



May 15th, 2025

Company Name	Sanden Corporation
Name of Representative	Zhu Dan Representative Director & President (Securities code: 6444; TSE Standard Market)
Inquiries	Toshiyuki Ota, Division General Manager of Human Resources Division TEL (0270) 22-1339

Notice Regarding the Solicitation of Voluntary Early Retirement and Executive Compensation Reductions

We hereby announce that, at the Board of Directors meeting held on May 15, 2025, the Company resolved to implement a solicitation of voluntary early retirement. The details are as follows. In addition, certain directors have offered to voluntarily reduce their remuneration, which we also report below.

1. Reason for Soliciting Voluntary Early Retirement

As announced in the press release dated February 14, 2024, titled “*New Mid-Term Management Plan (SHIFT 2028)*”, the Company has been promoting key initiatives to achieve sustainable growth as a leading company in the integrated thermal management systems industry. However, in light of significant changes in the external environment, including market conditions, we have determined that it is necessary to further strengthen the business competitiveness that forms the foundation of our Group. As a result of deliberating on various structural reform measures, we have decided to implement a voluntary early retirement program as part of our human resources transformation initiatives.

2. Overview of the Voluntary Early Retirement Program

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|-------------------------|---|
| (1) Eligible Applicants | Employees based in Japan with at least one year of continuous service as of June 20, 2025 |
| (2) Numbers | Approximately 300 |
| (3) Application Period | From May 26, 2025 to June 11, 2025 |
| (4) Retirement Date | June 20, 2025 |
| (5) Support Measures | Payment of a special retirement allowance and provision of outplacement support services |

3. Reduction of Executive Compensation

In light of the seriousness of the situation involving our Company's business performance and the implementation of personnel reductions and other rationalization measures, we have received offers from our executives to voluntarily reduce their compensation, as outlined below, and have decided to accept them.

Name	Position	Reduction Details	Period
Zhu Dan	Representative Director & President	30% reduction of monthly fixed pay	May–December 2025
Hideyuki Kobayashi	Director & Executive Vice President	20% reduction of monthly fixed pay	May–December 2025
Wang Zhigang	Director & Executive Vice President	20% reduction of monthly fixed pay	May–December 2025

Furthermore, the Executive Vice President and other Executive Officers have voluntarily offered to reduce 20%

of their monthly fixed compensation, and we have decided to accept their offer. We hereby inform you of this decision as well.

4. Outlook

In connection with the solicitation of the voluntary early retirement program, a special loss is expected to be recorded due to the payment of special retirement allowances. However, since the number of applicants is not yet finalized, details such as the amount will be announced once they are confirmed.

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