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Securities Code 5391  
June 4, 2024

## To Those Stockholders with Voting Rights

Tohru Makino  
President and Representative Director  
A&A Material Corporation  
2-5-5 Tsurumi-chuo, Tsurumi-ku,  
Yokohama, Kanagawa

## NOTICE OF THE 24th ORDINARY GENERAL MEETING OF STOCKHOLDERS

You are hereby notified of the 24th Ordinary General Meeting of Stockholders of A&A Material Corporation (the “Company”). The meeting will be held as stated below.

**In convening this General Meeting of Stockholders, the Company has taken measures for providing information that constitutes the content of Reference Documents for the General Meeting of Stockholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on the Company’s website. Please access the website to view the information.**

The Company’s website  
<https://www.aa-material.co.jp> (in Japanese)

**In addition to the Company’s website mentioned above, the matters for which measures for providing information in electronic format are to be taken are also posted on the Tokyo Stock Exchange (TSE) website.**

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

**Please access the aforementioned TSE website and enter then search either “A&A Material” under [Issue name (company name)] or “5391” under [Code]. Select [Basic information], then [Documents for public inspection/PR information] and check [Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting] under [Filed information available for public inspection].**

**If you are unable to attend the Meeting, it is possible to exercise your voting rights by paper ballot (postal mail) or via the Internet. Please review the Reference Documents for the General Meeting of Stockholders and exercise your voting rights by no later than 5:50 p.m. on Wednesday, June 26, 2024.**

### **If you are exercising your voting rights by paper ballot (postal mail)**

Please indicate your vote for or against the Proposals on the Voting Rights Exercise Form and send it back by the abovementioned deadline for exercising your voting rights.

### **If you are exercising your voting rights via the Internet, etc.**

Please access the Voting Rights Exercise Site specified by the Company (<https://soukai.mizuho-tb.co.jp/>) to exercise voting rights and use either the voting code and password printed on the Voting Rights Exercise Form sent together with this notice and follow the instructions on the screen to indicate your vote for or against the Proposals.

If you are exercising your voting rights via the Internet, etc. please refer to the following, “Exercise of Voting Rights via the Internet, etc.”

- 1. Date and Time** Thursday, June 27, 2024 at 10:00 a.m. (Reception begins at 9:00 a.m.)
- 2. Place:** Conference Hall (8th floor), Head office of the Company 2-5-5 Tsurumi-chuo, Tsurumi-ku, Yokohama, Kanagawa
- 3. Agenda of the Meeting:**
- Matters to be reported:**
1. Business Report, Consolidated Financial Statements for the 24th Fiscal Term (from April 1, 2023 to March 31, 2024) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the 24th Fiscal Term (from April 1, 2023 to March 31, 2024)
- Proposals to be resolved:**
- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Partial Amendments to the Articles of Incorporation
- Proposal No. 3:** Election of Six Directors
- Proposal No. 4:** Election of Two Corporate Auditors
- Proposal No. 5:** Election of One Substitute Corporate Auditor
- 4. Matters to be decided at the time of convocation:**
- (1) If you exercise your voting rights by paper ballot (postal mail) and do not indicate your vote for or against the Proposals on the Voting Rights Exercise Form, a vote for the proposal shall prevail.
  - (2) If you vote via the Internet, etc. several times, the last vote shall prevail.
  - (3) If you vote both by paper ballot (postal mail) and via the Internet, the vote via the Internet shall prevail.

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- If you are attending the Meeting, please hand in the Voting Rights Exercise Form that will be sent with this Notice at the front desk when you arrive at the venue.
  - Of the matters for which measures for providing information in electronic format are to be taken, pursuant to the provisions of laws and regulations and Article 15, paragraph 2 of the Articles of Incorporation of the Company, the following are not contained in the documents delivered to stockholders who have requested the delivery of paper documents. The Corporate Auditors and the Accounting Auditor have audited the documents that are subject to audit, including the following.
    - (i) Notes to the Consolidated Financial Statements
    - (ii) Notes to the Non-consolidated Financial Statements
  - For matters for which measures for providing information in electronic format are to be taken, in the event of any revision up until the day before the General Meeting of Stockholders, a notice of such revisions and the matters before and after the revisions shall be posted on each of the websites listed on page 1.




## Voting Guide

Exercise of voting rights at the Company's General Meeting of Stockholders is stockholders' important right.

Please by all means exercise your voting rights after examining the Reference Documents for the General Meeting of Stockholders.

There are three methods to exercise your voting rights as indicated below.




**If you are attending the Meeting**

Please hand in the Voting Rights Exercise Form that will be sent with this Notice at the front desk when you arrive at the venue.

Date and Time

Thursday, June 27, 2024 at 10:00 a.m.  
(Reception begins at 9:00 a.m.)




**If you are exercising your voting rights by paper ballot (postal mail)**

Please indicate your vote for or against the Proposals on the Voting Rights Exercise Form that will be sent with this Notice and send it back.

Deadline

To be received no later than 5:50 p.m. on Wednesday, June 26, 2024



**If you are exercising your voting rights via the Internet, etc.**

Please indicate your vote for or against the Proposals following the instructions on the next page.

Deadline

All data entry to be completed no later than 5:50 p.m. on Wednesday, June 26, 2024

### How to Fill Out Voting Right Exercise Form

Indicate whether you approve or disapprove of each proposal here.

Proposals 3 and 4

If you approve of all -> Circle “賛 (Approve)”

If you disapprove of all -> Circle “否 (Disapprove)”

If you disapprove of some candidates

-> Circle “賛 (Approve)” and write the candidates' number of whom you disapprove in the blank column next to it.

Note: The above is an illustration of the Voting Right Exercise Form.

## Exercise of Voting Rights via the Internet, etc.

### Scanning QR Code “Smart Vote”

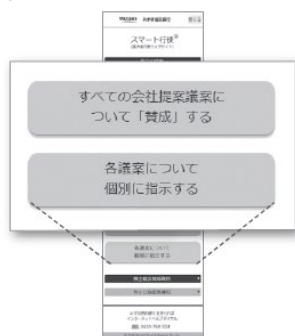
You can simply log in to the Voting Rights Exercise Site without entering your voting code and password.

1. Please scan the QR Code printed on the lower right-hand side of the Voting Rights Exercise Form.



Note: “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

2. Indicate your approval or disapproval by following the instructions on the screen.



Please note that exercising voting rights by using “Smart Vote” method is available **only once**.

If you need to change your votes after exercising your voting rights, please log in to the Voting Rights Exercise Site for PC by using your voting code and password printed on the Voting Rights Exercise Form, and exercise your voting rights again.

Note: If you rescan the QR Code, you can access the voting website for PC.

In case you need instructions for how to operate your personal computer, smartphone or mobile phone in order to exercise your voting rights via the Internet, etc., please contact:

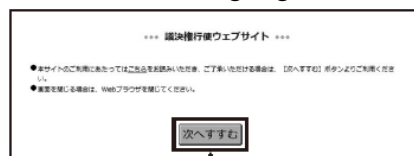
Internet Help Dial, Stock Transfer Agency Department of Mizuho Trust & Banking Co., Ltd.

TEL: 0120—768—524 (Toll free in Japan)  
(Operating hours: 9:00 a.m.—9:00 p.m.)

### Entering voting code and password

Voting Rights Exercise Site: <https://soukai.mizuho-tb.co.jp/> (in Japanese)

1. Access the Voting Rights Exercise Site.



Click “Next.”

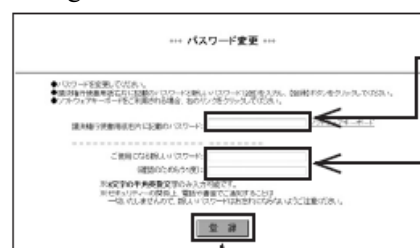
2. Enter the voting code printed on the Voting Rights Exercise Form.



Enter the voting code.

Click “Next.”

3. Enter the password printed on the Voting Rights Exercise Form.



Enter the password.

Enter the new password that you will actually use.

Click “Register.”

4. Indicate your approval or disapproval by following the instructions on the screen.

Note: The above images are illustrations of the screen.

Institutional investors may use the Electronic Voting Rights Exercise Platform for institutional investors operated by ICJ, Inc.

## Reference Documents for the General Meeting of Stockholders

### Proposals and references

#### Proposal No. 1: Appropriation of Surplus

With respect to the appropriation of surplus, the Company would like to pay out as follows.

Matters regarding the year-end dividend

The Company implements continuous and stable dividend payouts according to our performance on the basis of the basic policy of aiming to secure and expand profits through sound corporate activities, and returning part of the stable revenues to its stockholders in the form of dividends.

Under this basic policy, the Company would like to pay out the year-end dividend for the term under review as follows, in consideration of our performance for the term under review and the future business development.

Type of dividend property

Cash

Matters concerning the distribution of dividends to stockholders and its total amount

25 yen per share of common stock of the Company, for a total amount of 193,960,400 yen.

Note: Since an interim dividend of 25 yen was paid, the annual dividend for the term under review amounts to 50 yen per share.

Effective date of dividends from surplus

Friday, June 28, 2024

## Proposal No. 2: Partial Amendments to the Articles of Incorporation

### 1. Reasons for the amendment

As part of the operational streamlining and workstyle reforms, the Company plans to relocate the head office from the current location in Tsurumi-ku, Yokohama to Minato-ku, Tokyo in 2025. Accordingly, the Company will amend the provision of Article 2 (Head Office) of the current Articles of Incorporation and add a provision in the Supplementary Provisions to the effect that the said amendment will take effect on the date of relocation of the head office to be determined at the meeting of the Board of Directors to be held by the 25th Ordinary General Meeting of Stockholders to be held in 2025. The Supplementary Provision will be deleted on the effective date of the amendment.

### 2. Description of the amendment

The proposed amendments are as follows.

(Amendments are underlined)

Current Articles of Incorporation	Proposed Amendments
(Head Office) Article 2 The Company shall have its head office in <u>Tsurumi-ku, Yokohama.</u> (Newly established)	(Head Office) Article 2 The Company shall have its head office in <u>Minato-ku, Tokyo.</u> <u>(Supplementary Provisions)</u> <u>The amendment to Article 2 shall take effect on the date of the relocation of the head office to be determined by the meeting of the Board of Directors to be held by the 25th Ordinary General Meeting of Stockholders to be held in 2025. This Supplementary Provision shall be deleted after the effective date of the relocation of the head office.</u>

**Proposal No. 3: Election of Six Directors**

The term of office of all six Directors will expire at the close of this General Meeting of Stockholders. In that regard, the Company proposes the election of six Directors.

The selection of candidates for the Board of Directors is made through deliberations by the Nomination and Remuneration Advisory Committee, which is composed of a majority of Outside Directors and chaired by an Outside Director, and reports to the Board of Directors.

The candidates for Director are as follows.

No.	Name	Current position and responsibilities	Attribute
1	Tohru Makino	President & Representative Director General Management Nomination and Remuneration Advisory Committee Member	Reappointment
2	Tetsuya Ohashi	Advisor Director, Taiheiyo Cement Corporation	New appointment
3	Takehito Oshima	Director and Managing Executive Officer Senior General Manager, Building Materials Division	Reappointment
4	Kazuto Takahara	Director and Managing Executive Officer Senior General Manager, Administrative Headquarters	Reappointment
5	Shigemi Takura	Director Chairperson of the Nomination and Remuneration Advisory Committee Lawyer, Takura Law Office	Reappointment Outside Independent
6	Tomoko Sugaya	Lawyer, Hijiribashi Architecture & Law Special Committee Member, Central Committee for Adjustment of Construction Work Disputes, Ministry of Land, Infrastructure, Transport and Tourism Extraordinary Commission Member, Consumer Safety Investigation Commission, Consumer Affairs Agency Expert Committee Member, Adachi-ku Architecture Examination Committee Committee Member, Central Examination Committee for Architects, Ministry of Land, Infrastructure, Transport and Tourism	New appointment Outside Independent

Attributes of candidates:

Reappointment: Director to be reappointed

New appointment: Director to be newly appointed

Outside: Outside Director

Independent: Independent Director as stipulated by stock exchanges, etc.

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions	Number of shares of the Company held
1	<p>Tohru Makino  <u>Reappointment</u>  (January 14, 1956)</p> <p>Attended 16 out of 16 meetings of the Board of Directors</p>	<p>April 1979      Joined Chichibu Cement Co., Ltd.  October 1998      Affiliates Department of Taiheiyo Cement Corporation  November 2001      General Manager, Corporate Planning Department of A&amp;A Material Corporation  April 2008      Executive Officer and General Manager, Sales Department, Cement Business Division of DC Co., Ltd.  April 2011      General Manager, Affiliate Businesses Department of Taiheiyo Cement Corporation  April 2012      Adviser of A&amp;A Material Corporation  June 2012      Director and Senior Executive Officer of A&amp;A Material Corporation  June 2015      <b>President &amp; Representative Director of A&amp;A Material Corporation (to present)</b></p> <p><b>Reason for nominating Tohru Makino as Director</b>  Mr. Tohru Makino has constantly provided leadership in all areas and been involved in overall management as President &amp; Representative Director since 2015. As he will be able to utilize his wealth of experience, knowledge and insight into management to make important decisions and execute operations that will lead to further enhancement of the corporate value of the Group, the Company proposes he continue as a candidate for Director.</p>	29,100



No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions	Number of shares of the Company held
2	Tetsuya Ohashi <u>New appointment</u> (March 7, 1960)	<p>April 1982      Joined Onoda Cement Co., Ltd.</p> <p>October 2010    President, TAIHEIYO CEMENT U.S.A., INC.</p> <p>April 2015      General Manager, Administration Department, International Business Division of Taiheiyo Cement Corporation</p> <p>April 2016      Executive Officer, General Manager, Administration Department, International Business Division of Taiheiyo Cement Corporation</p> <p>April 2019      Managing Executive Officer of Taiheiyo Cement Corporation</p> <p>June 2019      Director and Managing Executive Officer of Taiheiyo Cement Corporation</p> <p>June 2020      Managing Executive Officer of Taiheiyo Cement Corporation</p> <p>April 2021      Senior Executive Officer of Taiheiyo Cement Corporation</p> <p>June 2021      Director and Senior Executive Officer of Taiheiyo Cement Corporation</p> <p>April 2024      <b>Adviser of A&amp;A Material Corporation (to present)</b> <b>Director, Taiheiyo Cement Corporation (to present)</b></p> <p><b>Reason for nominating Tetsuya Ohashi as Director</b> Mr. Tetsuya Ohashi has made a significant contribution to the development of the Taiheiyo Cement Group based on his extensive business experience, as well as his knowledge and experience in management at Taiheiyo Cement Corporation over many years. The Company has determined that he is an appropriate person who can further enhance the corporate value of the Group based on his ability to act and make judgments, and his insight required for management, so proposes him as a new candidate for Director.</p>	-

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions	Number of shares of the Company held
3	<p>Takehito Oshima  <u>Reappointment</u>  (March 22, 1963)</p> <p>Attended 16 out of 16 meetings of the Board of Directors</p>	<p>April 1987      Joined Asano Slate Co., Ltd.</p> <p>June 2016      President &amp; Representative Director of Kanto Asano Pipe Co., Ltd.</p> <p>April 2017      President &amp; Representative Director of A&amp;A Osaka Corporation</p> <p>April 2019      Executive Officer of A&amp;A Material Corporation  President &amp; Representative Director of A&amp;A Ibaraki Corporation</p> <p>July 2021      Executive Officer, Senior General Manager, Internal Control &amp; Risk Management Headquarters of A&amp;A Material Corporation</p> <p>June 2023      <b>Director and Managing Executive Officer, Senior General Manager, Building Materials Division of A&amp;A Material Corporation (to present)</b></p> <p><b>Reason for nominating Takehito Oshima as Director</b>  Mr. Takehito Oshima has been involved in overall production divisions for many years, serving as President &amp; Representative Director of a production subsidiary and engaged in various improvements. Moreover, he has a wealth of experience and knowledge, in such ways as overseeing internal control, risk management, and sales divisions. The Company has judged that he is qualified for the aim of achieving the Group's sustainable growth, so proposes he continue as a candidate for Director.</p>	4,300

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions	Number of shares of the Company held
4	<p>Kazuto Takahara  <u>Reappointment</u>  (March 12, 1965)</p> <p>Attended 16 out of 16 meetings of the Board of Directors</p>	<p>April 1988      Joined ASK Corp.  April 2009      President &amp; Representative Director of A&amp;A Ibaraki Corporation  April 2013      President &amp; Representative Director of A&amp;A Osaka Corporation  October 2015    General Manager, Corporate Planning Department of A&amp;A Material Corporation  April 2018      General Manager, General Affairs Department, General Manager, IoT Promotion, Business Promotion Department of A&amp;A Material Corporation  April 2019      Executive Officer of A&amp;A Material Corporation  April 2021      Executive Officer, General Manager, General Affairs Department, General Manager, Legal Department of A&amp;A Material Corporation  July 2021      Executive Officer, General Manager, Hokkaido Branch of A&amp;A Material Corporation  June 2023      Director and Managing Executive Officer of A&amp;A Material Corporation  July 2023      <b>Director and Managing Executive Officer, Senior General Manager, Administrative Headquarters of A&amp;A Material Corporation (to present)</b></p> <p><b>Reason for nominating Kazuto Takahara as Director</b>  Mr. Kazuto Takahara has been involved in production management and quality improvement for many years, and has contributed to improving business performance in construction materials divisions. He also has a wealth of experience and knowledge in corporate planning, general affairs and legal affairs, and has worked to strengthen Group strategies and corporate structure. The Company has judged that he is qualified for the aim of achieving the Group's sustainable growth, so proposes he continue as a candidate for Director.</p>	6,000

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions	Number of shares of the Company held
5	<p>Shigemi Takura  <u>Reappointment</u>  <u>Outside</u>  <u>Independent</u>            (February 15, 1954)</p> <p>Attended 15 out of 16 meetings of the Board of Directors</p>	<p>April 1981      <b>Registered as a lawyer</b>            April 1984      <b>Established Takura Law Office (to present)</b></p> <p>June 1997      Outside Corporate Auditor of ASK Corp.            April 2013      Specially Appointed Professor, Graduate School of Law of Aoyama Gakuin University</p> <p>June 2015      <b>Outside Director of A&amp;A Material Corporation (to present)</b></p> <p><b>Reason for nominating Shigemi Takura as Outside Director and outline of expected roles</b>            Although Mr. Shigemi Takura has no experience of directly engaging in corporate management other than serving as an outside officer in the past, he has experience and knowledge cultivated over many years as a lawyer, and plays an appropriate role as an Outside Director of A&amp;A Material Corporation, including supervision of business execution. As a chairperson of the Nomination and Remuneration Advisory Committee, he has provided beneficial opinions and led discussions on nomination and remuneration. The Company expects he will contribute to strengthening the Group's corporate governance structure from an independent objective and neutral standpoint, so proposes he continue as a candidate for Outside Director.</p>	3,600

No.	Name (Date of birth)	Career summary, position, responsibilities and significant concurrent positions	Number of shares of the Company held
6	Tomoko Sugaya New appointment Outside Independent (March 29, 1968)	<p>April 1990      Joined Hazama Corporation</p> <p>December 2011      Registered as a lawyer</p> <p>January 2017      <b>Established Hijiribashi Architecture &amp; Law (to present)</b></p> <p>October 2018      Expert Commission Member, Consumer Safety Investigation Commission, Consumer Affairs Agency</p> <p>November 2020      <b>Special Committee Member, Central Committee for Adjustment of Construction Work Disputes, Ministry of Land, Infrastructure, Transport and Tourism (to present)</b></p> <p>October 2022      <b>Extraordinary Commission Member, Consumer Safety Investigation Commission, Consumer Affairs Agency (to present)</b></p> <p>April 2023      <b>Expert Committee Member, Adachi-ku Architecture Examination Committee (to present)</b></p> <p>December 2023      <b>Central Examination Committee for Architects, Ministry of Land, Infrastructure, Transport and Tourism (to present)</b></p> <p><b>Reason for nominating Tomoko Sugaya as Outside Director and outline of expected roles</b></p> <p>Although Ms. Tomoko Sugaya has no experience of directly engaging in corporate management in the past, she has extensive practical experience as a lawyer in addition to specialist knowledge in the field of construction. As the Company expects she will provide supervision and advice for directors in the execution of their duties, she has been newly nominated as a candidate for Outside Director. Moreover, as a Nomination and Remuneration Advisory Committee Member, she will take part in the selection of candidates for the Company's officers and the determination of officer remuneration from an objective and neutral standpoint.</p>	-

- Notes: 1. No special relationship exists between the Company and any of the candidates.
2. Please refer to "Company Officers" of the Business Report for the current responsibilities at the Company of each of the candidates to be re-elected.
3. Mr. Shigemi Takura is a candidate for Outside Director.  
Mr. Shigemi Takura served as Outside Corporate Auditor of ASK Corp. (currently A&A Material Corporation) from June 1997 to June 2000. Since his retirement, more than ten years have passed, and he has not held a position as an executive or officer of any entity that has a special relationship with the Company. Mr. Shigemi Takura will have served as Outside Director for nine years at the close of this Ordinary General Meeting of Stockholders. The Company has registered him at Tokyo Stock Exchange as an independent director as stipulated by Tokyo Stock Exchange.
4. Ms. Tomoko Sugaya is a candidate for Outside Director.  
Ms. Tomoko Sugaya and the Company had concluded a service contract under which Ms. Tomoko Sugaya served as a legal consultant of the Company from January 2021 to March 2024. She has not held a position as an executive or officer of any entity that has a special relationship with the Company since then. The Company also plans to register her at Tokyo Stock Exchange as an independent director as stipulated by Tokyo Stock Exchange.
5. Independence of the candidates for Outside Director as Outside Director  
(1) Neither Mr. Shigemi Takura nor Ms. Tomoko Sugaya is scheduled to receive or has in the past two

years received a significant amount of money or other property from the Company or any entity that has a special relationship with the Company.

(2) Neither Mr. Shigemi Takura nor Ms. Tomoko Sugaya is a spouse or relative within the third degree of kinship or any other person equivalent thereto of an executive or officer of the Company or any entity that has a special relationship with the Company.

(3) Neither Mr. Shigemi Takura nor Ms. Tomoko Sugaya has in the past ten years served as an executive or officer of any entity that has a special relationship with the Company.

6. Limited liability agreement with Outside Directors

The Company has concluded a limited liability agreement with Mr. Shigemi Takura, and plans to continue the said agreement with him if his re-election is approved. The Company plans to conclude the same limited liability agreement with Ms. Tomoko Sugaya, if her election is approved. Overview of the agreement is as follows:

(1) In the event that an Outside Director is deemed to be liable for damages to the Company due to the negligence of his/her duties, the maximum liability for damages of the Outside Director is set at the minimum limit of liability specified in Article 425, Paragraph 1 of the Companies Act.

(2) The aforementioned limited liability is only applied in cases where the Outside Director performed his/her duties that caused his/her liabilities in good faith and without gross negligence.

7. Directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy which includes all of Directors, Corporate Auditors and Executive Officers of the Company and its subsidiaries under the Companies Act as insureds with an insurance company, thereby covering losses incurred by the insureds in cases where they are liable for damages arising from their performance of duties. If the election of each candidate is approved at the meeting, the Company plans to include each of them as an insured in the insurance policy. The term of the insurance policy is one year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.

(Reference) Skill matrix of candidates for Director

If Proposal No. 3 is approved as proposed at this Ordinary General Meeting of Shareholders, the skills possessed by each of the Directors will be as shown below.

	Expertise and experience especially possessed by the candidates for Director						Nomination and Remuneration Advisory Committee
	Management strategies	Production/technology/research	Sales/marketing	Finance/accounting	Legal/ risk management	Human resources development	
Tohru Makino	○		○	○		○	○
Tetsuya Ohashi	○			○	○	○	
Takehito Oshima	○	○			○		
Kazuto Takahara	○	○	○				
Shigemi Takura (Outside)	○				○		◎
Tomoko Sugaya (Outside)	○	○			○		○

\* Not a comprehensive representation of the individual's knowledge and experience

\* ◎ (chairperson) ○ (member) of the Nomination and Remuneration Advisory Committee

**Proposal No. 4: Election of Two Corporate Auditors**

At the close of this General Meeting of Stockholders, the term of office of Corporate Auditor Mr. Yutaka Mori will expire and Corporate Auditor Mr. Koichi Ohzono will resign. Therefore, the Company proposes the election of two Corporate Auditors.

In addition, the consent of the Board of Corporate Auditors has been obtained for this proposal.

The candidates for Corporate Auditor are as follows.

No.	Name	Current position	Attribute
1	Mariko Tsurumi	Mariko Tsurumi Certified Public Accountant Office Outside Audit & Supervisory Board Member of CARSEVEN DIGIFIELD CO., LTD. Outside Director (Audit & Supervisory Committee Member) of uSonar Co., Ltd.	New appointment Outside Independent
2	Yasushi Morita	Taiheiyo Cement Corporation General Manager, Construction Materials Business Department	New appointment Outside

Attributes of candidates:

New appointment: Corporate Auditor to be newly appointed

Outside: Outside Corporate Auditor

Independent: Independent Director as stipulated by stock exchanges, etc.



No.	Name (Date of birth)	Career summary, position and significant concurrent positions	Number of shares of the Company held
1	<p>Mariko Tsurumi (Current surname: Kobayashi)</p> <p><u>New appointment</u> <u>Outside</u> <u>Independent</u> (June 22, 1971)</p>	<p>April 1995      Joined The Shoko Chukin Bank (now The Shoko Chukin Bank, Ltd.)</p> <p>December 2008      Joined Shin Nihon &amp; Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>September 2011      Registered as Certified Public Accountant</p> <p>February 2022      <b>Established Mariko Kobayashi Certified Public Accountant Office (now Mariko Tsurumi Certified Public Accountant Office) (to present)</b></p> <p>September 2022      <b>Outside Audit &amp; Supervisory Board Member of CARSEVEN DIGIFIELD CO., LTD. (to present)</b></p> <p>December 2022      Outside Audit &amp; Supervisory Board Member of uSonar Co., Ltd.</p> <p>March 2024      <b>Outside Director (Audit &amp; Supervisory Committee Member) of uSonar Co., Ltd. (to present)</b></p> <p>June 2024      <b>Outside Director (Audit &amp; Supervisory Committee Member), Fujikura Composites Inc. (appointment planned)</b></p> <p><b>Reason for nominating Mariko Tsurumi as Outside Corporate Auditor</b> Although Ms. Mariko Tsurumi has no experience of directly engaging in corporate management other than serving as an outside officer in the past, she has been involved in corporate auditor audits and internal audits at other companies, in addition to accounting audits at an auditing firm, and has extensive experience and knowledge in accounting and internal control matters. She has been nominated as a candidate for Outside Corporate Auditor from the standpoint of strengthening the decision-making and supervisory functions of the Board of Directors and enhancing the Company’s sustainable growth and corporate value.</p>	—

No.	Name (Date of birth)	Career summary, position and significant concurrent positions	Number of shares of the Company held
2	Yasushi Morita <u>New appointment</u> <u>Outside</u> (June 18, 1969)	<p>April 1992      Joined Onoda Cement Co., Ltd.</p> <p>September 1996      Business Group, Environmental System Office of Chichibu Onoda Cement Corporation</p> <p>October 1998      Business Group, Environmental Business Division of Taiheiyo Cement Corporation</p> <p>April 2000      Business Development Group, Zero Emission Business Department of Taiheiyo Cement Corporation</p> <p>March 2001      Business Development Group, Zero Emission Business Department of Taiheiyo Cement Corporation and Chichibu Taiheiyo Cement Corporation</p> <p>February 2002      Nacode Corporation</p> <p>June 2008      Administration Department, Environmental Business Company of Taiheiyo Cement Corporation</p> <p>May 2009      Business Administration Group, Sales Department, Environmental Business Company of Taiheiyo Cement Corporation</p> <p>October 2010      Business Administration Group, Environmental Business Department of Taiheiyo Cement Corporation</p> <p>October 2015      Business Administration Group, Environmental Business Department of Taiheiyo Cement Corporation and Ichihara Ecocement Corporation</p> <p>April 2016      Leader, Business Administration Group, Environmental Business Department of Taiheiyo Cement Corporation</p> <p>October 2022      General Manager, Operations Department, Tohoku Branch of Taiheiyo Cement Corporation</p> <p>April 2024      <b>General Manager, Construction Materials Business Department of Taiheiyo Cement Corporation (to present)</b></p> <p><b>Reason for nominating Yasushi Morita as Outside Corporate Auditor</b> Although Mr. Yasushi Morita has no experience of directly engaging in corporate management in the past, he has a high level of insight in a wide range of fields in addition to extensive business experience at Taiheiyo Cement Corporation over many years. As the Company has judged that he will conduct rigorous audits of the Group's management as a whole, he has been nominated as a candidate for Outside Corporate Auditor.</p>	—

- Notes: 1. No special relationship exists between the Company and any of the candidates.
2. Ms. Mariko Tsurumi and Mr. Yasushi Morita are candidates for Outside Corporate Auditor. The Company plans to register Ms. Mariko Tsurumi at Tokyo Stock Exchange as an independent director/auditor as stipulated by Tokyo Stock Exchange.
3. Ms. Mariko Tsurumi changed her surname to Kobayashi on her family register due to marriage, but continues to practice as an accountant under her maiden name, Tsurumi.
4. Independence of the candidates for Outside Corporate Auditor as Outside Corporate Auditor  
(1) Neither Ms. Mariko Tsurumi nor Mr. Yasushi Morita is scheduled to receive or has in the past two years received a significant amount of money or other property from the Company or any entity that

has a special relationship with the Company.

(2) Neither Ms. Mariko Tsurumi nor Mr. Yasushi Morita is a spouse or relative within the third degree of kinship or any other person equivalent thereto of an executive or officer of the Company or any entity that has a special relationship with the Company.

(3) Neither Ms. Mariko Tsurumi nor Mr. Yasushi Morita has in the past ten years served as an executive or officer of the Company or any entity that has a special relationship with the Company.

5. Limited liability agreement with Corporate Auditors

The Company plans to conclude a limited liability agreement with Ms. Mariko Tsurumi and Mr. Yasushi Morita, who are candidates for Corporate Auditor, if their election is approved.

Overview of the agreement is as follows:

(1) In the event that a Corporate Auditor is deemed to be liable for damages to the Company due to the negligence of his duties, the maximum liability for damages of the Corporate Auditor is set at the minimum limit of liability specified in Article 425, Paragraph 1 of the Companies Act.

(2) The aforementioned limited liability is only applied in cases where the Corporate Auditor performed his/her duties that caused his/her liabilities in good faith and without gross negligence.

6. Directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy which includes all of Directors, Corporate Auditors and Executive Officers of the Company and its subsidiaries under the Companies Act as insureds with an insurance company, thereby covering losses incurred by the insureds in cases where they are liable for damages arising from their performance of duties. If the election of the candidates for Corporate Auditor Ms. Mariko Tsurumi and Mr. Yasushi Morita is approved at the meeting, the Company plans to include each of them as an insured in the insurance policy. The term of the insurance policy is one year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.

**Proposal No. 5: Election of One Substitute Corporate Auditor**

In order to prepare for cases where a vacancy results in a shortfall in the number of Corporate Auditors prescribed by laws, we propose the election of one Substitute Corporate Auditor.

In addition, the consent of the Board of Corporate Auditors has been obtained for this proposal.

The candidate for Substitute Corporate Auditor is as follows.

Name (Date of birth)	Career summary, position and significant concurrent positions	Number of shares of the Company held
<p style="text-align: center;">Yukio Kobori  <span style="border: 1px solid black; padding: 2px;">New appointment</span>  <span style="border: 1px solid black; padding: 2px;">Outside</span>            (April 10, 1969)</p>	<p>April 1992      Joined Chichibu Cement Co., Ltd.            June 1992      Planning and Accounting Department,                                     Management and Administration Division of                                     Chichibu Cement Co., Ltd.            October 1994    Accounting Section, Accounting Department of                                     Chichibu Onoda Cement Corporation            November 1994    Operations Department, Shikoku Branch of                                     Chichibu Onoda Cement Corporation            September 1997    Operations Department, Onoda Plant of Onoda                                     Corporation            April 2001        Accounting Group, Administration Department                                     of TAIHEIYO MATERIALS CORPORATION            March 2002        Taiheiyo Techno Corporation            October 2005      Administration Department, Construction                                     Materials Company of Taiheiyo Cement                                     Corporation            January 2017      TAIHEIYO PRECAST CONCRETE                                     INDUSTRY CO., LTD.            June 2020        Business Administration Group, Construction                                     Materials Business Department of Taiheiyo                                     Cement Corporation            September 2022    <b>Leader, Business Administration Group,                                     Construction Materials Business                                     Department of Taiheiyo Cement Corporation                                     (to present)</b></p> <p><b>Reason for nominating Yukio Kobori as Substitute Outside            Corporate Auditor</b>            Mr. Yukio Kobori has extensive experience and knowledge of the            construction materials business at Taiheiyo Cement Corporation, as            well as experience as a corporate auditor at other companies. The            Company has judged that he can properly execute duties as a corporate            auditor from an objective and neutral standpoint, so proposes him as a            new candidate for Substitute Outside Corporate Auditor.</p>	<p>—</p>

- Notes: 1. No special relationship exists between the Company and the candidate.  
 2. Mr. Yukio Kobori is a candidate for Substitute Outside Corporate Auditor.  
 3. Independence of the candidate for Substitute Corporate Auditor as Outside Corporate Auditor  
 (1) Mr. Yukio Kobori is not scheduled to receive or has not in the past two years received a significant amount of money or other property from the Company or any entity that has a special relationship with the Company.  
 (2) Mr. Yukio Kobori is not a spouse or relative within the third degree of kinship or any other person equivalent thereto of an executive or officer of the Company or any entity that has a special relationship with the Company.  
 (3) Mr. Yukio Kobori has not in the past ten years served as an executive or officer of the Company or any entity that has a special relationship with the Company.  
 4. Limited liability agreement with Corporate Auditors  
 The Company plans to conclude a limited liability agreement with Mr. Yukio Kobori, if his election as Substitute Corporate Auditor is approved, and if he takes office as Corporate Auditor during his term of

office due to a shortfall in the number of Corporate Auditors prescribed by laws.

Overview of the agreement is as follows:

- (1) In the event that a Corporate Auditor is deemed to be liable for damages to the Company due to the negligence of his duties, the maximum liability for damages of the Corporate Auditor is set at the minimum limit of liability specified in Article 425, Paragraph 1 of the Companies Act.
- (2) The aforementioned limited liability is only applied in cases where the Corporate Auditor performed his/her duties that caused his/her liabilities in good faith and without gross negligence.

5. Directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy which includes all of Directors, Corporate Auditors and Executive Officers of the Company and its subsidiaries under the Companies Act as insureds with an insurance company, thereby covering losses incurred by the insureds in cases where they are liable for damages arising from their performance of duties. If the election of the candidate for Substitute Corporate Auditor Mr. Yukio Kobori is approved at the meeting, and if he takes office as Corporate Auditor during his term of office due to a shortfall in the number of Corporate Auditors prescribed by laws, the Company plans to include him as an insured in the insurance policy. The term of the insurance policy is one year, and the Company plans to renew the policy before the expiration of that term by resolution of the Board of Directors.

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