

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 5471)

June 4, 2024

To Shareholders with Voting Rights:

Tetsuya Shimizu,
President and Representative Executive Director
Daido Steel Co., Ltd.
1-10, Higashisakura 1-chome, Higashi-ku, Nagoya,
Aichi, Japan

NOTICE OF THE 100TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

This is to inform you that the 100th Annual General Meeting of Shareholders of Daido Steel Co., Ltd. (the “Company”) will be held for the purposes as described below.

When convening the General Meeting of Shareholders, the Company takes measures for providing information in electronic format. Items for which measures for providing information in electronic format will be taken, such as the “NOTICE OF THE 100TH ANNUAL GENERAL MEETING OF SHAREHOLDERS” and “Other Items Subject to Measures for Electronic Provision of 100th Annual General Meeting of Shareholders (Items Excluded from the Delivered Paper-based Documents)” can be found on the following websites.

The Company’s website:

<https://www.daido.co.jp/ir/stock/meeting/index.html> (in Japanese)

In addition to the above, the documents can also be found on the following websites.

Online convocation website:

<https://s.srdb.jp/5471/> (in Japanese)

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

On the above TSE website, please input the issue name (Daido Steel) or the securities code (5471) and click “Search.” Then select “Basic information” and navigate to the “Documents for public inspection/PR information” tab.

If you don’t attend the meeting, you may exercise your voting rights in advance by either of the following methods. Please review the Reference Documents for the Annual General Meeting of Shareholders in the items subject to measures for electronic provision and exercise your voting rights by no later than 4:00 p.m. on Tuesday, June 25, 2024 (JST).

[Exercise of voting rights via the Internet, etc.]

Please access the website designated by the Company (<https://www.web54.net>) (in Japanese) and enter your approval or disapproval of each proposal before the above voting deadline by following the instructions provided in the website.

[Exercise of voting rights in writing]

Please indicate your approval or disapproval on the enclosed voting rights exercise form and return it so that it arrives by the above-mentioned deadline.

- 1. Date and Time** Wednesday, June 26, 2024, at 10:00 a.m. (JST)
(Reception starts at 9:00 a.m.)
- 2. Place** The 2nd Floor Hall at Nagoya Chamber of Commerce and Industry located at
10-19, Sakae 2-chome, Naka-ku, Nagoya, Aichi, Japan

3. Meeting Agenda

Matters to be reported:

1. The Business Report and Consolidated Financial Statements for the Company's 100th Business Term (from April 1, 2023 to March 31, 2024), as well as the results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 100th Business Term (from April 1, 2023 to March 31, 2024)

Proposals to be resolved:

- Proposal No. 1** Appropriation of Surplus
- Proposal No. 2** Election of Nine Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal No. 3** Election of Three Directors Who Are Audit & Supervisory Committee Members
- Proposal No. 4** Election of One Director Who Is a Substitute Audit & Supervisory Committee Member
- Proposal No. 5** Payment of Bonuses to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

4. Others

- (1) Of the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company, the following matters are not provided in the documents to be delivered to shareholders who have requested written delivery. The Accounting Auditor and the Audit & Supervisory Committee have audited the documents subject to audit, including the following matters.
 - (i) System and Operation Status for Ensuring Proper Business Operations and Basic Policy Regarding Control of the Company in the Business Report
 - (ii) Consolidated Notes and Consolidated Statement of Changes in Equity in the Consolidated Financial Statements
 - (iii) Non-consolidated Notes and Statement of Changes in Equity in the Non-consolidated Financial Statements
- (2) If voting rights are not exercised in writing to indicate either approval or disapproval for each proposal, it will be considered as an indication of approval.
- (3) If voting rights are exercised in duplicate by both mailing the document and via the Internet, etc., the exercise of voting rights via the Internet, etc., will be considered valid.
- (4) For shareholders who wish to have diverse exercise of voting rights, please give notice along with the reason in writing at least three days prior to the date of the Annual General Meeting of Shareholders.

(Notice) Any changes to the items subject to measures for electronic provision will be posted on the Company's website, the online convocation website, and the TSE website mentioned above.

(Request) When attending on the day of the meeting, please submit your enclosed voting rights exercise form to the reception desk at the venue.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

1. Surplus dividends

The intention of the Company's dividend policy is to ensure stable profit returns. Therefore, the Company carefully considers consolidated business results and dividend payout ratios in order to meet shareholder expectations.

Regarding the year-end dividend for the current fiscal year, the Company proposes the following in line with the Company's basic policy and based on a careful consideration of the financial situation and business results for the whole year.

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property to shareholders and their aggregate amount
¥26 per common share of the Company
Total payment: ¥5,555,733,430
- (3) Effective date of dividends of surplus
June 27, 2024

2. Other appropriation of surplus

A general reserve is set aside to strengthen the financial structure.

- (1) Item of surplus to be increased and amount of increase
General reserve ¥41,000,000,000
- (2) Item of surplus to be decreased and amount of decrease
Retained earnings brought forward: ¥41,000,000,000

Proposal No. 2 Election of Nine Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

As the terms of office of all ten Directors will expire at the end of this Annual General Meeting of Shareholders, the Company proposes the reduction of members by one to improve management efficiency, and the election of nine Directors (excluding Directors who are Audit & Supervisory Committee Members; the same shall apply in this proposal).

The candidates for Director are as follows:

Candidate No.	Name	Current Position	
1	Takeshi Ishiguro	Chairperson of the Board of Directors, Representative Executive Director	
2	Tetsuya Shimizu	President & CEO, Representative Executive Director	
3	Toshiaki Yamashita	Representative Executive Director, Executive Vice President	
4	Akihito Kajita	Director, Managing Executive Officer	
5	Tatsushi Iwata	Director, Managing Executive Officer	
6	Tadayuki Kashima	Director, Managing Executive Officer	
7	Noriyuki Hiramitsu	Director	Independent Outside
8	Ryoichi Yamamoto	Director	Independent Outside
9	Mutsuko Jinbo	Director	Independent Outside

Candidate for Director

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Takeshi Ishiguro (January 15, 1957)	<p>Apr. 1980 Joined Daido Steel Co., Ltd.</p> <p>July 2002 General Manager, Sales Department 1, Steel Business Division</p> <p>June 2004 General Manager, Steel Sales Department, Steel Business Division</p> <p>June 2006 General Manager, Steel Planning and Management Department, Steel Business Division</p> <p>June 2008 General Manager, Corporate Planning Department</p> <p>June 2009 Director and General Manager, Corporate Planning Department</p> <p>Apr. 2012 Director</p> <p>June 2012 Managing Director</p> <p>June 2013 Managing Director, General Manager, Specialty Steel Products Division, and General Manager, Specialty Steel Bar & Wire Business Division</p> <p>June 2014 Representative Director and Vice President, General Manager, Tokyo Head Office, and General Manager, Specialty Steel Products Division</p> <p>June 2015 Representative Executive Director, Executive Vice President and General Manager, Tokyo Head Office</p> <p>June 2016 President & CEO, Representative Executive Director</p> <p>June 2023 Chairperson of the Board of Directors, Representative Executive Director (current position)</p> <p>[Significant concurrent positions outside the Company] Outside Director of TYK Corporation</p>	47,000 shares
<p>He has been involved in the management of the Company for many years since his appointment to the Board of Directors in 2009. He has led the management of Daido Steel Group (the "Group") as Representative Executive Director and President for seven years from 2016 to 2022. In order to sustainably improve the Company's corporate value, the Company nominates Takeshi Ishiguro as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Tetsuya Shimizu (November 7, 1962)	<p>Apr. 1985 Joined Daido Steel Co., Ltd.</p> <p>July 2008 General Manager, Advanced Materials R&D Department, Specialty Steel Research Center, R&D Division</p> <p>June 2010 General Manager, Specialty Steel Research Center, R&D Division</p> <p>Oct. 2014 General Manager, Material Solutions Department, Forged Products Division</p> <p>June 2016 Executive Officer and General Manager, Material Solutions Department</p> <p>Apr. 2017 Executive Officer and General Manager, Corporate Research & Development Center</p> <p>Apr. 2019 Executive Officer and General Manager, Corporate Planning Department</p> <p>Apr. 2020 Managing Executive Officer and General Manager, Corporate Planning Department</p> <p>June 2020 Director, Managing Executive Officer and General Manager, Corporate Planning Department</p> <p>June 2021 Director, Managing Executive Officer and General Manager, Functional Products Business Division</p> <p>Apr. 2022 Representative Executive Director, Executive Vice President, General Manager, Functional Products Business Division, and General Manager, Tokyo Head Office</p> <p>Apr. 2023 Representative Executive Director, Executive Vice President</p> <p>June 2023 President & CEO, Representative Executive Director (current position)</p>	19,300 shares
<p>He was as appointed President and Representative Executive Director last year, and has led the management of our Group. Going forward, the Group will need to proceed with product portfolio reforms in order to respond to major changes in the external environment. In order to realize an improvement in the Company and Group's sustainable corporate values through his knowledge and leadership skills, the Company nominates Tetsuya Shimizu as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Toshiaki Yamashita (January 20, 1964)	<p>Apr. 1986 Joined Daido Steel Co., Ltd.</p> <p>Apr. 2012 General Manager, Automobile Sales Department, Specialty Steel Bar & Wire Division, Specialty Steel Products Division</p> <p>June 2015 General Manager, Tokyo Sales Department, Automobile Business Unit</p> <p>June 2016 General Manager, Automobile Business Unit</p> <p>Apr. 2017 Executive Officer and General Manager, Corporate Planning Department</p> <p>Apr. 2019 Executive Officer and General Manager, Automobile Business Unit</p> <p>Apr. 2020 Managing Executive Officer and General Manager, Automobile Business Unit</p> <p>June 2020 Director, Managing Executive Officer and General Manager, Automobile Business Unit</p> <p>June 2021 Director, Managing Executive Officer and General Manager, Specialty Steel Business Division</p> <p>Apr. 2023 Director, Managing Executive Officer and General Manager, Specialty Steel Business Division, General Manager, Tool Steel Business Division, and General Manager, Tokyo Head Office</p> <p>June 2023 Representative Executive Director, Executive Vice President, and General Manager, Specialty Steel Business Division, General Manager, Tool Steel Business Division, and General Manager, Tokyo Head Office</p> <p>Jan. 2024 Representative Executive Director, Executive Vice President, General Manager, Specialty Steel Business Division, and General Manager, Tokyo Head Office</p> <p>Apr. 2024 Representative Executive Director, Executive Vice President and General Manager, Tokyo Head Office (current position)</p> <p>[Responsibilities] Assistant to the President Supervisor of all marketing & sales departments Sales Management Department, and Hot Forming Division</p> <p>[Significant concurrent positions outside the Company] Director of FUJI OOZX Inc.</p>	12,100 shares
<p>He has extensive sales and marketing know-how from being engaged in sales for many years. He also has a wide range of knowledge from his experience as General Manager, Corporate Planning Department. In order to reflect Toshiaki Yamashita's market responsiveness in the midst of major changes in the Company's product strategy, such as our response to vehicle electrification, onto our management, we nominate him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned	
4	Akihito Kajita (October 11, 1962)	Apr. 1986	Joined The Industrial Bank of Japan, Limited	27,500 shares
		Apr. 2011	General Manager, e-Business Division of Mizuho Corporate Bank, Ltd.	
Apr. 2012	General Manager, Toyama Corporate Banking Division			
July 2013	General Manager, Toyama Branch of Mizuho Bank, Ltd.			
Apr. 2014	General Manager, Corporate Banking Division No. 1			
June 2015	President & CEO of Mizuho Electronic Monetary Claim Recording Co., Ltd.			
June 2017	Executive Officer of Daido Steel Co., Ltd.			
June 2019	Director, Executive Officer			
June 2021	Director, Managing Executive Officer (current position)			
		[Responsibilities] IT Planning Department, Finance & Accounting Department, and Internal Control (Financial Instruments and Exchange Act)		
He has previously worked for financial institutions and has been intimately involved in IT and finance. Akihito Kajita's expertise and extensive knowledge of IT will be needed to further promote digitalization going forward. The Company nominates him as a candidate for Director in order to bring a diverse perspective to the Company's management through his experience in different industries.				
5	Tatsushi Iwata (October 13, 1964)	Apr. 1987	Joined Daido Steel Co., Ltd.	11,000 shares
		June 2014	General Manager, Global Business Division	
Apr. 2017	General Manager, Automobile Business Unit			
Apr. 2018	Executive Officer and General Manager, Automobile Business Unit			
Apr. 2019	Executive Officer and General Manager, Planning Department for Affiliates			
June 2021	Managing Executive Officer and General Manager, Planning Department for Affiliates			
Apr. 2022	Managing Executive Officer			
Jan. 2023	Managing Executive Officer and General Manager, Corporate Planning Department			
Apr. 2023	Managing Executive Officer			
June 2023	Director, Managing Executive Officer (current position)			
		[Responsibilities] Corporate Planning Department, ESG Management Department, and Planning Department for Affiliates		
He has extensive knowledge with regard to global business. In recent years, he has been intimately involved in the management of the Group as the officer in charge of the Corporate Planning Department. The Company nominates Tatsushi Iwata as a candidate for Director to further promote our key focus areas of global business and ESG management.				

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Tadayuki Kashima (July 22, 1964)	<p>Apr. 1987 Joined Daido Steel Co., Ltd.</p> <p>July 2010 Deputy General Manager, Chita Plant, Specialty Steel Business Division</p> <p>June 2014 General Manager, Procurement Department</p> <p>June 2015 General Manager, Technical Planning & Administration Department</p> <p>Apr. 2018 Executive Officer and General Manager, Chita Plant</p> <p>June 2021 Managing Executive Officer and General Manager, Specialty Steel Production Division</p> <p>Apr. 2023 Managing Executive Officer and General Manager, Production Division</p> <p>June 2023 Director, Managing Executive Officer and General Manager, Production Division (current position)</p> <p>[Responsibilities] Supervisor of the Production Department Procurement Department and Advanced Manufacturing Department</p>	9,900 shares
He has extensive knowledge of manufacturing technology. Going forward, the Group will need to accelerate its response to carbon neutrality and further strengthen its high-performance products. The Company therefore nominates Tadayuki Kashima as a candidate for Director as we need to further develop our manufacturing technology.			
7	<p style="text-align: center;"><u>Independent</u> <u>Outside</u></p> <p>Noriyuki Hiramitsu (October 15, 1966)</p>	<p>Apr. 1991 Joined Nippon Steel Corporation</p> <p>Apr. 2016 General Manager, Head of Div., Production & Technical Control Division, Nagoya Works, Nippon Steel & Sumitomo Metal Corporation</p> <p>Apr. 2018 General Manager, Vice Head of Works, Nagoya Works</p> <p>Apr. 2020 Executive Officer, Head of Center, Plant Engineering and Facility Management Center, Nippon Steel Corporation</p> <p>Apr. 2023 Managing Executive Officer, Head of Works, Nagoya Works (current position)</p> <p>June 2023 Director of Daido Steel Co., Ltd. (current position)</p> <p>[Significant concurrent positions outside the Company] Managing Executive Officer of Nippon Steel Corporation</p> <p>[Tenure as Director of the Company] 1 year</p>	0 shares
<p>1. Noriyuki Hiramitsu is a candidate for outside Director. Mr. Hiramitsu has abundant experience and insight as an executive of a major company in the steel industry. The Company expects that he will share appropriate advice and ideas on Company management at Board of Directors meetings, Nomination and Remuneration Committee and other such meetings based on his experience, and therefore renominates him as a candidate for outside Director.</p> <p>2. The Company has entered into an agreement with Noriyuki Hiramitsu to limit his liability to the minimum amount required by law as stipulated in Article 423, Paragraph 1 of the Companies Act. If he is reelected, this agreement will be continued.</p> <p>3. The Company has designated Noriyuki Hiramitsu as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange. Although the Company has sales transactions with Nippon Steel Corporation, where he is currently an executive, it accounts for less than 1% of the Company's sales, so it is not considered as interfering with his independence.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	<div style="text-align: center;"> Independent Outside Ryoichi Yamamoto (March 27, 1951) </div>	Apr. 1973 Joined The Daimaru, Inc. Feb. 1993 Manager of Sales Planning Department, Osaka Umeda Store Feb. 2001 Director, and General Manager of Sales Reform Promotion Office and General Manager of Sales Planning Office, Department Store Operations Headquarters, Head Office May 2003 President and COO Sept. 2007 Director of J. FRONT RETAILING Co., Ltd. Director of Matsuzakaya Co., Ltd. Mar. 2010 President of Daimaru Matsuzakaya Department Stores Co. Ltd. Apr. 2013 President of J. FRONT RETAILING Co., Ltd. May 2017 Director, President, and Representative Executive Officer May 2020 Director and Board of Directors Chairperson June 2021 Director of Daido Steel Co., Ltd. (current position) May 2024 Adviser of J. FRONT RETAILING Co., Ltd. (current position) [Significant concurrent positions outside the Company] Outside Director of NORITAKE CO., LIMITED [Tenure as Director of the Company] 3 years	6,200 shares
<ol style="list-style-type: none"> 1. Ryoichi Yamamoto is a candidate for outside Director. Mr. Yamamoto has served for many years as a representative director and representative executive officer in industries outside the Company, and has a wide range of experience and insight. The Company expects that he will share appropriate advice and ideas on Company management at Board of Directors meetings, Nomination and Remuneration Committee and other such meetings based on his experience, and therefore renominates him as a candidate for outside Director. 2. The Company has entered into an agreement with Ryoichi Yamamoto to limit his liability to the minimum amount required by law as stipulated in Article 423, Paragraph 1 of the Companies Act. If he is reelected, this agreement will be continued. 3. The Company has designated Ryoichi Yamamoto as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange. Although the Company occasionally has purchase transactions for goods with Daimaru Matsuzakaya Department Store Co. Ltd., where he executed business until March of 2012, it accounts for less than 1% of that company's sales, so it is not considered as interfering with his independence. 			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
9	<div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Independent</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Outside</div> <p>Mutsuko Jinbo (August 23, 1953)</p>	<p>Mar. 1992 Received doctorate in engineering at Nagoya University</p> <p>Apr. 1996 Assistant Professor of Materials Engineering Laboratory, Daido Institute of Technology</p> <p>Apr. 2001 Professor of School of Engineering</p> <p>Apr. 2017 Director of Daido Educational Institutions</p> <p>Apr. 2017 President of Daido University</p> <p>June 2019 Director of Daido Steel Co., Ltd. (current position)</p> <p>Apr. 2023 Adviser of Daido Educational Institutions</p> <p>Apr. 2023 Research Fellow, Graduate School of Engineering, Mie University (current position)</p> <p>[Tenure as Director of the Company] 5 years</p>	0 shares
<p>1. Mutsuko Jinbo is a candidate for outside Director. Although Ms. Jinbo has never been involved with company management, she has been involved with management as a director of an educational foundation and president of a university until March 2023. She has been active as a professor for many years and has a wide range of experience and insight. The Company expects that she will share appropriate advice and ideas on Company management and product development at Board of Directors meetings, Nomination and Remuneration Committee and other such meetings, and therefore renominates her as a candidate for outside Director.</p> <p>2. The Company has entered into an agreement with Mutsuko Jinbo to limit her liability to the minimum amount required by law as stipulated in Article 423, Paragraph 1 of the Companies Act. If she is reelected, this agreement will be continued.</p> <p>3. The Company has designated Mutsuko Jinbo as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange. Mutsuko Jinbo served as a Director of the Daido Educational Institutions, which is a recipient of donations from the Company, but she has resigned from this position in March 2023. Moreover, there is no investment relationship with the said institution, and the amount of the donations is less than 1% of the total income of the institution, and therefore, is not considered as interfering with her independence.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The Company has entered into a liability insurance policy for directors and officers, with an insurance company to cover damages that arise when an insured person is liable for the execution of his or her duties or receives a claim in carrying out such responsibilities. However, there are exemptions. For example, no compensation is made for damages caused by willful misconduct or gross negligence. Each Director will become an insured person under such policy upon his or her election. Moreover, the Company plans to renew such insurance policy in the middle of their terms of office.

[Audit & Supervisory Committee Opinion]

The Audit & Supervisory Committee considered the election of Directors (excluding Directors who are Audit & Supervisory Committee Members) based on the Code of Audit & Supervisory Committee Auditing and Supervising Standards, taking into consideration that appropriate procedures, including deliberations by the Nomination and Remuneration Committee, had been completed. As a result, there were no matters of particular note regarding the election of the Directors (excluding Directors who are Audit & Supervisory Committee Members).

Proposal No. 3 Election of Three Directors Who Are Audit & Supervisory Committee Members

As the terms of office of all three Directors who are Audit & Supervisory Committee Members will expire at the end of this Annual General Meeting of Shareholders, the Company proposes the election of three Directors who are Audit & Supervisory Committee Members.

The Audit & Supervisory Committee has approved this proposal.

The candidates for Director who are Audit & Supervisory Committee Members are as follows:

Candidates for Director who are Audit & Supervisory Committee Members

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Susumu Shimura (February 14, 1959)	Apr. 1981 Joined Daido Steel Co., Ltd. Apr. 2006 General Manager, Environmental Facilities Department, Machinery Division Apr. 2008 General Manager, Takiharu Techno Center, Machinery Division May 2009 General Manager, Planning & Management Department, Machinery Division Apr. 2012 General Manager, Machinery Division June 2012 Director and Manager of Machinery Division June 2015 Managing Executive Officer June 2017 Director, Managing Executive Officer Apr. 2019 Director June 2019 Full-time Audit & Supervisory Board Member June 2022 Director, Full-time Audit & Supervisory Committee Member (current position)	23,400 shares
He was involved in the Company's management as an Executive Director for many years and since 2019, he has been responsible for auditing the Company as a Full-Time Audit & Supervisory Board Member and Full-time Audit & Supervisory Committee Member. As such, Susumu Shimura has knowledge in both management and auditing which is necessary to further strengthen internal control; therefore the Company nominates him as a candidate for Director who is an Audit & Supervisory Committee Member.			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p style="text-align: center;"> New appointment Independent Outside </p> <p style="text-align: center;">Ryuichiro Ono (December 25, 1964)</p>	<p>Apr. 1988 Joined The Tokai Bank, Limited</p> <p>May 2013 Managing Director, Head of Corporate Banking Division No.4 of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>May 2016 Managing Director, Head of Credit Division</p> <p>June 2016 Executive Officer, Managing Director, Head of Credit Division</p> <p>May 2018 Executive Officer and Senior Superintendent of MUFG Bank, Ltd.</p> <p>June 2018 Advisor of Mitsubishi UFJ Research and Consulting Co., Ltd.</p> <p>June 2018 Director and Senior Managing Executive Officer (current position)</p>	0 shares
<p>1. Ryuichiro Ono is a candidate for outside Director. He has served financial institutions in senior management positions for many years and has broad experience and insight in management. The Company expects that he will perform appropriate auditing and supervision of the Company's management based on his experience, and therefore nominates him as a candidate for outside Director who is an Audit & Supervisory Committee Member.</p> <p>2. If the election of Ryuichiro Ono is approved, the Company plans to enter into an agreement with him to limit his liability to the minimum amount required by law as stipulated in Article 423, Paragraph 1 of the Companies Act.</p> <p>3. If the election of Ryuichiro Ono is approved, the Company plans to appoint him as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange. Mr. Ono was an executive officer of MUFG Bank, Ltd. (the "Bank"), which is a lender to the Company. However, since it has been six years since his retirement from that position, and borrowings from the Bank account for about 9% of our total borrowings, the Bank has no influence over the Company. While there are non-recurring transactions such as ad hoc outsourcing with Mitsubishi UFJ Research and Consulting Co., Ltd. for which he serves as an executive officer, they account for less than 1% of that company's sales. Therefore, we see no issues with his independent status.</p>			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<div style="text-align: center;"> Independent Outside Kenji Matsuo (June 22, 1949) </div>	Apr. 1973 Joined Meiji Life Insurance Company July 2001 Director and General Manager, Real Estate Investment Department Apr. 2005 Managing Director of Meiji Yasuda Life Insurance Company Dec. 2005 President July 2006 President Director, Representative Executive Officer July 2013 Representative Executive Officer July 2013 Senior Adviser June 2017 Audit & Supervisory Board Member of Daido Steel Co., Ltd. Apr. 2022 Honorary Advisor of Meiji Yasuda Life Insurance Company (current position) June 2022 Director, Audit & Supervisory Committee Member (current position) [Significant concurrent positions outside the Company] Outside audit & supervisory board member of Mitsubishi Research Institute, Inc. [Tenure as Director of the Company] 2 years	0 shares
<ol style="list-style-type: none"> 1. Kenji Matsuo is a candidate for outside Director. He has served financial institutions in senior management positions for many years and has broad experience and insight in management. The Company expects that he will perform appropriate auditing and supervision of the Company's management based on his experience, and therefore continue to nominate him as a candidate for outside Director who is an Audit & Supervisory Committee Member. 2. The Company has entered into an agreement with Kenji Matsuo to limit his liability to the minimum amount required by law as stipulated in Article 423, Paragraph 1 of the Companies Act. If he is reelected, this agreement will be continued. 3. The Company has designated Kenji Matsuo as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange. Mr. Matsuo was an executive officer of Meiji Yasuda Life Insurance Company, which is a lender to the Company. However, since it has been 11 years since his retirement from that position, and borrowings from it account for about 6% of our total borrowings, it does not have influence over the Company. 			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The Company has entered into a liability insurance policy for directors and officers, with an insurance company to cover damages that arise when an insured person is liable for the execution of his or her duties or receives a claim in carrying out such responsibilities. However, there are exemptions. For example, no compensation is made for damages caused by willful misconduct or gross negligence. Each Director will become an insured person under such policy upon his or her election. Moreover, the Company plans to renew such insurance policy in the middle of their terms of office.

(Reference) Skills Matrix

If Proposals No. 2 and No. 3 are approved and adopted as proposed, the skills of the Company's Directors will be as follows: Please note that the knowledge and experience of each Director is not limited to the items on the list.

	Name	ESG Management / Planning	Manufacturing Technology / R&D	Sales / Marketing	Finance / Accounting	IT	Overseas Business	Legal / Compliance
Director	Takeshi Ishiguro	○		○			○	
	Tetsuya Shimizu	○	○				○	
	Toshiaki Yamashita	○		○				
	Akihito Kajita			○	○	○		○
	Tatsushi Iwata	○		○	○		○	
	Tadayuki Kashima	○	○					
	Noriyuki Hiramitsu		○			○		
	Ryoichi Yamamoto	○		○				
	Mutsuko Jinbo		○					○
Audit & Supervisory Committee Members	Susumu Shimura	○	○					○
	Ryuichiro Ono	○		○	○			
	Kenji Matsuo	○		○	○			

Proposal No. 4 Election of One Director Who Is a Substitute Audit & Supervisory Committee Member

To prepare for a shortage of Directors who are Audit & Supervisory Committee Members according to the legally required amount, we propose the election of one Director who is a Substitute Audit & Supervisory Committee Member.

The Audit & Supervisory Committee has approved this proposal.

The candidate for Director who is a Substitute Audit & Supervisory Committee Member is as follows:

Candidate for Director who is a Substitute Audit & Supervisory Committee Member

Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
<p style="text-align: center;">Independent Outside</p> <p style="text-align: center;">Nobuyasu Kawabe (May 25, 1965)</p>	<p>Apr. 1992 Joined Chuo Audit Corporation</p> <p>July 1995 Registered as an attorney at law and joined Fuji Law Office</p> <p>Apr. 1999 Established Kawabe Law Office (now Kawabe Kato Law Office) (current position)</p> <p>June 2020 Substitute Audit & Supervisory Board Member of Daido Steel Co., Ltd.</p> <p>June 2022 Director who is a Substitute Audit & Supervisory Committee Member (current position)</p>	<p style="text-align: center;">5,000 shares</p>
<ol style="list-style-type: none"> 1. There is no special interest between Nobuyasu Kawabe and the Company. 2. Nobuyasu Kawabe is a candidate for outside Director who is a Substitute Audit & Supervisory Committee Member. Although Mr. Kawabe has no experience in company management, he does have broad experience and insight in corporate legal affairs gained from his many years as an attorney. The Company expects that he will perform appropriate auditing and supervision of the Company's management based on his experience, and therefore nominates him as a candidate for outside Director who is a Substitute Audit & Supervisory Committee Member. 3. If Nobuyasu Kawabe is appointed as a Director who is an Audit & Supervisory Committee Member, the Company plans to enter into an agreement with him to limit his liability to the minimum amount required by law as stipulated in Article 423, Paragraph 1 of the Companies Act. 4. If Nobuyasu Kawabe is appointed as a Director who is an Audit & Supervisory Committee Member, the Company plans to designate him as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange. 5. The Company has entered into a liability insurance policy for directors and officers, with an insurance company to cover damages that arise when an insured person is liable due to the execution of his or her duties or receives a claim in carrying out such responsibilities. However, there are exemptions. For example, no compensation is made for damages caused by willful misconduct or gross negligence. If Nobuyasu Kawabe is appointed as a Director who is an Audit & Supervisory Committee Member, he will be covered by this insurance policy. 		

Proposal No. 5 Payment of Bonuses to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

Considering business results for the current fiscal year among other factors, the Company proposes to pay a total of ¥176.625 million in bonuses to the seven Directors (excluding Directors who are Audit & Supervisory Committee Members and outside Directors; the same shall apply in this proposal) incumbent as of the end of the current period.

We believe that this proposal is appropriate regarding the amount of bonuses to be paid to Directors, because it has been decided by the Board of Directors according to the policy for remuneration decided

upon at the Board of Directors meeting (as described in Business Report 4. Matters Concerning Company Officers (4) Remuneration, etc. for Directors for the Current Fiscal Year (i) Matters Concerning Policy for Determination of Individual Remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members)), and with the ratio of performance-linked compensation to total remuneration and other factors taken into consideration, after consulting with the Nomination and Remuneration Committee of which the majority is composed of independent outside Directors.

[Audit & Supervisory Committee Opinion]

The Audit & Supervisory Committee considered the payment of bonuses to Directors (excluding Directors who are Audit & Supervisory Committee Members and outside Directors) based on the Code of Audit & Supervisory Committee Auditing and Supervising Standards, taking into consideration that appropriate procedures, including deliberations by the Nomination and Remuneration Committee, had been completed. As a result, there were no matters of particular note regarding the payment of bonuses of the Directors (excluding Directors who are Audit & Supervisory Committee Members and outside Directors).