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Securities Code: 7231

June 8, 2026

(Start date of electronic provision measures: June 3, 2026)

To Our Shareholders:

Hiromi Ishii
Representative Director, President and CEO
TOPY INDUSTRIES, LIMITED
1-2-2 Osaki, Shinagawa-ku, Tokyo

Notice of Convocation of the 132nd Ordinary General Meeting of Shareholders

You are cordially invited to attend the 132nd Ordinary General Meeting of Shareholders of Topy Industries Limited (the “Company”). The meeting will be held as described below.

In convening the 132nd Ordinary General Meeting of Shareholders, the Company has taken electronic provision measure for providing information that constitutes the content of the Reference Documents for the General Meeting of Shareholders, etc. (matters for an electronic provision measure). To review the information, please access either of the following websites on which the information is posted.

【The Company’s website】

https://www.topy.co.jp/en/stock/shares_bonds/meeting.html (English)

【Website posting general shareholder meeting materials】

<https://s.srdb.jp/7231/> (in Japanese only)

【Tokyo Stock Exchange (TSE) website (Listed Company Search)】

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show> (English)

(Please access the TSE website, and search by Issue name (company name) “Topy Industries” or Code “7231”, select “Basic information” and then “Documents for public inspection/PR information” and view the information under “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting”.

If you are unable to attend the meeting in person, you may exercise your voting rights by either means of Form for Exercising Voting Rights by post or via the Internet, etc. Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders.

To exercise your voting rights by post:

Please indicate “for” or “against” on the enclosed Form for Exercising Voting Rights and return it to us by 5:45 p.m. on Wednesday, June 24, 2026.

To exercise your voting rights via the Internet, etc.:

Please review the “Guide for Exercising Voting Rights via the Internet, etc.” (in Japanese only) and access the designated voting website (<https://www.web54.net>) and enter your approval or disapproval for the proposal no later than 5:45 p.m. on Wednesday, June 24, 2026.

1. Date and Time

Thursday, June 25, 2026 at 10:00 a.m.

2. Place

Conference Room, Art Village Osaki Central Tower 7th Floor,
1-2-2 Osaki, Shinagawa-ku, Tokyo

3. Objectives of the Meeting

Matters to be reported:

- a. Business Report and Consolidated Financial Statements for the 132nd Fiscal Year (from April 1, 2025 to March 31, 2026), as well as the audit reports of the Independent Auditor and the Audit & Supervisory Board for Consolidated Financial Statements
- b. Non-Consolidated Financial Statements for the 132nd Fiscal Year (from April 1, 2025 to March 31, 2026)

Agenda for resolution:

- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Seven (7) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal 3:** Election of Three (3) Directors Serving as Audit and Supervisory Committee Members
- Proposal 4:** Election of One (1) Substitute Director Serving as Audit and Supervisory Committee Member
- Proposal 5:** Determination of Remuneration Amount for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal 6:** Determination of Remuneration Amount for Directors Serving as Audit and Supervisory Committee Members
- Proposal 7:** Determination of Remuneration Amount and Details in Connection with Performance-based Stock Remuneration for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members and Outside Directors)

4. Notice Regarding Exercise of Voting Rights

- a. If you do not indicate your approval or disapproval of the proposal in your vote by Form for Exercising Voting Rights, we will assume that you have voted in favor of the proposal.
- b. If you exercise your voting rights multiple times via the Internet, etc., or by both the Form for Exercising Voting Rights and via the Internet, etc., the last exercise shall be considered valid. In such cases where votes from both the Form for Exercising Voting Rights and via the Internet, etc. arrive on the same day, the vote via the Internet, etc. shall be considered valid.

Notes:

- * You are kindly requested to present the enclosed Form for Exercising Voting Rights to the receptionist when you attend the meeting.
- * Among matters for an electronic provision measure, under laws and regulations and the provision in Article 15, paragraph 2 of the Articles of Incorporation of the Company, the “System to ensure the properness of business and the operating state of such system” “Consolidated Statements of Changes in Net Assets” “Notes to the Consolidated Financial Statements” “Non-consolidated Statements of Changes in Net Assets” and “Notes to the Non-Consolidated Financial Statements” are not included in the materials in paper format delivered to shareholders who have requested it. In addition, the “System to ensure the properness of business and the operating state of such system” “Consolidated Statements of Changes in Net Assets” “Notes to the Consolidated Financial Statements” “Non-consolidated Statements of Changes in Net Assets” and “Notes to the Non-Consolidated Financial Statements” have been combined with the Consolidated Financial Statements and the Non-Consolidated Financial Statements for the auditing process, in order for the preparation of the audit reports of the Independent Auditor and the Audit & Supervisory Board.
- * If any changes are made to matters for an electronic provision measure, such changes will be posted on each website listed on page 1 with a comparison before and after the revision.

Reference Documents for the General Meeting of Shareholders

Proposal 1 Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

The Company proposes to transition to a company with an Audit and Supervisory Committee, and accordingly, to establish new provisions regarding the Audit and Supervisory Committee and Audit and Supervisory Committee Members, delete provisions regarding Audit & Supervisory Board Members and the Audit & Supervisory Board, and amend other relevant provisions in the Articles of Incorporation of the Company. The transition aims to strengthen the supervisory function of the Board of Directors and further enhance corporate governance by making Audit and Supervisory Committee Members, who are responsible for auditing and supervising the execution of duties by Directors, voting members of the Board of Directors, and through other related measures, while accelerating decision-making by delegating a portion of decisions on important business execution to Directors.

2. Details of proposed amendments

The details of the proposed amendments are as follows.

The resolution pertaining to this proposal will take effect at the conclusion of this General Meeting of Shareholders.

(Underlined portions indicate the proposed amendments.)

Current Articles of Incorporation	Proposed Amendments
<p>Chapter I GENERAL PROVISIONS</p> <p>Article 4. (Governing bodies)</p> <p>In addition to the General Meeting of Shareholders and Directors, the Company shall appoint the following governing bodies:</p> <p>(1) Board of Directors (2) <u>Audit & Supervisory Board Members</u> (3) <u>Audit & Supervisory Board</u> (4) Independent Auditor</p> <p style="text-align: center;">Chapter IV Directors and the Board of Directors</p> <p>Article 18. (Number of Members)</p> <p>The Company shall have no more than <u>nine (9)</u> Directors.</p> <p style="text-align: center;">(Newly established)</p> <p>Article 19. (Election Method)</p>	<p>Chapter I GENERAL PROVISIONS</p> <p>Article 4. (Governing bodies)</p> <p>In addition to the General Meeting of Shareholders and Directors, the Company shall appoint the following governing bodies:</p> <p>(1) Board of Directors (2) <u>Audit and Supervisory Committee</u> (Deleted) (3) Independent Auditor</p> <p style="text-align: center;">Chapter IV Directors and the Board of Directors</p> <p>Article 18. (Number of Members)</p> <p>1. The Company shall have no more than <u>ten (10)</u> Directors (<u>excluding Directors serving as Audit and Supervisory Committee Members</u>).</p> <p>2. <u>The Company shall have no more than three (3) Directors serving as Audit and Supervisory Committee Members.</u></p> <p>Article 19. (Election Method)</p>

Current Articles of Incorporation	Proposed Amendments
<p>1. Directors shall be elected at a General Meeting of Shareholders.</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p>	<p>1. Directors shall be elected at a General Meeting of Shareholders, <u>distinguishing between Directors serving as Audit and Supervisory Committee Members and other Directors.</u></p> <p>2. (No change)</p> <p>3. (No change)</p>
<p>Article 20. (Term of Office)</p> <p>The term of office of a Director shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last business year ending within one (1) year after such Director was elected to office.</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>Article 20. (Term of Office)</p> <p>1. The term of office of a Director (<u>excluding Directors serving as Audit and Supervisory Committee Members</u>) shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last business year ending within one (1) year after such Director was elected to office.</p> <p>2. <u>The term of office of a Director serving as an Audit and Supervisory Committee Member shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last business year ending within two (2) years after such Audit and Supervisory Committee Member was elected to office.</u></p> <p>3. <u>The term of office of a Director serving as an Audit and Supervisory Committee Member elected as a substitute for a Director serving as an Audit and Supervisory Committee Member who retired before the expiration of his or her term of office shall be the remaining term of office of the retired Director serving as an Audit and Supervisory Committee Member.</u></p> <p>4. <u>The election of a substitute Director serving as an Audit and Supervisory Committee Member shall remain valid until the commencement of the Ordinary General Meeting of Shareholders for the last business year ending within two (2) years after such Audit and Supervisory Committee Member was elected to office.</u></p>
<p>Article 21. (Representative Directors and Directors with Titles)</p> <p>1. The Board of Directors shall designate Representative Directors by its resolution.</p>	<p>Article 21. (Representative Directors and Directors with Titles)</p> <p>1. The Board of Directors shall designate Representative Directors <u>from among the Directors (excluding the Directors serving as Audit and Supervisory Committee Members)</u> by its resolution.</p>

Current Articles of Incorporation	Proposed Amendments
<p>2. The Board of Directors shall designate one Chairman of the Board, one Director, President and CEO, and one or more Executive Vice Presidents and Directors, Senior Managing Directors, and Managing Directors by its resolution.</p>	<p>2. The Board of Directors shall designate one Chairman of the Board, one Director, President and CEO, and one or more Executive Vice Presidents and Directors, Senior Managing Directors, and Managing Directors <u>from among the Directors (excluding Directors serving as Audit and Supervisory Committee Members)</u> by its resolution.</p>
<p>Article 23. (Notice of Meeting of the Board of Directors)</p> <p>1. Notice of a meeting of the Board of Directors shall be dispatched to each Director <u>and each Audit & Supervisory Board Member</u> at least three (3) days before the date of the meeting; provided, however, that the above term may be shortened in the event of an emergency.</p> <p>2. A meeting of the Board of Directors may be held without convening procedures, provided that all Directors <u>and Audit & Supervisory Board Members</u> consent.</p>	<p>Article 23. (Notice of Meeting of the Board of Directors)</p> <p>1. Notice of a meeting of the Board of Directors shall be dispatched to each Director at least three (3) days before the date of the meeting; provided, however, that the above term may be shortened in the event of an emergency.</p> <p>2. A meeting of the Board of Directors may be held without convening procedures, provided that all Directors consent.</p>
<p>(Newly established)</p>	<p><u>Article 24. (Delegation of Decisions on Important Business Execution)</u></p> <p><u>Pursuant to the provisions of Article 399-13, paragraph (6) of the Companies Act, the Company, by a resolution of the Board of Directors, shall be entitled to delegate all or a portion of the decisions on important business execution (excluding the matters set out in the respective items of paragraph (5) of that same article) to the Directors.</u></p>
<p>Articles <u>24</u> to <u>25</u> (Omitted)</p>	<p>Articles <u>25</u> to <u>26</u> (No change)</p>
<p>Article <u>26</u>. (Remunerations)</p> <p>Remuneration, bonuses of Directors and other proprietary benefits received from the Company as compensation for services rendered (<u>hereinafter, "remunerations"</u>) shall be determined by resolution of the General Meeting of Shareholders.</p>	<p>Article <u>27</u>. (Remunerations)</p> <p>Remuneration, bonuses of Directors and other proprietary benefits to be received from the Company as compensation for services rendered shall be determined by resolution of the General Meeting of Shareholders, <u>distinguishing between Directors serving as Audit and Supervisory Committee Members and other Directors.</u></p>
<p>Article <u>27</u>. (Exemption from Liability of Directors)</p> <p>(Omitted)</p>	<p>Article <u>28</u>. (Exemption from Liability of Directors)</p> <p>(No change)</p>
<p>Chapter V</p> <p><u>Audit & Supervisory Board Members and Audit & Supervisory Board</u></p>	<p>Chapter V</p> <p><u>Audit and Supervisory Committee</u></p>

Current Articles of Incorporation	Proposed Amendments
<p><u>Article 28. (Number of Members)</u> <u>The Company shall have no more than four (4) Audit & Supervisory Board Members.</u></p>	(Deleted)
<p><u>Article 29. (Election Method)</u> 1. <u>Audit & Supervisory Board Members shall be elected at a General Meeting of Shareholders.</u> 2. <u>Resolutions for election of Audit & Supervisory Board Members shall require the attendance at the relevant General Meeting of Shareholders of shareholders representing not less than one-third (1/3) of the voting rights of all shareholders entitled to exercise voting rights and shall be adopted by a majority of the voting rights represented thereat.</u></p>	(Deleted)
<p><u>Article 30. (Validity of Election of a Substitute Audit & Supervisory Board Member)</u> <u>The election of a substitute Audit & Supervisory Board Member shall remain valid until the commencement of the Ordinary General Meeting of Shareholders for the last business year ending within four (4) years after such Audit & Supervisory Board Member was elected to office.</u></p>	(Deleted)
<p><u>Article 31. (Term of office)</u> 1. <u>The term of office of an Audit & Supervisory Board Member shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last business year ending within four (4) years after such Audit & Supervisory Board Member was elected to office.</u> 2. <u>The term of office of an Audit & Supervisory Board Member elected as a substitute for an Audit & Supervisory Board Member who retired before the expiration of his or her term of office shall be the remaining term of office of the retired Audit & Supervisory Board Member.</u></p>	(Deleted)
<p><u>Article 32. (Full-Time Audit & Supervisory Board Members)</u> <u>Full-time Audit & Supervisory Board Members shall be designated by resolution of the Audit & Supervisory Board.</u></p>	<p><u>Article 29. (Full-Time Audit and Supervisory Committee Members)</u> <u>Full-time Audit and Supervisory Committee Members may be designated by resolution of the Audit and Supervisory Committee.</u></p>
<p><u>Article 33. (Notice of Meeting of the Audit & Supervisory Board)</u></p>	<p><u>Article 30. (Notice of Meeting of the Audit and Supervisory Committee)</u></p>

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">(Newly established)</p> <p>1. Notice of a meeting of the <u>Audit & Supervisory Board</u> shall be dispatched to each <u>Audit & Supervisory Board Member</u> at least three (3) days before the date of the meeting; provided, however, that the above term may be shortened in the event of an emergency.</p> <p>2. A meeting of the <u>Audit & Supervisory Board</u> may be held without convening procedures, provided that all <u>Audit & Supervisory Board Members</u> consent.</p> <p>Article 34. (<u>Audit & Supervisory Board Regulations</u>)</p> <p>Matters concerning the <u>Audit & Supervisory Board</u> shall be governed by the <u>Audit & Supervisory Board Regulations</u> established by the <u>Audit & Supervisory Board</u>, in addition to laws and regulations and the Articles of Incorporation.</p> <p>Article 35. (<u>Remunerations</u>)</p> <p><u>The remunerations of Audit & Supervisory Board Members shall be determined by resolution of the General Meeting of Shareholders.</u></p> <p>Article 36. (<u>Exemption from Liabilities of Audit & Supervisory Board Members</u>)</p> <p>1. <u>The Company may exempt Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages arising from failure to perform duties to the extent stipulated by laws and regulations by resolution of the Board of Directors pursuant to the provisions of Article 426, paragraph (1) of the Companies Act.</u></p> <p>2. <u>The Company may enter into agreements with Audit & Supervisory Board Members, which limit the amount of liability of such Audit & Supervisory Board Members for damage arising from failure to perform duties pursuant to the provisions of Article 427, paragraph (1) of the Companies Act; provided, however, that the maximum amount of liability for damages under such agreement shall be the amount provided by laws and regulations.</u></p>	<p>1. <u>A meeting of the Audit and Supervisory Committee shall be convened by each Audit and Supervisory Committee Member.</u></p> <p>2. Notice of a meeting of the <u>Audit and Supervisory Committee</u> shall be dispatched to each <u>Audit and Supervisory Committee Member</u> at least three (3) days before the meeting; provided, however, that the above term may be shortened in the event of an emergency.</p> <p>3. A meeting of the <u>Audit and Supervisory Committee</u> may be held without convening procedures, provided that all <u>Audit and Supervisory Committee Members</u> consent.</p> <p>Article 31. (<u>Audit and Supervisory Committee Regulations</u>)</p> <p>Matters concerning the <u>Audit and Supervisory Committee</u> shall be governed by the <u>Audit and Supervisory Committee Regulations</u> established by the <u>Audit and Supervisory Committee</u>, in addition to laws and regulations and the Articles of Incorporation.</p> <p style="text-align: center;">(Deleted)</p> <p style="text-align: center;">(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">CHAPTER VI ACCOUNTING</p> <p>Articles <u>37</u> to <u>40</u> (Omitted) (Newly established)</p> <p>(Newly established)</p>	<p style="text-align: center;">CHAPTER VI ACCOUNTING</p> <p>Articles <u>32</u> to <u>35</u> (No change) <u>(SUPPLEMENTARY PROVISIONS)</u></p> <p><u>(Transitional Measures Concerning the Exemption from Liability of Audit & Supervisory Board Members)</u> <u>The Company may, by resolution of the Board of Directors, exempt Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages under Article 423, paragraph (1) of the Companies Act regarding their acts before the conclusion of the 132nd Ordinary General Meeting of Shareholders, to the extent stipulated by laws and regulations.</u></p>

Proposal 2 Election of Seven (7) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The Company will transition to a company with an Audit and Supervisory Committee on the condition that Proposal 1 “Partial Amendments to the Articles of Incorporation” is approved and adopted.

Accordingly, as the terms of office of all eight (8) current Directors will expire at the conclusion of this meeting, the Company proposes the election of seven (7) Directors (excluding Directors serving as Audit and Supervisory Committee Members).

The candidates for Director (excluding Director serving as Audit and Supervisory Committee Member) are as follows.

The resolution pertaining to this proposal will take effect subject to Proposal 1 “Partial Amendments to the Articles of Incorporation” becoming effective.

Candidate No.		Name (Age)	Gender	Positions, duties, and responsibilities in the Company and significant concurrent positions outside the Company	Attendance at Board of Directors Meetings	Number of years in office as a Director	
1	Reelection	Hiroshi Ishii (66 years old)	Male	Representative Director, President and CEO	17/17 (100%)	3 years	
2	Reelection	Masahiro Abe (62 years old)	Male	Senior Managing Director Assistant to the President In charge of Corporate Planning, Technology, Safety & Health, DX Strategy, Research and Development Center, Sustainability Strategy, Procurement and Logistics	17/17 (100%)	2 years	
3	Reelection	Katsuyoshi Tanaka (62 years old)	Male	Senior Managing Director General Manager of Steel Div. and Undercarriage Components Div., in charge of Steel Business and Automotive and Industrial Machinery Components Business	17/17 (100%)	2 years	
4	Reelection	Masaru Yasuhara (61 years old)	Male	Senior Managing Director In charge of Finance, General Affairs, Personnel, and Risk Management • Cooperating with Executive in charge of Safety & Health • Cooperating with Executive in charge of DX Strategy on matters related to the development of DX personnel	17/17 (100%)	2 years	
5	New election	Takeshi Komatsu (57 years old)	Male	Operating Officer General Manager of Automotive Components Div., in charge of Automotive and Industrial Machinery Components Business and Representative Director, President and CEO, Ring Techs Co., Ltd.	–	–	
6	Reelection	Takao Isozaki (59 years old)	Outside Independent	Male	Outside Director Executive Director, The Research Institute of Capital Formation, Development Bank of Japan Inc. Outside Director, JAPAN POST Co., Ltd.	17/17 (100%)	2 years
7	Reelection	Atsuko Kissho (50 years old)	Outside Independent	Female	Outside Director Attorney at law	12/12 (100%)	1 year

- (Notes) 1. There is no special interest between any of the candidates and the Company.
2. Takao Isozaki and Atsuko Kissho are candidates for outside Director.

3. The Company has submitted notification to the Tokyo Stock Exchange and the Nagoya Stock Exchange that Takao Isozaki and Atsuko Kissho have been designated as independent officers as provided for by the aforementioned exchanges.
4. The Company has entered into agreements with Takao Isozaki and Atsuko Kissho to limit their liability for damages set forth in Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the same Act. According to this agreement, the limit of liability for damages shall be the amount stipulated by laws and regulations, and if their reelection is approved, the Company plans to continue this agreement with each of them.
5. The Company has concluded a directors and officers liability insurance policy with an insurance agency company, as set forth in Article 430-3, paragraph (1) of the Companies Act. This insurance policy covers any damages arising from liability borne by the insured persons in the course of execution of their duties as an officer, etc. or from claims pertaining to the pursuit of such liability, and if each candidate is elected, they will be included as insured persons under the said insurance policy. In addition, when the insurance policy is renewed, the Company plans to renew the insurance policy with the same terms as above.
6. The name of a candidate Atsuko Kissho in the family register is Atsuko Iwata.

Candidate No.	Name (Date of birth)	Career summary	Number of the Company's shares owned
1	<p style="text-align: center;">Reelection Hiromi Ishii (February 4, 1960)</p>	<p>Apr. 1983 Joined NIPPON STEEL CORPORATION</p> <p>Apr. 2014 Operating Officer and General Manager, Bar & Wire Rod Technology Div., Bar & Wire Rod Unit, NIPPON STEEL & SUMITOMO METAL CORPORATION</p> <p>Apr. 2017 Managing Executive Officer and General Manager, Bar & Wire Rod Technology Div., Bar & Wire Rod Unit</p> <p>June 2018 Advisor Executive Vice President and Group Production & Technology Advisor, Ovako AB</p> <p>Apr. 2019 Advisor, NIPPON STEEL CORPORATION</p> <p>Apr. 2023 Senior Managing Executive Officer in charge of Sales and Overseas Business Strategy, the Company</p> <p>June 2023 Representative Director, President and CEO (to present)</p>	13,300
<p>(Reasons for nomination as candidate for Director)</p> <p>Hiromi Ishii has served as Representative Director, President and CEO of the Company since June 2023, and has demonstrated a high level of competence leading structural reform in Japan and overseas as a supervisor of the Group's overall management, and striving to strengthen training for the next generation of top managers, among other duties as a top manager. Based on his wealth of knowledge and experience of management in general, he is expected to continue to contribute to the Group's sustainable growth and enhancement of corporate value. Therefore, we propose his election as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary	Number of the Company's shares owned
2	Reelection Masahiro Abe (December 20, 1963)	<p>Apr. 1986 Joined the Company</p> <p>Apr. 2018 Operating Officer, Deputy General Manager of Wheel Div. and Representative Director and President, Kyushu Wheel Kogyo, Ltd.</p> <p>June 2018 Operating Officer, Deputy General Manager of Wheel Div., the Company</p> <p>Oct. 2019 Operating Officer, General Manager of Commercial and Off The Road Wheel Div.</p> <p>Apr. 2022 Managing Executive Officer, General Manager of Engineering Administration Dept.</p> <p>Apr. 2024 Managing Executive Officer in charge of Technology, Safety & Health, DX Strategy, and the Business Development Strategy Center and cooperating with Executive in charge of Sustainability Strategy on matters related to carbon neutrality</p> <p>June 2024 Managing Director in charge of Technology, Safety & Health, DX Strategy, and Business Development Strategy Center and cooperating with Executive in charge of Sustainability Strategy on matters related to carbon neutrality</p> <p>Apr. 2025 Senior Managing Director in charge of Technology, Safety & Health, DX Strategy, and Research and Development Center and cooperating with Executive in charge of Sustainability Strategy on matters related to carbon neutrality</p> <p>Apr. 2026 Senior Managing Director, assistant to the President in charge of Corporate Planning, Technology, Safety & Health, DX Strategy, Research and Development Center, Sustainability Strategy, Procurement and Logistics (to present)</p>	8,379
<p>(Reasons for nomination as candidate for Director)</p> <p>Masahiro Abe possesses abundant knowledge and experience in the automotive components division and the engineering department. He also has experience in administration and operation of overall management as the Representative Director and President at a Group company. Based on this knowledge and experience, he is expected to continue to contribute to the Group's sustainable growth and enhancement of corporate value. Therefore, we propose his election as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary	Number of the Company's shares owned
3	<p style="text-align: center;">Reelection Katsuyoshi Tanaka (December 24, 1963)</p>	<p>Apr. 1986 Joined the Company</p> <p>Apr. 2018 Operating Officer, General Manager of Undercarriage Components Div.</p> <p>Apr. 2021 Operating Officer, General Manager of Steel Div. and General Manager of Science Div.</p> <p>Oct. 2021 Operating Officer, General Manager of Steel Div.</p> <p>Apr. 2023 Managing Executive Officer, General Manager of Corporate Planning Dept.</p> <p>Apr. 2024 Managing Executive Officer in charge of Corporate Planning, Overseas Business Strategy, Personnel and Sustainability Strategy, cooperating with Executive in charge of Safety & Health, cooperating with Executive in charge of DX Strategy on matters related to the development of DX personnel, and cooperating with Executive in charge of Procurement</p> <p>June 2024 Managing Director in charge of Corporate Planning, Overseas Business Strategy, Personnel and Sustainability Strategy, cooperating with Executive in charge of Safety & Health, cooperating with Executive in charge of DX Strategy on matters related to the development of DX personnel, and cooperating with Executive in charge of Procurement</p> <p>Apr. 2025 Senior Managing Director in charge of Corporate Planning, Personnel and Sustainability Strategy, cooperating with Executive in charge of Safety & Health, and cooperating with Executive in charge of DX Strategy on matters related to the development of DX personnel</p> <p>Apr. 2026 Senior Managing Director, General Manager of Steel Div. and Undercarriage Components Div., in charge of Steel Business and Automotive and Industrial Machinery Components Business (to present)</p>	8,596
<p>(Reasons for nomination as candidate for Director)</p> <p>Katsuyoshi Tanaka possesses abundant knowledge and experience in the overall management of the Group, which is a conglomerate, having served in important positions in the industrial machinery department, steel department and corporate planning department. Based on this knowledge and experience, he is expected to continue to contribute to the Group's sustainable growth and enhancement of corporate value. Therefore, we propose his election as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary	Number of the Company's shares owned
4	Reelection Masaru Yasuhara (July 5, 1964)	<p>Apr. 1988 Joined NIPPON STEEL CORPORATION</p> <p>Apr. 2020 Operating Officer, Deputy General Manager of Wheel Div., the Company</p> <p>Apr. 2021 Operating Officer, Deputy General Manager of Sales Dept.</p> <p>Apr. 2022 Operating Officer, General Manager of Sales Dept.</p> <p>Apr. 2023 Managing Executive Officer, General Manager of Sales Dept.</p> <p>Apr. 2024 Managing Executive Officer in charge of Sales, Procurement and Logistics</p> <p>June 2024 Managing Director in charge of Sales, Procurement and Logistics</p> <p>Apr. 2025 Managing Director in charge of Marketing Strategy, Procurement and Logistics</p> <p>Apr. 2026 Senior Managing Director in charge of Finance, General Affairs, Personnel, and Risk Management, cooperating with Executive in charge of Safety & Health, and cooperating with Executive in charge of DX Strategy on matters related to the development of DX personnel (to present)</p>	6,184
<p>(Reasons for nomination as candidate for Director)</p> <p>Masaru Yasuhara possesses abundant knowledge and experience in sales including overseas sales and the administration section of a steel manufacturer. Also, having served in important positions in the Company in the automotive components division and the sales department, he has demonstrated a high level of competence such as in his response to the formulation of sustainable sales prices and logistical challenges. Based on this knowledge and experience, he is expected to continue to contribute to the Group's sustainable growth and enhancement of corporate value. Therefore, we propose his election as a Director.</p>			
5	New election Takeshi Komatsu (December 26, 1968)	<p>Apr. 1991 Joined JDC CORPORATION</p> <p>Jan. 2000 Joined the Company</p> <p>Apr. 2025 Operating Officer, Deputy General Manager of Automotive Components Div.</p> <p>June 2025 Operating Officer, Deputy General Manager of Automotive Components Div. and Representative Director, President and CEO of Ring Techs Co., Ltd.</p> <p>Apr. 2026 Operating Officer, General Manager of Automotive Components Div., in charge of Automotive and Industrial Machinery Components Business, and Representative Director, President and CEO, Ring Techs Co., Ltd. (to present)</p>	1,900
<p>(Reasons for nomination as candidate for Director)</p> <p>Takeshi Komatsu possesses abundant knowledge and experience in the automotive components division and corporate planning department. He also has experience in administration and operation of overall management including that of an overseas subsidiary as the Representative Director, President and CEO at a Group company. Based on this knowledge and experience, he is expected to contribute to the Group's sustainable growth and enhancement of corporate value. Therefore, we propose his election as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary		Number of the Company's shares owned
6	Reelection Takao Isozaki (August 27, 1966) Outside Independent	Apr. 1990	Joined the Japan Development Bank	-
		June 2021	Executive Officer (in charge of Internal Audit), Development Bank of Japan Inc.	
June 2022	Managing Executive Officer			
June 2024	Outside Director, the Company (to present)			
June 2024	Executive Director, The Research Institute of Capital Formation, Development Bank of Japan Inc. (to present)			
June 2025	Outside Director, JAPAN POST Co., Ltd. (to present)			
(Reasons for nomination as candidate for outside Director and overview of expected roles) Takao Isozaki possesses abundant knowledge and experience, cultivated through engaging in international investment operations and business rehabilitation operations at a bank. Based on this knowledge and experience, he is expected to contribute to the appropriate decision-making of the Board of Directors and to improvement of the effectiveness of management supervision from an independent standpoint and diverse perspectives. Therefore, we propose his election as an outside Director.				
7	Reelection Atsuko Kissho (March 10, 1976) Outside Independent	Oct. 2001	Admitted to Bar, Japan (to present)	-
		Nov. 2010	Partner, Atsumi & Sakai	
May 2021	Partner, Tsubame Law Offices (to present)			
June 2025	Outside Director, the Company (to present)			
(Reasons for nomination as candidate for outside Director and overview of expected roles) Atsuko Kissho has a wealth of knowledge and experience in corporate legal affairs, litigation, and other legal matters that she cultivated over many years as an attorney at law. She has also served in outside members of internal committees in several companies. Although she has no past experience of being directly involved in corporate management in any way other than being an outside officer, based on this knowledge and experience, she is expected to contribute to the appropriate decision-making of the Board of Directors and to improvement of the effectiveness of management supervision from an independent standpoint and diverse perspectives. Therefore, we propose her election as an outside Director.				

Proposal 3 Election of Three (3) Directors Serving as Audit and Supervisory Committee Members

The Company will transition to a company with an Audit and Supervisory Committee on the condition that Proposal 1 “Partial Amendments to the Articles of Incorporation” is approved and adopted.

Accordingly, the Company proposes the election of three (3) Directors serving as Audit and Supervisory Committee Members.

The candidates for Director serving as Audit and Supervisory Committee Member are as follows.

The resolution pertaining to this proposal will take effect subject to Proposal 1 “Partial Amendments to the Articles of Incorporation” becoming effective.

Candidate No.	Name (Age)	Gender	Positions and responsibilities in the Company and significant concurrent positions outside the Company	Attendance at Board of Directors Meetings	Number of years in office as an Audit & Supervisory Board Member
1	New election Masatoshi Takahashi (62 years old)	Male	Managing Executive Officer Assistant to the President	–	–
2	New election Yasuhisa Fujiki (64 years old) Outside Independent	Male	Outside Audit & Supervisory Board Member Outside Audit & Supervisory Board Member, NIPPON HUME CORPORATION	17/17 (100%)	2 years
3	New election Shinya Makino (65 years old) Outside Independent	Male	Outside Audit & Supervisory Board Member Outside Director (Audit & Supervisory Committee Member), Hokuhoku Financial Group, Inc. Representative Director and Chairman, Meiji Yasuda General Insurance Co., Ltd.	17/17 (100%)	2 years

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. Yasuhisa Fujiki and Shinya Makino are candidates for outside Director serving as Audit and Supervisory Committee Member. The Company has submitted notification to the Tokyo Stock Exchange and the Nagoya Stock Exchange that both of them have been designated as an independent officer as provided for by the aforementioned exchanges.
 3. If the election of each candidate is approved, the Company plans to enter into an agreement with them to limit their liability for damages set forth in Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the same Act. According to this agreement, the limit of liability for damages shall be the amount stipulated by laws and regulations.
 4. The Company has concluded a directors and officers liability insurance policy with an insurance agency company, as set forth in Article 430-3, paragraph (1) of the Companies Act. This insurance policy covers any damages arising from liability borne by the insured persons in the course of execution of their duties as an officer, etc. or from claims pertaining to the pursuit of such liability, and if each candidate is elected, they will be included as insured persons under the said insurance policy. In addition, when the insurance policy is renewed, the Company plans to renew the insurance policy with the same terms as above.

No.	Name (Date of birth)	Career summary	Number of the Company's shares owned
1	New election Masatoshi Takahashi (October 2, 1963)	<p>Apr. 1986 Joined Toyohashi Shinkin Bank</p> <p>Nov. 1989 Joined the Company</p> <p>Apr. 2018 Operating Officer, General Manager for Special Mission of Corporate Planning Dept., and Group Head of Corporate Planning</p> <p>May 2018 Operating Officer, the Company Representative Director and Deputy President, Asahi Tec Corporation (secondment)</p> <p>Apr. 2020 Councilor, the Company Representative Director and Deputy President, Asahi Tec Corporation (secondment)</p> <p>Apr. 2021 Councilor, the Company Representative Director, President and CEO, Asahi Tec Corporation (secondment)</p> <p>Feb. 2022 Councilor, General Manager of Aluminum Coordination Center, Wheel Div., the Company Representative Director, President and CEO, Asahi Tec Corporation (secondment)</p> <p>Apr. 2022 Operating Officer, General Manager of Aluminum Coordination Center, Wheel Div., the Company Representative Director, President and CEO, Asahi Tec Corporation (secondment)</p> <p>Apr. 2023 Managing Executive Officer, General Manager of Finance and Accounting Dept., the Company</p> <p>Apr. 2026 Managing Executive Officer, Assistant to the President (to present)</p>	3,312
<p>(Reasons for nomination as candidate for Director serving as Audit and Supervisory Committee Member)</p> <p>Masatoshi Takahashi possesses abundant knowledge and experience in the automotive components division, the finance and accounting department, and the corporate planning department. He also has experience in administration and operation of overall management including that of an overseas subsidiary as the Representative Director, President and CEO of a Group company. Based on this knowledge and experience, we have determined that he is suitable for this role as he can be expected to evaluate from a broad perspective the legal compliance and appropriateness of decision-making and the appropriateness of accounting audits at meetings of the Board of Directors and the Audit and Supervisory Committee, and to contribute to ensuring the soundness of the Company's management by enhancing its audit and supervision functions. Therefore, we propose his election as Director serving as Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares owned
2	<p style="text-align: center;">New election Yasuhisa Fujiki (March 1, 1962) Outside Independent</p>	<p>Apr. 1984 Joined The Industrial Bank of Japan, Limited</p> <p>Apr. 2012 Executive Officer, General Manager of International Operation Department of Mizuho Corporate Bank, Ltd.</p> <p>Apr. 2014 Managing Executive Officer in charge of Sales of Mizuho Bank, Ltd.</p> <p>Apr. 2018 Managing Executive Officer of IBJ Leasing Company, Limited.</p> <p>June 2019 Managing Director</p> <p>Apr. 2021 Director of Mizuho Leasing Company, Limited</p> <p>June 2021 Deputy President of Mizuho Marubeni Leasing Corporation</p> <p>Apr. 2024 Outside Audit & Supervisory Board Member of ML Power Company, Limited</p> <p>June 2024 Outside Audit & Supervisory Board Member, the Company (to present)</p> <p>June 2024 Outside Audit & Supervisory Board Member, NIPPON HUME CORPORATION (to present)</p>	—
<p>(Reasons for nomination as candidate for outside Director serving as Audit and Supervisory Committee Member and overview of expected roles)</p> <p>Yasuhisa Fujiki possesses abundant knowledge and experience, cultivated through engaging in international operations and sales operations at a bank, and in addition has corporate management experience from serving as a representative director and vice president of a lease company. Based on this knowledge and experience, we have determined that he is suitable for this role as he can be expected to evaluate from a broad perspective the legal compliance and appropriateness of decision-making and the appropriateness of accounting audits at meetings of the Board of Directors and the Audit and Supervisory Committee, from an independent standpoint and diverse perspectives, and to contribute to ensuring the soundness of the Company's management by enhancing its audit and supervision functions. Therefore, we propose his election as Director serving as Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares owned
3	New election Shinya Makino (March 19, 1961) Outside Independent	<p>Apr. 1983 Joined the Yasuda Mutual Life Insurance Company</p> <p>July 2013 Executive Officer, General Manager of Merchandise Department of Meiji Yasuda Life Insurance Company</p> <p>Apr. 2015 Managing Executive Officer</p> <p>Apr. 2017 Senior Managing Executive Officer</p> <p>Apr. 2020 Deputy President and Executive Officer</p> <p>July 2020 Director, Deputy President and Executive Officer</p> <p>July 2021 Director, Deputy President, Representative Executive Officer</p> <p>Apr. 2024 Director</p> <p>June 2024 Outside Director (Audit & Supervisory Committee Member), Hokuhoku Financial Group, Inc. (to present)</p> <p>June 2024 Outside Audit & Supervisory Board Member, the Company (to present)</p> <p>July 2024 Representative Director and Chairman, Meiji Yasuda General Insurance Co., Ltd. (to present)</p>	—
<p>(Reasons for nomination as candidate for outside Director serving as Audit and Supervisory Committee Member and overview of expected roles)</p> <p>Shinya Makino possesses abundant knowledge and experience, cultivated through engaging in a broad range of operations in the administration, product development and information systems departments of a life insurance company. In addition, he has corporate management experience as representative executive officer. Based on this knowledge and experience, we have determined that he is suitable for this role as he can be expected to evaluate from a broad perspective the legal compliance and appropriateness of decision-making and the appropriateness of accounting audits at meetings of the Board of Directors and the Audit and Supervisory Committee, from an independent standpoint and diverse perspectives, and to contribute to ensuring the soundness of the Company's management by enhancing its audit and supervision functions. Therefore, we propose his election as Director serving as Audit and Supervisory Committee Member.</p>			

Proposal 4 Election of One (1) Substitute Director Serving as Audit and Supervisory Committee Member

The Company will transition to a company with an Audit and Supervisory Committee on the condition that Proposal 1 “Partial Amendments to the Articles of Incorporation” is approved and adopted.

Accordingly, the Company requests approval for the election of one (1) substitute Director serving as Audit and Supervisory Committee Member to be ready to fill a vacant position should the number of Directors serving as Audit and Supervisory Committee Members fall below the number required by laws and regulations.

The election can be nullified by resolution of the Board of Directors if the consent of the Audit and Supervisory Committee has been obtained; provided, however, that it is only in a time before assuming office.

The candidate for substitute Director serving as Audit and Supervisory Committee Member is as follows.

The resolution pertaining to this proposal will take effect subject to Proposal 1 “Partial Amendments to the Articles of Incorporation” becoming effective.

Name (Date of birth)	Career summary and positions and responsibilities in the Company (Significant concurrent positions outside the Company)	Number of the Company’s shares owned
Shinsuke Kubo (March 4, 1956) Outside Independent	Apr. 1979 Joined Sanwa & Co. Tokyo Marunouchi Office Mar. 1982 Registered as Certified Public Accountant (to present) June 1998 Representative Partner, Tohmatsu & Co. Oct. 2017 Managing Partner, Shinsuke Kubo CPA Office (to present) Jan. 2018 Representative Director, Japan Enterprise Sustainable Transformation Advisory Co., Ltd. May 2018 Representative Partner, Kyoei Accounting Office (to present) June 2018 Outside Audit & Supervisory Board Member, Japan Airlines Co., Ltd. (to present) June 2020 Outside Audit & Supervisory Board Member, KAWASAKI KISEN KAISHA, Ltd. Mar. 2025 Director, Member of Standing Audit Committee (to present)	—
(Reasons for nomination as candidate for substitute outside Director serving as Audit and Supervisory Committee Member and overview of expected roles) Shinsuke Kubo has a wealth of knowledge and experience cultivated over many years as a certified public accountant, and management experience at a company that supports business revitalization. Based on this knowledge and experience, we have determined that he is suitable for this role as he can be expected to evaluate from a broad perspective the legal compliance and appropriateness of decision-making and the appropriateness of accounting audits at meetings of the Board of Directors and the Audit and Supervisory Committee, from an independent standpoint and diverse perspectives, and to contribute to ensuring the soundness of the Company’s management by enhancing its audit and supervision functions. Therefore, we propose his election as substitute Director serving as Audit and Supervisory Committee Member.		

- (Notes)
1. There is no special interest between Shinsuke Kubo and the Company.
 2. Shinsuke Kubo is a candidate for substitute outside Director serving as Audit and Supervisory Committee Member.
 3. If Shinsuke Kubo assumes the office of Director serving as Audit and Supervisory Committee Member, the Company plans to submit notification to the Tokyo Stock Exchange and the Nagoya Stock Exchange concerning his designation as an independent officer as provided for by the aforementioned exchanges.
 4. If Shinsuke Kubo assumes the office of Director serving as Audit and Supervisory Committee Member, the Company plans to enter into an agreement with him to limit his liability for damages set forth in Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the same Act. According to this agreement, the limit of liability for damages shall be the amount stipulated by laws and regulations.
 5. The Company has concluded a directors and officers liability insurance policy with an insurance agency, as set forth in Article 430-3, paragraph (1) of the Companies Act. This insurance policy covers any damages arising from liability borne by the insured persons in the course of execution of their duties as an officer, etc. or from claims pertaining to the pursuit of such liability, and if Shinsuke Kubo assumes the office of Director serving as Audit and Supervisory Committee Member, he will be included as insured persons under the said insurance policy.

(Reference)

<Structure of the Board of Directors>

The Articles of Incorporation of the Company stipulate that the basic rule of the Company is to have a necessary and appropriate number of Directors to ensure an effective management system and substantive discussions at the Board of Directors meetings. In order to ensure diversity and expertise on the Board of Directors, the Board of Directors shall be composed of persons deemed appropriate, taking into consideration a balance of internal Directors who have excellent personality, insight, and ability to get things done, and are well-versed in the Group's business, and outside Directors in an independent position.

<Policies and Procedures for Nominating Candidates for Directors and Officers>

The Company considers directors and officers to be persons of good personality, insight, and ability to get things done, and to be able to fulfill the duties of their offices, and nominates candidates for Executive Directors and internal Directors serving as Audit and Supervisory Committee Members who are well-versed in the Group's business, and candidates for outside Directors who have a high degree of independence and expertise.

Candidates for the Company's Directors (excluding Directors serving as Audit and Supervisory Committee Members) are deliberated by the Nomination Advisory Committee, a voluntary body, and based on its report, the Board of Directors decides on the candidates. Nomination for the reappointment of the President and other Executive Directors are deliberated annually by the Nomination Advisory Committee, based on an evaluation of the Company's performance and other factors. The Nomination Advisory Committee consists of three (3) outside members and one (1) internal member.

In the event of a violation of laws, regulations, or the Articles of Incorporation by the President or other Executive Directors, the Board of Directors will decide on the dismissal of such Directors from their positions or duties and the submission of a proposal for their dismissal to the General Meeting of Shareholders.

<Independence Standards>

The Company determines the independence of its outside Directors in accordance with the independence standards established by the Tokyo Stock Exchange and in consideration of their interests in the Company with respect to major shareholders, business partners, and parties with which the Company is required to disclose attribute information, parties with which outside officers have relationships of mutual appointment, and parties who receive donations from the Company, as well as the executives thereof.

[Skills Matrix of Directors after This General Meeting of Shareholders]

If Proposals 2 and 3 are approved and adopted as proposed, the skills matrix of Directors will be as follows.

Name of Director	Corporate Management	Finance and Accounting	Legal Affairs and Risk Management	Global and Overseas Business	Personnel/Labor Affairs/Human Resource Development	Sales	Technology/Safety/IT/DX	ESG and Sustainability
Hiromi Ishii	●	◆	◆	●	◆	◆	●	●
Masahiro Abe	●			●			●	●
Katsuyoshi Tanaka	●					●	●	●
Masaru Yasuhara		●	●		●	●		
Takeshi Komatsu	●	●		●		●		
Takao Isozaki	●	●	●	●				
Atsuko Kissho			●	●				●
Masatoshi Takahashi	●	●		●	●			
Yasuhisa Fujiki	●	●	●	●	◆	●		◆
Shinya Makino	●	●	◆	◆	●	●	●	◆

Items marked with ◆ represent skills as an experienced representative Director.

Skills of executive Directors other than experienced representative Directors are limited to four items.

Proposal 5 Determination of Remuneration Amount for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The remuneration amount for Directors of the Company was approved to be not more than ¥40 million per month (of which, the amount for outside Directors is not more than ¥2 million) at the 121st Ordinary General Meeting of Shareholders held on June 25, 2015. Thereafter, the limit for the outside Directors' portion (not more than ¥2 million per month) was resolved to be abolished at the 128th Ordinary General Meeting of Shareholders held on June 23, 2022, and the remuneration amount has remained in effect to date. The Company will transition to a company with an Audit and Supervisory Committee if Proposal 1 "Partial Amendments to the Articles of Incorporation" is approved and adopted. Accordingly, pursuant to Article 361, Paragraphs 1 and 2 of the Companies Act, the Company proposes to abolish the current remuneration framework for Directors and set the remuneration amount for Directors (excluding Directors serving as Audit and Supervisory Committee Members) at not more than ¥50 million per month.

As before, the remuneration amount for Directors stated above does not include employee salaries for Directors who concurrently serve as employees.

The Company deems this proposal to be appropriate as it was resolved by the Board of Directors after deliberation by the Compensation Advisory Committee, while giving general consideration to factors such as the size of the Company's business, the remuneration system for officers and their payment levels, the current number of officers and future trends.

In addition, the determination policy concerning the details of remuneration for individual Directors of the Company is as described in "(5) Remuneration for Directors and Audit & Supervisory Board Members," "(3) Status of Company Officers," "2. Status of the Company" in the Business Report (in Japanese only). At a meeting of the Board of Directors to be held after the conclusion of this General Meeting, the Company plans to change the eligible recipients of remuneration from "Directors" to "Directors (excluding Directors serving as Audit and Supervisory Committee Members)," which does not constitute a substantial change.

There are currently eight (8) Directors (of which, three (3) are outside Directors), but if Proposals 1 and 2 are approved and adopted as proposed, there will be seven (7) Directors (excluding Directors serving as Audit and Supervisory Committee Members) (of which, two (2) will be outside Directors).

The resolution pertaining to this proposal will take effect subject to Proposal 1 "Partial Amendments to the Articles of Incorporation" becoming effective.

Proposal 6 Determination of Remuneration Amount for Directors Serving as Audit and Supervisory Committee Members

The Company will transition to a company with an Audit and Supervisory Committee if Proposal 1 "Partial Amendments to the Articles of Incorporation" is approved and adopted. Accordingly, pursuant to Article 361, Paragraphs 1 and 2 of the Companies Act, the Company proposes to set the remuneration amount for Directors serving as Audit and Supervisory Committee Members at not more than ¥8 million per month.

The Company deems this proposal to be appropriate as it was resolved by the Board of Directors after deliberation by the Compensation Advisory Committee, while giving general consideration to factors such as the size of the Company's business, the remuneration system for officers and their payment levels, the current number of officers and future trends. If Proposals 1 and 3 are approved and adopted as proposed, there will be three (3) Directors serving as Audit and Supervisory Committee Members.

The resolution pertaining to this proposal will take effect subject to Proposal 1 "Partial Amendments to the Articles of Incorporation" becoming effective.

Proposal 7 Determination of Remuneration Amount and Details in Connection with Performance-based Stock Remuneration for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members and Outside Directors)

1. Reasons and rationale for the proposal

The remuneration for Directors of the Company consists of basic remuneration, bonuses, and stock remuneration. Of these components, stock remuneration was approved to be not more ¥100 million for three years at the 122nd Ordinary General Meeting of Shareholders held on June 23, 2016 (hereinafter the approval and resolution at said General Meeting of Shareholders are referred to as the “Previous Resolution”) as a performance-based stock remuneration plan using a trust, and the Company introduced such remuneration plan (hereinafter referred to as the “Plan”).

The Company will transition to a company with an Audit and Supervisory Committee if Proposal 1 “Partial Amendments to the Articles of Incorporation” is approved as proposed. As the purpose of the Plan stated above remains valid after the transition to a company with an Audit and Supervisory Committee, this proposal requests the approval to reestablish remuneration framework under the Plan as that for Directors (excluding Directors serving as Audit and Supervisory Committee Members and outside Directors) after the transition to a company with an Audit and Supervisory Committee. This remuneration framework will be established separately from that under Proposal 5 “Determination of Remuneration Amount for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members).”

In addition, the Company proposes to partially revise the amounts and details of the remuneration under the Plan as described in 2. (2) below, giving consideration to various factors such as recent economic conditions.

The overview of the details of the determination policy concerning the details of remuneration for individual Directors of the Company is as described in “(5) Remuneration for Directors and Audit & Supervisory Board Members,” “(3) Status of Company Officers,” “2. Status of the Company” in the Business Report (in Japanese only). At a meeting of the Board of Directors to be held after the conclusion of this General Meeting, the Company plans to change the eligible recipients of remuneration from “Directors” to “Directors (excluding Directors serving as Audit and Supervisory Committee Members),” which does not constitute a substantial change. The Company deems this proposal to be appropriate as it was resolved by the Board of Directors after deliberation by the Compensation Advisory Committee, while giving general consideration to factors such as the size of the Company’s business, the remuneration system for officers and their payment levels, the current number of officers and future trends.

There are currently eight (8) Directors (of which, three (3) are outside Directors), but if Proposals 1 and 2 are approved and adopted as proposed, there will be five (5) Directors eligible for the Plan after the change.

The resolution pertaining to this proposal will take effect subject to Proposal 1 “Partial Amendments to the Articles of Incorporation” becoming effective.

2. Amounts, details, etc. of remuneration under the Plan

(1) Overview of the Plan

The Plan is a performance-based stock remuneration plan whereby a trust established by the Company through contributions in cash (already established; hereinafter referred to as the “Trust”) acquires the Company’s common stock (hereinafter referred to as the “Company’s Stock”), which is then delivered to each Director through the Trust in the number equivalent to the number of points granted to each Director by the Company based on their performance.

The timing of delivery of shares of the Company’s Stock to Directors (excluding Directors serving as Audit and Supervisory Committee Members) is, in principle, upon their resignation. The outline of the Plan after the change is as described in the following table.

(i)	Eligible persons under the Plan (Note 1)	Directors of the Company (excluding outside Directors and Directors serving as Audit and Supervisory Committee Members)
(ii)	Current extended portion of the applicable period (Note 2)	From the business year ended March 31, 2026 to the business year ending March 31, 2028

(iii)	Extension of the applicable period	Applicable period may be extended by determining the period within five business years at a time, by a resolution of the Board of Directors of the Company.
(iv)	Maximum amount of cash to be contributed by the Company as funds to acquire shares of the Company's Stock required to be delivered to eligible persons under (i)	Total amount of ¥300 million in cash within the period as described in (ii) above (three business years). As described in (iii) above, if the applicable period is extended by a resolution of the Board of Directors of the Company, an amount obtained by multiplying ¥100 million by the number of business years extended within such extended portion of the applicable period.
(v)	Method of acquiring shares of the Company's Stock	Acquisition through disposal of treasury stock or the stock exchange markets including off-auction transactions
(vi)	Maximum points to be granted to eligible persons under (i)	85,000 points per business year
(vii)	Criteria for granting points	Points are granted based on calculations obtained by multiplying positions during the medium-term management plan and the achievement level of annual performance targets of the medium-term management plan.
(viii)	Timing of delivery of shares of the Company's Stock to eligible persons under (i)	In principle, upon the resignation

- (Notes)
1. The eligible persons are Directors excluding outside Directors until the Company's transition to a company with an Audit and Supervisory Committee in accordance with the Previous Resolution.
 2. The applicable period has been extended as described in (2) below.

(2) Maximum amount of cash to be contributed by the Company

Under the Previous Resolution, it was approved that the applicable period shall be from the business year ended March 31, 2017 to the business year ended March 31, 2019, and that remuneration based on the Plan shall be paid to Directors (excluding outside Directors) in office during this applicable period. In addition, the following matters were approved.

- (a) A maximum of ¥100 million in cash shall be entrusted to the Trust during the trust period (approximately three years) of the Trust as funds to acquire shares of the Company's Stock required to be delivered to Directors under the Plan.
- (b) The trust period of the Trust may be extended every three years by a resolution of the Board of Directors (including the effective extension of the trust period by transferring the trust property of the Trust to a trust with the same purpose as the Trust to be established by the Company). In this case, the applicable period shall be extended in line with the extension of the trust period.
- (c) In the case described in (b) above, a maximum of ¥100 million in cash shall be additionally entrusted to the Trust within the extended portion of the trust period as additional funds to acquire shares of the Company's Stock required to be delivered to Directors under the Plan. However, in making such additional contribution, if there are any shares of the Company's Stock or cash remaining in the trust property as of the last day of the trust period prior to the extension, the maximum amount of additional contribution shall be ¥100 million in cash less the amount equivalent to such remaining shares and remaining cash.
- (d) In the case described in (b) above, the Company shall continue to grant points and deliver shares of Company's Stock in proportion to points to Directors in office during the extended applicable period.
- (e) Notwithstanding (b) through (d) above, although the Company shall not continue to grant points to Directors after the expiration of the trust period, if there are any Directors who have been granted points but not received the delivery of shares of the Company's Stock in proportion to points at the expiration of the trust period as they have not resigned, the Company may extend the trust period of the Trust until the completion of the delivery of shares of the Company's Stock upon resignation of such Directors.

The Company established the Trust in 2016 and since has extended the trust period of the Trust based on the Previous Resolution at each of its expirations. In 2025, the Company extended the trust period to September 30, 2028 and the applicable period to March 31, 2028. (Accordingly, the extended portion of the applicable period covers the three business years from April 1, 2025 to March 31, 2028; hereinafter referred to as the "Current Extended Period.")

However, as the stock price of the Company has increased since the time the Previous Resolution was made and, in addition, it was decided to increase the level of stock remuneration based on positions

during the medium-term management plan and the achievement level of annual performance targets of the medium-term management plan, the maximum amount described in (c) above has become not sufficient for the Trust to acquire shares of the Company's Stock required to be delivered to Directors under the Plan. In addition, the Company needs to flexibly judge extended periods of the trust period and the applicable period based on the Company's performance outlook and other changing circumstances, to provide Directors with appropriate incentives.

Therefore, a maximum of ¥300 million in cash shall be entrusted to the Trust within the Current Extended Period as additional funds to acquire shares of the Company's Stock required to be delivered to Directors under the Plan. Furthermore, (b) and (c) above shall be amended after the Current Extended Period as follows.

(b) The applicable period may be extended by determining the period within five business years at a time, by a resolution of the Board of Directors. In this case, the trust period shall be extended in line with the extension of such applicable period (including the effective extension of the trust period by transferring the trust property of the Trust to a trust with the same purpose as the Trust to be established by the Company; The same shall apply hereafter).

(c) In the case described in (b) above, a maximum amount obtained by multiplying ¥100 million by the number of business years of such extended portion's applicable period shall be additionally entrusted in cash to the Trust within such extended portion's applicable period as additional funds to acquire shares of the Company's Stock required to be delivered to Directors under the Plan. (Notes)

The Company deems such maximum amount to be appropriate as it was resolved after giving general consideration to various factors such as the Company's performance, the composition of the Board of Directors after the transition to a company with an Audit and Supervisory Committee, economic conditions, and changes in management environment. The Company may deliver shares of the Company's Stock already acquired by the Trust using cash, as the source of funds, entrusted by the Company based on the Previous Resolution to Directors after the transition to a company with an Audit and Supervisory Committee under the Plan.

- (Notes)
1. Cash for which the Company actually makes additional contribution to the Trust includes the estimated necessary expenses such as trust fees and trust administrator fees, in addition to the above funds to acquire shares of the Company's Stock. In addition, as the Company has introduced a similar stock remuneration plan for the Company's Operating Officers who are not concurrently serving as Directors, the Company entrusts funds to acquire shares of the Company's Stock required to be delivered to such Operating Officers under the plan, along with the funds under the Plan.
 2. While the Trust acquires shares of the Company's Stock required to be delivered to Directors under the Plan, the Company shall set no upper limit to the number of shares to be acquired.

(3) Method of calculating the number of shares of the Company's Stock to be delivered to Directors and maximum number thereof

(i) Method of granting points to Directors, etc.

The Company shall grant to each Director points calculated by multiplying positions during the medium-term management plan and the achievement level of annual performance targets of the medium-term management plan, in accordance with its stock granting rules decided by the Board of Directors, on the point grant date set forth in the stock granting rules during the trust period (in principle, every business year).

The maximum points to be granted to Directors shall be 85,000 points per business year, giving general consideration to various factors such as the Company's performance, the composition of the Board of Directors after the transition to a company with an Audit and Supervisory Committee, economic conditions, and changes in management environment.

(ii) Delivery of shares of the Company's Stock in proportion to the number of points granted

Directors shall receive shares of the Company's Stock in proportion to the number of points as described in i) above, in accordance with the procedures set forth in iii) below. One point shall be equivalent to one share of the Company's Stock. However, if any event occurs, in which the Company deems it reasonable to adjust the number of shares of the Company's Stock per point, including in the case of a stock split or reverse stock split of the Company's Stock, the Company shall make reasonable adjustments to the number of shares of the Company's Stock per point in proportion to the ratio of such stock split or reverse stock split, etc.

(iii) Delivery of shares of the Company's Stock to Directors

Each Director shall, in principle, acquire beneficiary rights in the Trust following the prescribed procedures upon his or her resignation and, as a trustee of the Trust, receive shares of the Company's Stock as described in ii) above from the Trust.

However, a certain portion of shares of the Company's Stock may be sold and converted into cash in the Trust for the purpose of the Company withholding tax funds to pay withholding income tax, etc., and cash in lieu of shares of the Company's Stock may be delivered. In addition, if shares of the Company's Stock held in the Trust are converted into cash, including cases where a tender offer for shares of the Company's Stock held in the Trust is tendered and settled, cash in lieu of shares of the Company's Stock may be delivered.

(4) Exercise of voting rights

In accordance with the instructions from the trust administrator, who is independent from the Company and the Company's officers, the voting rights attached to shares of the Company's Stock in the Trust shall not be exercised in any case. This is intended to ensure the neutrality toward the Company's management with regard to the exercise of voting rights attached to shares of the Company's Stock in the Trust.

(5) Treatment of dividends

Dividends on shares of the Company's Stock in the Trust shall be received by the Trust and used for the acquisition of shares of the Company's Stock, the payment of trust fees to the trustee of the Trust, etc.