for sustainable growth.

Article 37: Board of Directors' Supervision over Sustainability-Related Activities

The Board of Directors shall supervise key sustainability-related issues and monitor the Company's efforts to address social issues through its business activities, with a view to enhancing medium- to long-term corporate value.

Through its deliberations on such matters, the Board of Directors shall support sustainable growth and the enhancement of corporate value.

Chapter 8: Amendment or Repeal

Article 38: Amendment or Repeal

The establishment, amendment, or repeal of these Guidelines is subject to a resolution of the Board of Directors.
However, minor revisions that do not substantially change the content of these Guidelines are subject to a decision of the President.