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Securities Code: 2445

June 10, 2024

To our shareholders:

Representative Director, President and Chairman  
Kazumasa Takamiya  
**Takamiya Co., Ltd.**  
3-1 Ofuka-cho, Kita-ku, Osaka-shi, Osaka

## Notice of the 56th Ordinary General Meeting of Shareholders

We are pleased to announce that the 56th Ordinary General Meeting of Shareholders of Takamiya Co., Ltd. (the “Company”) will be held as indicated below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items 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 below to view the information.

Company’s website: <https://corp.takamiya.co/en/>

(View by accessing the above website and selecting “INVESTORS,” “IR Library,” and “Shareholders’ meeting” in sequence.)

The items for which measures for providing information in electronic format are to be taken are also posted on the website of the Tokyo Stock Exchange (TSE) in addition to the Company’s website, and can be viewed from the following.

Tokyo Stock Exchange website (TSE Listed Company Search)

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

(Access the TSE website by using the Internet address shown above, enter “Takamiya” in “Issue name (company name)” or the Company’s securities code “2445” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

**If you will not attend the meeting in person, you may exercise your voting rights either via the Internet, etc. or in writing (postal mail). After reviewing the Reference Documents for the General Meeting of Shareholders, please exercise your voting rights no later than 5:30 p.m. (end of office hours), Tuesday, June 25, 2024 (JST).**

[Exercising voting rights via the Internet, etc.]

Access the voting rights exercise website designated by the Company (<https://evote.tr.mufg.jp/>) and use the “Voting rights exercise code” and “Password” that are provided in the voting form that was sent to you, then follow the instructions on the screen and enter your approval or disapproval of the proposals by the above voting deadline.

[Exercising voting rights in writing (postal mail)]

Please indicate your approval or disapproval for each proposal on the voting form, and return it to the Company so that it arrives by the above voting deadline.

- 1. Date and Time:** Wednesday, June 26, 2024 at 10:00 a.m. (JST) (Reception starts at 9:30 a.m.)
- 2. Venue:** 2F Banquet Room HINOKI, InterContinental Osaka  
3-60 Ofuka-cho, Kita-ku, Osaka-shi, Osaka

### **3. Purpose of the Meeting**

#### **Matters to be reported:**

1. The Business Report and the Consolidated Financial Statements for the 56th fiscal year (from April 1, 2023 to March 31, 2024), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 56th fiscal year (from April 1, 2023 to March 31, 2024)

#### **Matters to be resolved:**

- Proposal No. 1** Partial Amendments to the Articles of Incorporation
- Proposal No. 2** Election of Nine Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 3** Election of Four Directors Who Are Audit and Supervisory Committee Members
- Proposal No. 4** Introduction of Performance-Linked Share-Based Remuneration Plan for Directors

### **4. Matters Determined Concerning the Convocation**

- (1) If you do not indicate your approval or disapproval for each proposal on the voting form when exercising your voting rights in writing (postal mail), it shall be deemed that you indicated your approval.
  - (2) If you exercise your voting rights in duplicate both via the Internet, etc. and in writing (postal mail), the vote via the Internet, etc. shall be deemed effective, regardless of the order in which the votes are received.
  - (3) If you exercise your voting rights more than once via the Internet, etc., only the last vote shall be deemed effective.
  - (4) If you exercise your voting rights by proxy, one other shareholder with voting rights may attend the meeting as a proxy.
- For those attending the meeting, please present the voting form at the reception desk on arrival at the meeting. Please bring this Notice of the Ordinary General Meeting of Shareholders with you.
  - If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company's aforementioned website and the TSE website.
  - For this General Meeting of Shareholders, we have delivered paper-based documents stating the items subject to measures for electronic provision to all shareholders, regardless of whether or not they have requested them. Among the items subject to measures for electronic provision, in accordance with the provisions of relevant laws and regulations and the Company's Articles of Incorporation, the following items are not provided in the paper-based documents we have delivered.
    - (i) Status of Business for the Current Business Year, Changes in Assets and Profit and Loss of the Corporate Group, Principal Businesses, Principal Business Locations, Status of Employees, Status of Principal Lenders, Other Important Matters Regarding the Current Status of the Corporate Group, Status of Share Acquisition Rights, Status of Accounting Auditor, and System to Ensure Properness of Operations of the Company and Operational Status of the System in the Business Report
    - (ii) Consolidated Financial Statements (Consolidated Balance Sheets, Consolidated Income Statement, Consolidated Statement of Changes in Shareholders' Equity, and Notes to Consolidated Financial Statements)
    - (iii) Non-consolidated Financial Statements (Non-consolidated Balance Sheets, Non-consolidated Income Statement, Non-consolidated Statement of Changes in Shareholders' Equity and Notes to Non-consolidated Financial Statements)
    - (iv) Auditor's report (Accounting Audit Report on Consolidated Financial Statements, Accounting Audit Report on Non-consolidated Financial Statements, and Audit and Supervisory Committee Audit Report)

The Audit and Supervisory Committee and the Accounting Auditor have audited the documents subject to audit, including the aforementioned items.

## Reference Documents for General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1 Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

- (1) The objectives in the current Articles of Incorporation will be modified to suit the current contents of our business, and new business objectives will be added to accommodate future business expansion.
- (2) The objectives of businesses to be succeeded will be added in advance of the absorption-type merger of the Company's subsidiary and the comprehensive succession of the businesses.
- (3) Formal changes, including the paragraph numbering adjustments, will be implemented to reflect the addition of new business objectives.

2. Details of the amendments

The details of amendments are as follows.

(Underlined parts indicate the parts which are changed.)

The current Articles of Incorporation	The proposed amendments to the Articles of Incorporation
(Purpose) Article 2: The purpose of our company is to engage in the following business activities.	(Purpose) Article 2: The purpose of our company is to engage in the following business activities.
Clause 1 to 18 (Omission of clause)	Clause 1 to 18 (No changes)
Clause <u>19</u> <u>The development, manufacturing, sales, leasing, rental, repair, import, and export of construction materials.</u>	(Deletion)
Clause <u>20</u> to <u>23</u> (Omission of clause)	Clause <u>19</u> to <u>22</u> (No changes)
Clause <u>24</u> Development, design, manufacturing, construction, sales, leasing, rental, repair, import, export, and consulting services related to construction materials, construction machinery, <u>agricultural materials (fixtures and tools for greenhouse cultivation of vegetables, fruits, etc.), agricultural machinery, and agricultural facilities.</u>	Clause <u>23</u> <u>The research, development, design, manufacturing, construction, sales, leasing, rental, repair, import, export of construction materials or construction machinery.</u>
(Addition)	Clause <u>24</u> <u>Planning, research, and development of agricultural technology.</u>
(Addition)	Clause <u>25</u> <u>Research, development, design, manufacturing, construction, sales, leasing, rental, repair, import, export of agricultural materials, agricultural machinery, agricultural facilities, or agricultural equipment.</u>
Clause <u>25</u> <u>The production, processing, logistics, and sales of agricultural products, as well as consulting services related to these activities.</u>	Clause <u>26</u> <u>The production, processing, storage, logistics, and sale of agricultural crops.</u>
(Addition)	Clause <u>27</u> <u>Outsourcing the production, processing, storage, logistics, and sales of agricultural crops.</u>
(Addition)	Clause <u>28</u> <u>Training and education of agricultural workers.</u>
Clause <u>26</u> to <u>32</u> (Omission of clause)	Clause <u>29</u> to <u>35</u> (No changes)
(Addition)	Clause <u>36</u> <u>Paid job placement services</u>
(Addition)	Clause <u>37</u> <u>Provision of job listings and support services for job seekers</u>
(Addition)	Clause <u>38</u> <u>Employment reintegration support services</u>
(Addition)	Clause <u>39</u> <u>Talent development, vocational aptitude assessment, support for recruitment, and capacity development</u>
Clause <u>33</u> to <u>43</u> (Omission of clause)	Clause <u>40</u> to <u>50</u> (No changes)
(Addition)	Clause <u>51</u> <u>Telecommunications business based on the Telecommunications Business Law</u>
(Addition)	Clause <u>52</u> <u>Consulting services related to items 21 through 28 and item 39.</u>
Clause <u>44</u> (Omission of clause)	Clause <u>53</u> (No changes)

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

The terms of office of all nine Directors (excluding the Directors who are members of the Audit and Supervisory Committee; applicable to the rest of this proposal) will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of nine Directors.

With respect to this proposal, the Audit and Supervisory Committee of the Company has judged that all of the candidates for Director are suitable.

The candidates for Director are as follows:

Candidate No.	Name	Position and responsibility in the Company
1	<u>Reelection</u> Kazumasa Takamiya	Representative Director, President and Chairman
2	<u>Reelection</u> Akiyoshi Takamiya	Representative Director and Executive Vice President Division General Manager of Takamiya Lab. Division
3	<u>Reelection</u> Tsutomu Abe	Director and Senior Managing Executive Officer
4	<u>Reelection</u> Hideki Yasuda	Director and Managing Executive Officer Division General Manager of Corporate Strategy Division Deputy Division General Manager of Takamiya Lab. Division Supervisor of Overseas Business Division and Logistics Department Preparation Office
5	<u>Reelection</u> Yuki Mukaiyama	Director and Executive Officer Division General Manager of Manufacturing Division Deputy Division General Manager of Takamiya Lab. Division
6	<u>Reelection</u> Tomoya Tatsumi	Director and Executive Officer Division General Manager of Business Management Division Deputy Division General Manager of Takamiya Lab. Division
7	<u>Reelection</u> Kazunori Kawakami	Director and Executive Officer Division General Manager of Sales & Marketing Division Deputy Division General Manager of Takamiya Lab. Division
8	<u>Reelection</u> <u>Outside</u> <u>Independent</u> Kouji Shimokawa	Outside Director
9	<u>Reelection</u> <u>Outside</u> <u>Independent</u> Noboru Furuichi	Outside Director

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Kazumasa Takamiya (August 18, 1966) <u>Reelection</u>	<p>Mar. 1992      Joined the Company</p> <p>Nov. 1995      Director and General Manager of Build Techno Rental Department</p> <p>June 1997      Executive Director and Division General Manager of Build Techno Rental Division</p> <p>June 2000      Director and Executive Vice President</p> <p>Jan. 2001      Representative Director and Executive Vice President</p> <p>June 2002      President and Representative Director</p> <p>June 2017      Representative Director, President and Chairman (current position)</p> <p>June 2019      Supervisor of Scaffolding Management Division (current position)</p> <p>Apr. 2021      Supervisor of Product Development Division (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>–</p>	1,350,000 shares
<p>Reasons for nomination as a candidate for Director</p> <p>Kazumasa Takamiya has held important posts as stated above, has deep knowledge and strong leadership related to corporate management, and has been leading the Group. Accordingly, the Company has nominated him as a candidate for Director.</p>			
2	Akiyoshi Takamiya (February 7, 1969) <u>Reelection</u>	<p>Mar. 1995      Joined the Company</p> <p>June 1997      Director and General Manager of Standby Multimedia Business Department and Retail Marketing Department</p> <p>Apr. 1998      Resigned from position of Director</p> <p>June 2000      Director and Senior General Manager of Management Division</p> <p>June 2001      Executive Director, General Manager of Finance Department, and Supervisor of Management Division</p> <p>June 2005      Executive Vice President, Executive Officer, and Supervisor of Administrative Division</p> <p>Apr. 2006      Representative Director and Executive Vice President</p> <p>Apr. 2012      Representative Director and President of Hory Corporation</p> <p>June 2012      Director and Executive Vice President of the Company</p> <p>June 2016      Representative Director and Executive Vice President (current position)</p> <p>Apr. 2019      Supervisor of Product Development Division (current position)</p> <p>May 2020      President and Representative Director of TOTAL TOSHISEIBI Co., Ltd.</p> <p>Apr. 2021      Supervisor of Scaffolding Management Division of the Company (current position)</p> <p>Apr. 2022      Division General Manager of Takamiya Lab. Division (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>–</p>	1,288,984 shares
<p>Reasons for nomination as a candidate for Director</p> <p>Akiyoshi Takamiya has held important posts as stated above, and is well versed in overall operations, with a focus in the sales &amp; marketing division, and management. Accordingly, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	<p style="text-align: center;">Tsutomu Abe (September 27, 1966) <u>Reelection</u></p>	<p>Mar. 1991      Joined the Company</p> <p>June 2005      Executive Officer and General Manager of Sales &amp; Marketing Department II, Sales &amp; Marketing Division</p> <p>Oct. 2008      Representative Director and President of AOMORI ATOM Co., Ltd.</p> <p>Feb. 2010      Executive Officer and Division General Manager of Sales &amp; Marketing Division of the Company</p> <p>June 2010      Director (current position)</p> <p>May 2013      Director of HIRAMATSU Co., Ltd.</p> <p>Apr. 2014      Director of ASAHI KOUGYOU Co., Ltd. (currently TOTAL TOSHISEIBI Co., Ltd.)</p> <p>May 2021      Representative Director and Chairman of AOMORI ATOM Co., Ltd. (current position)</p> <p>Apr. 2022      Senior Managing Executive Officer of the Company (current position)</p> <p>(Significant concurrent positions outside the Company) Representative Director and Chairman of AOMORI ATOM Co., Ltd.</p>	157,340 shares
<p>Reasons for nomination as a candidate for Director</p> <p>Tsutomu Abe has held important posts as stated above, and has abundant experience in the construction temporary material industry and deep knowledge related to sales &amp; marketing overall. Accordingly, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Hideki Yasuda (August 2, 1967) <u>Reelection</u>	Mar. 1990    Joined the Company Apr. 2008    Executive Officer and General Manager of Finance & Accounting Department Feb. 2010    Executive Officer and General Manager of Corporate Planning Department May 2011    Corporate Auditor of IWATA Co., Ltd. (current position) May 2011    Corporate Auditor of HIRAMATSU Co., Ltd. (current position) June 2011    Director of the Company (current position) June 2015    Managing Executive Officer and General Manager of Corporate Planning Department Apr. 2017    Managing Executive Officer and Division General Manager of Business Management Division Apr. 2021    Managing Executive Officer and Division General Manager of Corporate Strategy Division (current position) Apr. 2022    Deputy Division General Manager of Takamiya Lab. Division and Supervisor of Logistics Department Preparation Office (current position) Sep. 2022    Division General Manager of Overseas Business Division Oct. 2022    Director of DIMENSION-ALL INC. (current position) Apr. 2023    Supervisor of Overseas Business Division of the Company (current position) (Significant concurrent positions outside the Company) –	96,400 shares
<p>Reasons for nomination as a candidate for Director</p> <p>Hideki Yasuda has held important posts as stated above, and has abundant experience and deep knowledge in the administrative division, with a focus in corporate planning, finance and accounting, as well as the ability to carry out planning. Accordingly, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	Yuki Mukaiyama (February 2, 1970) <u>Reelection</u>	<p>Mar. 1993    Joined the Company</p> <p>Apr. 2013    Executive Officer and General Manager of Business Development Department</p> <p>Apr. 2015    Executive Officer and Division General Manager of Business Development Division</p> <p>June 2015    Director (current position)</p> <p>June 2016    Administrative Officer of Hory Korea Co., Ltd. (current position)</p> <p>Jan. 2018    Representative Director and President of Cadian Co., Ltd.</p> <p>Apr. 2019    Executive Officer, Division General Manager of Overseas Business Division, and Supervisor of Business Development Division and Global Procurement Division of the Company</p> <p>Apr. 2020    Executive Officer, Supervisor of Overseas Business Division and Business Development Division, and Supervisor of Global Procurement Division</p> <p>Apr. 2021    Executive Officer and Division General Manager of Manufacturing Division (current position)</p> <p>Apr. 2022    Deputy Division General Manager of Takamiya Lab. Division (current position)</p> <p>June 2022    Division General Manager of Global Procurement Division</p> <p>(Significant concurrent positions outside the Company)</p> <p>—</p>	51,500 shares
<p>Reasons for nomination as a candidate for Director</p> <p>Yuki Mukaiyama has held important posts as stated above, has abundant overseas management experience due to him working as representative at an overseas subsidiary, and has deep knowledge related to new business development and manufacturing division. Accordingly, the Company has nominated him as a candidate for Director.</p>			



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	Tomoya Tatsumi (November 3, 1971) <u>Reelection</u>	July 1995      Joined the Company June 2013      General Manager of Finance & Accounting Department Mar. 2016      Director of IWATA Co., Ltd. (current position) Apr. 2017      Executive Officer of the Company June 2017      Corporate Auditor of Hory Korea Co., Ltd (current position) Jan. 2018      Corporate Auditor of Cadian Co., Ltd. (current position) May 2018      Corporate Auditor of Nakaya Kizai Co., Ltd. (current position) May 2019      Corporate Auditor of TOTAL TOSHISEIBI Co., Ltd. (current position) Corporate Auditor of AOMORI ATOM Co., Ltd. (current position) May 2020      Corporate Auditor of ECO-TRY Co., Ltd. (current position) Apr. 2021      Senior Executive Officer and Division General Manager of Business Management Division of the Company June 2021      Director, Executive Officer and Division General Manager of Business Management Division (current position) Apr. 2022      Deputy Division General Manager of Takamiya Lab. Division (current position) May 2022      Corporate Auditor of Yame Kaisei Co., Ltd. (current position) (Significant concurrent positions outside the Company) –	47,400 shares
<p>Reasons for nomination as a candidate for Director</p> <p>Tomoya Tatsumi has held important posts as stated above, and has abundant experience in finance and accounting, auditing subsidiaries, etc. He possesses sufficient qualifications to further strengthen governance and realize the expansion of the functions of the administrative division going forward. Accordingly, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	Kazunori Kawakami (June 6, 1967) <u>Reelection</u>	<p>Apr. 1990      Joined the Company</p> <p>Apr. 2005      General Manager of Tokyo Branch</p> <p>June 2005      Executive Officer and General Manager of Tokyo Branch</p> <p>Feb. 2010      Executive Officer and General Manager of Scaffolding Construction Department</p> <p>May 2013      President and Representative Director of ECO-TRY Co., Ltd. (current position)</p> <p>Apr. 2016      Senior Executive Officer, Deputy Division General Manager of Sales &amp; Marketing Division, and General Manager of Scaffolding Construction Department of the Company</p> <p>Apr. 2021      Senior Executive Officer, Regional Manager of Sales &amp; Marketing Division, General Manager of Scaffolding Construction Department, and General Manager of Tokyo Branch of the Company</p> <p>Apr. 2022      Division General Manager of Sales &amp; Marketing Division and Deputy Division General Manager of Takamiya Lab. Division (current position)</p> <p>May 2022      Director of AOMORI ATOM Co., Ltd. (current position)</p> <p>                    Director of HIRAMATSU Co., Ltd. (current position)</p> <p>                    Director of Nakaya Kizai Co., Ltd. (current position)</p> <p>June 2022      Director and Executive Officer, Division General Manager of Sales &amp; Marketing Division, Deputy Division General Manager of Takamiya Lab. Division, Regional Manager of Sales &amp; Marketing Division, General Manager of Scaffolding Construction Department, and General Manager of Tokyo Branch of the Company</p> <p>Oct. 2022      Director of TOTAL TOSHISEIBI Co., Ltd. (current position)</p> <p>Apr. 2023      Director and Executive Officer, Regional Manager of Sales &amp; Marketing Division (current position), General Manager of Scaffolding Construction Department, and General Manager of Sales Force Department of the Company</p> <p>(Significant concurrent positions outside the Company)</p> <p>President and Representative Director of ECO-TRY Co., Ltd.</p>	71,220 shares
<p>Reasons for nomination as a candidate for Director</p> <p>Kazunori Kawakami has held important posts as stated above, and has abundant experience in the construction temporary material industry and deep knowledge related to sales &amp; marketing overall. Accordingly, the Company has nominated him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
8	Kouji Shimokawa (March 29, 1962) <u>Reelection</u> <u>Outside</u> <u>Independent</u>	Apr. 1985    Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.) Aug. 1996    Established Shimokawa Accounting Office (currently Shimokawa & Partners Accounting Corporation) Feb. 2002    Representative Director of Shimokawa Accounting Office (currently Shimokawa & Partners Accounting Corporation) June 2002    Corporate Auditor of the Company June 2005    Director (current position) Dec. 2005    President of GLOBAL CORPORATE CONSULTING, INC. Apr. 2007    President of GLOBAL HUMAN COMMUNICATIONS, INC. Apr. 2016    Representative Partner of Shimokawa & Partners Accounting Corporation (current position) Sep. 2017    Chairman of the Board of GLOBAL CORPORATE CONSULTING, INC. (current position) June 2018    Director of Mitsuboshi Co., Ltd. (Significant concurrent positions outside the Company) Representative Partner of Shimokawa & Partners Accounting Corporation	133,560 shares
<p>Reasons for nomination as a candidate for outside Director and expected roles</p> <p>Kouji Shimokawa is certified as a tax accountant, and the Company hopes to utilize his abundant experience and deep knowledge gained from engaging in business accounting operations over many years in the management of the Company. Accordingly, the Company has nominated him as a candidate for outside Director. In addition, if Mr. Shimokawa is elected, the Company plans for him to be involved in selecting candidates for the Company's officers and determining remuneration, etc. of officers from an objective and neutral standpoint as the chairperson of the Nomination and Compensation Committee.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
9	Noboru Furuichi (February 16, 1949) <u>Reelection</u> <u>Outside</u> <u>Independent</u>	<p>Apr. 1972      Joined New Japan Securities (currently Mizuho Securities Co., Ltd.)</p> <p>May 1997      General Manager of Corporate Planning Department</p> <p>Apr. 2000      Executive Officer and General Manager of Fukuoka Branch</p> <p>May 2002      Managing Executive Officer in charge of Investment Banking Department I, II</p> <p>Apr. 2005      Senior Managing Executive Officer, General Manager of Osaka Corporation Division, and in charge of West Japan IB Sales Department</p> <p>May 2007      Representative Director and President of Shinko Investment Co., Ltd.</p> <p>Feb. 2008      Representative Director and President of Neostella Capital Co., Ltd.</p> <p>June 2009      Advisor of Shinko Securities Business Services Co., Ltd.</p> <p>June 2010      Audit &amp; Supervisory Board Member of NICHIA STEEL WORKS, LTD.</p> <p>June 2017      Director of the Company (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>–</p>	9,600 shares
<p>Reasons for nomination as a candidate for outside Director and expected roles</p> <p>Noboru Furuichi has been in charge of a wide range of financial advisory operations over many years at securities companies, has a high level of ability in making management decisions, and the Company hopes to utilize his abundant experience and knowledge in the management of the Company. Accordingly, the Company has nominated him as a candidate for outside Director. In addition, if Mr. Furuichi is elected, the Company plans for him to be involved in selecting candidates for the Company's officers and determining remuneration, etc. of officers from an objective and neutral standpoint as a member of the Nomination and Compensation Committee.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. Kouji Shimokawa and Noboru Furuichi are candidates for outside Director.
  3. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Kouji Shimokawa and Noboru Furuichi have been appointed as independent officers as provided for by the aforementioned exchange. If their reelection is approved, the Company plans for their appointment as independent officers to continue.
  4. Kouji Shimokawa is currently an outside Director of the Company, and the term of office of Mr. Shimokawa will be 19 years at the conclusion of this meeting. Moreover, Mr. Shimokawa has served as Corporate Auditor of the Company in the past.
  5. Noboru Furuichi is currently an outside Director of the Company, and the term of office of Mr. Furuichi will be seven years at the conclusion of this meeting.
  6. The Company has entered into an agreement with Kouji Shimokawa and Noboru Furuichi to limit their liability under Article 423, paragraph (1) of the Companies Act, pursuant to Article 427, paragraph (1) of the same Act. The limit amount of the liability for compensation under said contract is determined to be the minimum liability amount stipulated in Article 425, paragraph (1), of the Companies Act. If Mr. Shimokawa and Mr. Furuichi are reelected, the Company intends to continue said contract with each of them.
  7. The Company has entered into a directors and officers liability insurance policy, which is regulated under Article 430-3, paragraph (1), of the Companies Act, with an insurance company. The scope of insureds under said insurance policy includes Directors (including outside Directors), and the insureds do not bear any of the premiums. The insurance policy covers an insured's losses and such costs as related litigation expenses incurred from claims for damages arising from unreasonable acts performed based on their position. However, as a measure to ensure that the proper execution of duties of officers, etc. is not impaired, losses such as those resulting from bribery and other criminal acts and those incurred by officers themselves who intentionally committed illegal acts are not covered. If each candidate is elected and assumes the office as Director, each candidate will be included as an insured in the policy. Moreover, the Company intends to renew the policy when the next renewal is due.

**Proposal No. 3** Election of Four Directors Who Are Audit and Supervisory Committee Members

The terms of office of all four Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this meeting. Therefore, the Company proposes the election of four Directors who are Audit and Supervisory Committee Members.

In addition, the advance consent of the Audit and Supervisory Committee for the submission of this proposal to this General Meeting of Shareholders has been obtained.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Takashi Masuno (June 5, 1961) <span style="border: 1px solid black; padding: 2px;">New election</span>	Aug. 1986    Joined Hory Corporation Dec. 2005    Managing Director Nov. 2006    Senior Managing Director Jan. 2010    Senior Managing Director and General Manager of Operation Department June 2011    Senior Managing Director and General Manager of Corporate Planning Department Jan. 2018    Executive Officer and Division General Manager of Scaffolding Quality Assurance Division of the Company June 2020    Senior Executive Officer and Division General Manager of Global Quality Assurance Division Apr. 2021    Senior Executive Officer and General Manager of Global Production Management Department Apr. 2024    General Manager in charge of Global Production Management Department (current position) (Significant concurrent positions outside the Company) -	5,700 shares
Reasons for nomination as a candidate for Director who is an Audit and Supervisory Committee Member Takashi Masuno has held important posts as stated above, and possesses extensive experience and advanced knowledge of manufacturing and sales. The Company has determined that he possesses sufficient qualifications to further strengthen governance going forward, and has accordingly nominated him as a candidate for Director who is an Audit and Supervisory Committee Member.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	<p style="text-align: center;">Yoshihiro Sakatani (March 11, 1957) <u>Reelection</u> <u>Outside</u> <u>Independent</u></p>	<p>Oct. 1979      Joined Nisshin LLC (currently Ernst &amp; Young ShinNihon LLC)</p> <p>June 2004      President and Representative Director of Japan Management Consulting K.K. (current position)</p> <p>July 2004      Auditor of Pressance Corporation Co., Ltd.</p> <p>June 2005      Corporate Auditor of the Company</p> <p>Feb. 2006      Auditor of KITAKEI CO., LTD. (current position)</p> <p>Nov. 2010      Corporate Auditor of Watts Co., Ltd.</p> <p>Mar. 2011      Corporate Auditor of SHO-BI Corporation (currently SHOBIDO Corporation)</p> <p>June 2015      Director of Pressance Corporation Co., Ltd. (Audit and Supervisory Committee Member) (current position)</p> <p>Nov. 2015      Director of Watts Co., Ltd. (Audit and Supervisory Committee Member) (current position)</p> <p>Dec. 2015      Director of SHO-BI Corporation (currently SHOBIDO Corporation) (Audit and Supervisory Committee Member) (current position)</p> <p>Mar. 2022      Director of KURIYAMA HOLDINGS CORPORATION (Audit and Supervisory Committee Member) (current position)</p> <p>June 2022      Director of the Company (Audit and Supervisory Committee Member) (current position)</p> <p>(Significant concurrent positions outside the Company) President and Representative Director of Japan Management Consulting K.K.</p>	8,980 shares
<p>Reasons for nomination as a candidate for outside Director who is an Audit and Supervisory Committee Member</p> <p>Yoshihiro Sakatani is a certified public accountant and is expected to conduct objective and neutral auditing engagements based on his abundant experience with financial auditing. Accordingly, the Company has nominated him as a candidate for outside Director who is an Audit and Supervisory Committee Member.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Teiji Joko (August 19, 1965) <u>Reelection</u> <u>Outside</u> <u>Independent</u>	<p>Apr. 1993 Registered as an attorney at law (Osaka Bar Association) Joined Yodoyabashi Godo Law Offices (currently Yodoyabashi &amp; Yamagami Legal Professional Corporation) (current position)</p> <p>June 2001 Corporate Auditor of G-7 HOLDINGS INC. (current position)</p> <p>Mar. 2016 Corporate Auditor of Onamba Co., Ltd. (current position)</p> <p>Mar. 2017 Corporate Auditor of the Company</p> <p>Dec. 2019 Director of Himenogumi Co., Ltd.</p> <p>Nov. 2020 Corporate Auditor of AKITA FOODS CO., LTD. (current position)</p> <p>June 2022 Director of the Company (Audit and Supervisory Committee Member) (current position)</p> <p>(Significant concurrent positions outside the Company) Representative Partner of Yodoyabashi &amp; Yamagami Legal Professional Corporation</p>	0 shares
<p>Reasons for nomination as a candidate for outside Director who is an Audit and Supervisory Committee Member</p> <p>Teiji Joko is a certified attorney at law who is expected to conduct objective and neutral auditing engagements based on his abundant experience with the practice of law. Accordingly, the Company has nominated him as a candidate for outside Director who is an Audit and Supervisory Committee Member. In addition, although Mr. Joko has not been involved in corporate management other than as an outside officer, the Company has judged that he is capable of appropriately fulfilling his duties as an outside Director of the Company for the above-mentioned reasons.</p>			
4	Sachie Kato (November 11, 1946) <u>Reelection</u> <u>Outside</u> <u>Independent</u>	<p>Apr. 1969 Enrolled in The Legal Training and Research Institute of Japan</p> <p>Apr. 1971 Appointed as public prosecutor (Tokyo District Public Prosecutors Office, Fukushima District Public Prosecutors Office)</p> <p>May 1974 Registered with the Osaka Bar Association</p> <p>Mar. 1983 Joined Nakatsukasa Sogo Law Office (currently Chuo Sogo Law Office, P.C.)</p> <p>Apr. 2014 Corporate Auditor of DyDo DRINCO, INC. (currently DyDo GROUP HOLDINGS, INC.)</p> <p>June 2015 Director of YAMAZEN CORPORATION</p> <p>June 2015 Director of HISAKA WORKS, LTD.</p> <p>June 2016 Director of YAMAZEN CORPORATION (Audit and Supervisory Committee Member)</p> <p>Apr. 2017 Corporate Auditor of DyDo GROUP HOLDINGS, INC.</p> <p>June 2022 Director of the Company (Audit and Supervisory Committee Member) (current position)</p> <p>Dec. 2022 Senior Counsel of Chuo Sogo Law Office, P.C. (current position)</p> <p>(Significant concurrent positions outside the Company) Senior Counsel of Chuo Sogo Law Office, P.C.</p>	2,100 shares
<p>Reasons for nomination as a candidate for outside Director who is an Audit and Supervisory Committee Member</p> <p>Sachie Kato has extensive experience and deep insight into the legal world, and also has advanced knowledge of corporate management and compliance. Accordingly, the Company has nominated her as a candidate for outside Director who is an Audit and Supervisory Committee Member in order to have her contribute to the promotion of diversity as the first female Director of the Company. In addition, although Ms. Kato has not been involved in corporate management other than as an outside officer, the Company has judged that she is capable of appropriately fulfilling her duties as an outside Director of the Company for the above-mentioned reasons.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. Yoshihiro Sakatani, Teiji Joko, and Sachie Kato are candidates for outside Director.
  3. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Yoshihiro Sakatani, Teiji Joko, and Sachie Kato have been appointed as independent officers as provided for by the aforementioned exchange. If Mr. Sakagami, Mr. Joko, and Ms. Kato are elected, the Company plans for their appointment as independent officers to continue.
  4. Yoshihiro Sakatani and Teiji Joko are currently outside Directors who are Audit and Supervisory Committee Members of the Company, and their terms of office will be two years at the conclusion of this meeting. Notably, both of them have served as non-executive officers (Corporate Auditors) of the Company.
  5. Sachie Kato is currently an outside Director who is an Audit and Supervisory Committee Member of the Company, and the term of office of Ms. Kato will be two years at the conclusion of this meeting.
  6. The Company has entered into an agreement with Yoshihiro Sakatani, Teiji Joko, and Sachie Kato to limit their liability under Article 423, paragraph (1) of the Companies Act, pursuant to Article 427, paragraph (1) of the same Act. The limit amount of the liability for compensation under said contract is determined to be the minimum liability amount stipulated in Article 425, paragraph (1), of the Companies Act. If Mr. Sakatani, Mr. Joko, and Ms. Kato are reelected, the Company intends to continue said contract with each of them. In the event that the election of Takashi Masuno is approved, the Company intends to conclude the same contract with him limiting his liability.
  7. The Company has entered into a directors and officers liability insurance policy, which is regulated under Article 430-3, paragraph (1), of the Companies Act, with an insurance company. The scope of insureds under said insurance policy includes Directors (including outside Directors), and the insureds do not bear any of the premiums. The insurance policy covers an insured's losses and such costs as related litigation expenses incurred from claims for damages arising from unreasonable acts performed based on their position. However, as a measure to ensure that the proper execution of duties of officers, etc. is not impaired, losses such as those resulting from bribery and other criminal acts and those incurred by officers themselves who intentionally committed illegal acts are not covered. If each candidate is elected and assumes the office as Director, each candidate will be included as an insured in the policy. The Company intends to renew the policy when the next renewal is due.



## Reference

## Board of Directors System

The Company shall identify the capabilities required in order to carry out its corporate strategies and create a Director skills matrix. It shall give comprehensive consideration to a balance of the knowledge, experience, and abilities required for the Board of Directors to effectively fulfill its functions and responsibilities. The expertise and experience of each Director following the approval of Proposal No. 2 and Proposal No. 3 is as follows.

Name	Corporate management	Sales	Engineering and manufacturing	Global operations	Finance and accounting	Legal affairs and risk management	Experience in other industries	DX	Sustainability
Kazumasa Takamiya Representative Director, President and Chairman	○	○	○	○			○	○	○
Akiyoshi Takamiya Representative Director and Executive Vice President	○	○	○				○	○	
Tsutomu Abe Director and Senior Managing Executive Officer		○	○						
Hideki Yasuda Director and Managing Executive Officer Division General Manager of Corporate Strategy Division				○	○	○		○	○
Yuki Mukaiyama Director and Executive Officer Division General Manager of Manufacturing Division		○	○	○			○		
Tomoya Tatsumi Director and Executive Officer Division General Manager of Business Management Division					○	○			○
Kazunori Kawakami Director and Executive Officer Division General Manager of Sales & Marketing Division		○	○						
Kouji Shimokawa Outside Director	○				○		○		○
Noboru Furuichi Outside Director	○	○					○		○
Takashi Masuno Director (Full-time Audit and Supervisory Committee Member)	○	○	○	○					
Yoshihiro Sakatani Outside Director (Audit and Supervisory Committee Member)					○		○		○
Teiji Joko Outside Director (Audit and Supervisory Committee Member)	○					○	○		○
Sachie Kato Outside Director (Audit and Supervisory Committee Member)	○					○	○		○

## **Proposal No. 4** Introduction of Performance-Linked Share-Based Remuneration Plan for Directors

### 1. Reasons for the proposal and why it is justified

With this proposal, the Company asks for approval to introduce a new performance-linked share-based remuneration plan (Board Benefit Trust-Restricted Stock (BBT-RS), hereinafter referred to as the “Plan”) for the Company’s Directors (excluding Directors who are Audit and Supervisory Committee Members and outside Directors among the other Directors, applicable to the rest of this proposal unless otherwise specified) and Executive Officers (here and hereinafter collectively referred to as “Eligible Directors”).

The aim of this proposal is to enhance awareness among Eligible Directors toward contributing to improving the Company’s medium- and long term performance and increasing its corporate value by clarifying the link between Eligible Directors’ remuneration and the Company’s performance and share value and making Eligible Directors share with shareholders not only the benefits enjoyed when the share price rises, but also the risks that arise when the share price falls. If this proposal is approved as written, it would align with the policy for determining the details of remuneration, etc. for individual Company Directors (see below), which will be resolved by the Company’s Board of Directors at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company considers the content of this proposal to be justifiable. Additionally, the Company’s Nomination and Compensation Committee has submitted a report agreeing that introducing the Plan is justifiable given the objectives thereof, the benefits of incentivizing improvement of performance over the medium to long-term, and the like.

With this proposal, the Company asks for the approval of specific details and methods for calculating amounts of remuneration, etc. to remunerate the Company’s Directors according to the Plan, separately from the amount of Director remuneration approved at the 54th Ordinary General Meeting of Shareholders held on June 23, 2022 (up to ¥500 million per year (including up to ¥50 million per year for outside Directors), not including the employee portion of salaries). The Company wishes to leave the details of the Plan to the Board of Directors within the bounds set out in 2. below.

At the 54th Ordinary General Meeting of Shareholders held on June 23, 2022, shareholders approved an amount of remuneration up to ¥150 million per year in remuneration-type share options for Directors, separate from the aforementioned amount of cash remuneration; as conditions for adopting this proposal, the Company will abolish this amount of remuneration for remuneration-type share options and refrain from granting new remuneration-type share options in the future.

If Proposal No. 2 is adopted as written, seven Directors will be eligible for the Plan.

Notably, the Audit and Supervisory Committee has expressed its view that introducing the Plan is justifiable given the objectives thereof and that the process for determining this proposal included a report from the Nomination and Compensation Committee.

### 2. Specific details and methods for calculating amounts of remuneration, etc. under the Plan

#### (1) Overview of the Plan

The Plan is a performance-linked share-based remuneration plan under which the Company’s shares purchased with cash contributions from the Company are acquired through a trust (hereinafter, the trust defined under the Plan is referred to as the “Trust”), and the Company’s shares and cash amounts corresponding to the market value of the Company’s shares (hereinafter referred to as “Shares and Cash”) are provided to Eligible Directors through the Trust according to the Procedure for Providing Shares to Officers set out by the Company. Notably, under the Plan, two types of payments are made to Directors—ST payments and LT payments—and only LT payments are made to Executive Officers. Below are overviews of each type of payment.

#### (i) ST payments

Regarding ST payments, in principle, Directors receive payments in the form of the Company’s shares at a defined time each year, and payments in the form of cash amounts corresponding to the market value of the Company’s shares upon retiring from office. When receiving ST payments in the form of the Company’s shares (hereinafter referred to as “ST Shares”) while they are in office, Directors must conclude a share transfer restriction agreement with the Company as described in 3. below before

receiving said payment of ST Shares. The transfer restriction agreement prohibits Directors from disposing of ST Shares received while they are in office by transfer or other means until they retire from office.

(ii) LT payments

Regarding LT payments, in principle, Eligible Directors receive payments in the form of the Company's shares at a defined time at the end of each Defined Period (defined in (4) below), and payments in the form of cash amounts corresponding to the market value of the Company's shares upon retiring from office. When receiving LT payments in the form of the Company's shares (hereinafter referred to as "LT Shares") while they are in office, Eligible Directors must conclude a share transfer restriction agreement with the Company as described in 3. below before receiving said payment of LT Shares. The transfer restriction agreement prohibits Eligible Directors from disposing of LT Shares received while they are in office by transfer or other means until they retire from office.

(2) Eligibility for the Plan

Directors (Directors who are Audit and Supervisory Committee Members and outside Directors among the other Directors are ineligible for the Plan) and Executive Officers

(3) Trust period

From August 2024 (scheduled) until the Trust ends (Notably, there is no specific end date to the trust period for the Trust; the Trust continues as long as the Plan continues. The Plan will end when the Company's shares are delisted, the Procedure for Providing Shares to Officers is abolished, or the like.)

(4) Trust amount

As conditions for adopting this proposal, the Company will introduce the Plan for the three fiscal years from the fiscal year ending March 31, 2025 to the fiscal year ending March 31, 2027 (hereinafter, this period of three fiscal years is referred to as the "Initial Defined Period," with the Initial Defined Period and periods lasting three fiscal years starting after the Initial Defined Period has elapsed referred to using the inclusive term "Defined Period"), and Defined Periods thereafter, and contribute the following cash amounts to the Trust to fund the acquisition of the Company's shares by the Trust in order to pay Shares and Cash to Eligible Directors.

First, when the Trust is created (August 2024 (scheduled)), the Company will create the Trust by contributing the cash amount equivalent to the estimated amount of funds needed for the Initial Defined Period. The upper limit of points to be granted to Eligible Directors under the Plan is 1,100,000 per three fiscal years as defined in (6) below; therefore, when the Trust is created, the Company will contribute an amount reasonably estimated as necessary to require the upper limit of 1,100,000 shares to the Trust in consideration of the closing price of the Company's shares at the end of regular trading hours of the Tokyo Stock Exchange immediately prior. For reference, using the closing price of ¥481 on May 23, 2024, the required amount of funds would be roughly ¥529 million.

The Company will make additional contributions to the Trust after the Initial Defined Period has elapsed and until the Plan ends—in principle, amounts deemed necessary for the Trust to acquire the Company's shares in advance are based on reasonable estimates of the required number of shares to pay Eligible Directors under the Plan for each Defined Period. However, when making these additional contributions, if any of the Company's shares (the Company's shares corresponding to the number of points granted to Eligible Directors for each Defined Period immediately prior, excluding outstanding payments to Eligible Directors) or cash (hereinafter referred to collectively as "Remaining Shares and Cash") remain in the Trust, they will be allocated to the funds for payments under the Plan for subsequent Defined Periods; the Company will factor in Remaining Shares and Cash when calculating amounts for additional contributions. The Company will make proper and timely disclosures when determining additional contributions.

Note: The amounts of money the Company actually contributes to the Trust correspond to estimated amounts for trust fees and other expenses in addition to the aforementioned funds for acquiring shares.

(5) Method of acquisition of the Company's shares and number of shares acquired by the Trust

The Trust will acquire the Company's shares by purchasing them through the stock exchange using funds contributed as described previously in (4) or by receiving a portion of shares bought back by the Company. Given that the upper limit of points to be granted to Eligible Directors is 1,100,000 per three fiscal years

as defined in (6) below, the upper limit of the number of the Company's shares to be acquired by the Trust for each Defined Period is 1,100,000. The Company will make proper and timely disclosures as to the details of acquisitions of the Company's shares by the Trust.

(6) Upper limit of Shares and Cash to be paid to Eligible Directors

Regarding ST payments to Directors, each fiscal year, Directors are granted a fixed number of points commensurate with their position and other factors based on the Procedure for Providing Shares to Officers. Regarding LT payments to Eligible Directors, each fiscal year, Eligible Directors are initially granted a fixed number of points commensurate with their position and other factors based on the Procedure for Providing Shares to Officers. In principle, the points initially granted to Eligible Directors each fiscal year for LT payments are adjusted using multipliers corresponding to the level of achievement of performance targets and the like at the end of each Defined Period.

The upper limit of the total number of points to be granted to Eligible Directors per three fiscal years (for the number of points for LT payments, the number of points after the aforementioned adjustments) is 1,100,000 (including 920,000 for directors). The Company determined this upper limit after comprehensive consideration of the current level of officer compensation, trends and future outlook for the number of Eligible Directors, and other factors. Accordingly, the Company deems this upper limit to be justifiable.

When paying Shares and Cash as described in (7) below, the number of points to be granted to Eligible Directors (for the number of points for LT payments, the number of points after the aforementioned adjustments) is converted at a rate of one of the Company's shares per point (Notably, if splits, bonus issues, reverse splits, or the like pertaining to the Company's shares occur after this proposal is approved, the upper limit of the number of points, numbers of points previously granted, and conversion rates will be adjusted accordingly in response to percentages thereof.).

The number of votes for the number of shares corresponding to the upper limit of the number of points to be granted to Directors per three fiscal years (for the number of points for LT payments, the number of points after the aforementioned adjustments) is 9,200, which constitutes roughly 1.98% of the total number of votes for the total number of shares issued (465,608 as of March 31, 2024).

The standard number of points for Directors for payments of Shares and Cash as described in (7) below is managed by distinguishing those for ST payments from those for LT payments; in principle, it is the number of points (for the number of points for LT payments, the number of points after the aforementioned adjustments) to be granted to Eligible Directors by the time beneficiary rights described in (7) below are finalized (hereinafter referred to as the "Final Number of Points").

(7) Specific methods for calculating payment of Shares and Cash and amounts of remuneration, etc.

In principle, Directors who fulfill the beneficiary requirements undergo the requisite beneficiary finalization procedure to receive ST payments from the Trust at a defined time each year and LT payments from the Trust at a defined time at the end of each Defined Period in the form of the number of the Company's shares corresponding to the Final Number of Points determined as described previously in (6). In principle, Directors who fulfill the requirements set out in the Procedure for Providing Shares to Officers receive cash payments equivalent to the market value of the Company's shares when they retire from office at a fixed percentage instead of the Company's shares. In some cases, the Company's shares may be sold from the Trust to make these cash payments.

Additionally, in principle, Executive Officers who fulfill the beneficiary requirements undergo the requisite beneficiary finalization procedure to receive payments from the Trust at a defined time at the end of each Defined Period in the form of the number of the Company's shares corresponding to the Final Number of Points determined as described previously in (6). In principle, Executive Officers who fulfill the requirements set out in the Procedure for Providing Shares to Officers receive cash payments equivalent to the market value of the Company's shares when they retire from office at a fixed percentage instead of the Company's shares. In some cases, the Company's shares may be sold from the Trust to make these cash payments.

When receiving payments in the form of the Company's shares while they are in office, Eligible Directors must conclude a share transfer restriction agreement with the Company as described in 3. below before receiving said payment of the Company's shares. The transfer restriction agreement prohibits Eligible Directors from disposing of the Company's shares received while they are in office by transfer or other means until they retire from office.

Additionally, Eligible Directors who have been granted points cannot acquire all or a portion of the rights to receive payments if the General Meeting of Shareholders or the Board of Directors pass a resolution to dismiss them, if they retire from office during their term because they committed certain illegal actions, if they committed inappropriate actions that damage the Company while in office, or the like.

When points are awarded, the amount of remuneration, etc. received by Directors is based on the total number of the points granted to the Directors multiplied by the book value per share of the Company's shares owned by the Trust (Notably, if splits, bonus issues, reverse splits, or the like pertaining to the Company's shares occur, the amount will be adjusted accordingly in response to percentages thereof.). Additionally, when points for LT payments are adjusted according to the Procedure for Providing Shares to Officers or when deemed justifiable in cases where exceptional cash amounts are to be paid, the amount of remuneration, etc. received by Directors will be reasonably adjusted accordingly.

(8) Exercising voting rights

Voting rights for the Company's shares in the Trust account will not be exercised uniformly under direction of the trust administrator. Depending on the method, the exercise of voting rights for the Company's shares in the Trust account is designed to ensure neutrality toward the Company's management.

(9) Treatment of dividends

Dividends for the Company's shares in the Trust account are received by the Trust and allocated to cash for acquiring the Company's shares, trust fees for trustees of the Trust, and the like. Notably, when the Trust ends, dividends and the like remaining in the Trust will be paid proportionally to the number of points held by each Eligible Director in office at that time according to the Procedure for Providing Shares to Officers.

(10) Treatment when the trust ends

The Trust will end when the Company's shares are delisted, the Procedure for Providing Shares to Officers is abolished, or the like.

The plan for the Company's shares among the remaining assets in the Trust when the Trust ends calls for the Company to acquire the shares at no charge, and for the Board of Directors to pass a resolution to retire the shares. The cash among the remaining assets in the Trust when the Trust ends will be paid to the Company after subtracting the cash to be paid to Eligible Directors as described previously in (9).

3. Overview of share transfer restriction agreement for the Company's shares paid to Eligible Directors

When receiving payments in the form of the Company's shares while they are in office, Eligible Directors must conclude a share transfer restriction agreement that includes the following content as an outline (hereinafter referred to as the "Share Transfer Restriction Agreement") with the Company before receiving said payment of the Company's shares (Eligible Directors must conclude the Share Transfer Restriction Agreement as a condition for receiving the Company's shares.). However, there are cases in which Eligible Directors may receive payment in the form of the Company's shares without concluding the Share Transfer Restriction Agreement, such as when they have already retired when the time for the payment comes.

(i) Details of transfer restrictions

Eligible Directors may not transfer, create a security interest in, or otherwise dispose of the Company's shares paid to them from the day they receive the shares until the day they retire from all positions equivalent to officer of the Company

(ii) Free acquisition by the Company

The Company acquires the corresponding shares at no charge when certain illegal acts have been committed or the requirements for lifting the transfer restrictions described in (iii) below have not been fulfilled

(iii) Lifting of transfer restrictions

Transfer restrictions are lifted when Eligible Directors retire from all positions equivalent to officer of the Company for justifiable reasons or retire from office due to their death

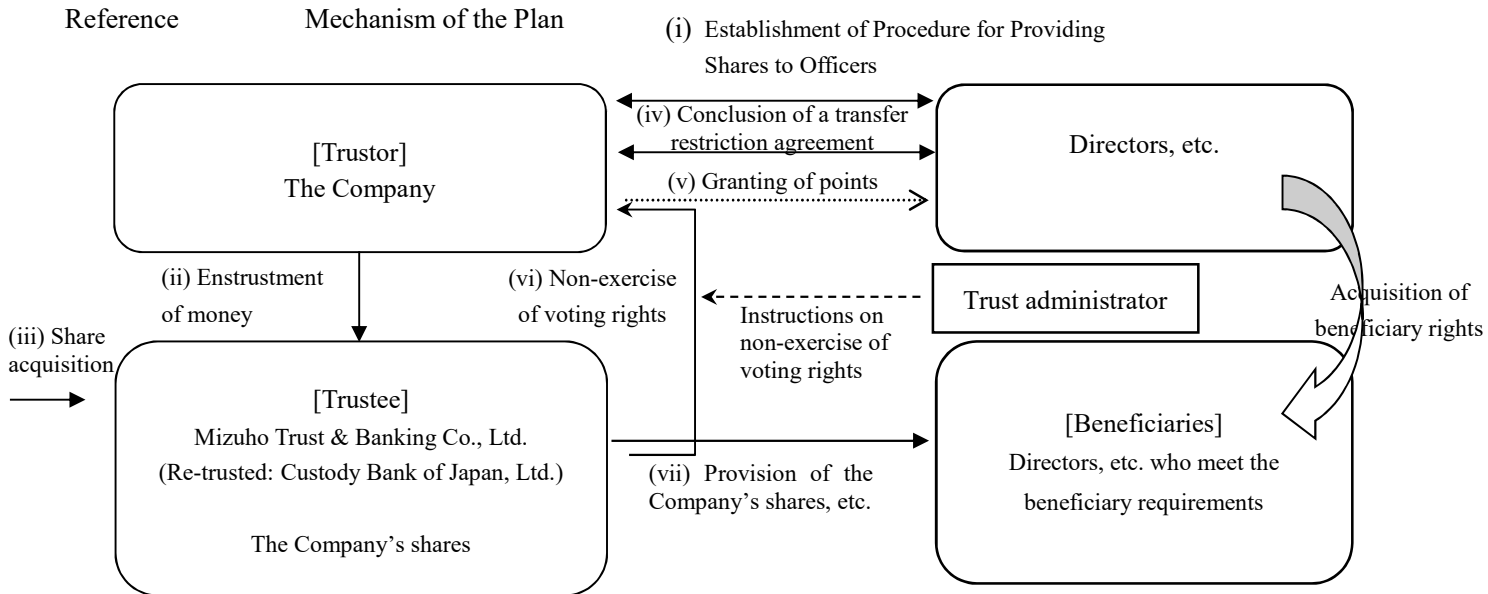
(iv) Treatment during reorganization, etc.

If, during the transfer restriction period, matters relating to a merger agreement in which the Company is the disappearing company or other reorganization, etc. are approved at the Company's General Meeting of

Shareholders or the like, the Company shall lift the transfer restrictions immediately prior to—on the business day before—the date on which the reorganization, etc. becomes effective by resolution of the Board of Directors of the Company.

To prevent Eligible Directors from transferring, creating a security interest in, or otherwise disposing of the Company’s shares subject to transfer restrictions under the Share Transfer Restriction Agreement during the transfer restriction period, the plan calls for the shares to be managed in dedicated accounts opened by Eligible Directors at the securities company designated by the Company.

Additionally, the method for expressing intentions and giving notifications in the Share Transfer Restriction Agreement, the method for amending the Share Transfer Restriction Agreement, and other matters to be determined by the Board of Directors shall be laid out in the Share Transfer Restriction Agreement.



- (i) The Company will establish the Procedure for Providing Shares to Officers within the scope of the framework approved under this proposal.
- (ii) The Company will entrust cash within the scope approved under this proposal.
- (iii) The Trust will acquire the Company's shares by purchasing them through the stock exchange using cash contributed as described previously in (ii) or by receiving a portion of shares bought back by the Company.
- (iv) Eligible Directors must conclude a transfer restriction agreement that includes restrictions of transfers and other forms of disposition while they are in office, a clause for certain free acquisitions by the Company, and the like with the Company for the Company's shares received while they are in office.
- (v) The Company will grant points to Eligible Directors based on the Procedure for Providing Shares to Officers.
- (vi) The Trust will not exercise voting rights for the Company's shares in the Trust account under the direction of the trust administrator, who is independent from the Company.
- (vii) The Trust will pay the Company's shares commensurate with the number of points granted to Eligible Directors who fulfill the beneficiary requirements set out in the Procedure for Providing Shares to Officers at a defined time each year in the case of ST payments and at a defined time at the end of each Defined Period in the case of LT payments. Notably, when Eligible Directors satisfy the requirements set out in the Procedure for Providing Shares to Officers, they receive cash payments equivalent to the market value of the Company's shares when they retire from office at a fixed percentage of points.

Reference Policy for determining the details of remuneration, etc. for individual Directors (Draft)

1. Basic policy

The remuneration system for Company Directors is based on shareholders' interests in pursuit of improving corporate value and achieving the long-term, sustainable growth of the Group. When determining remuneration for individual Directors, the level will be commensurate with their responsibilities. Specifically, remuneration comprises basic remuneration for each position, performance-linked remuneration (bonuses) as short-term incentives linked to performance in each fiscal year, and share-based remuneration positioned as a medium- and long-term incentive. However, given that they are tasked with supervisory functions, outside Directors and Audit and Supervisory Committee Members are only paid basic remuneration. With regard to the composition ratio of remuneration, the ratio of short-term and medium- and long-term performance-linked remuneration and the ratio of monetary remuneration and share-based remuneration will be appropriately set to ensure the system functions as a sound incentive.

2. Policy for determining amounts of basic remuneration (monetary remuneration) for individual Directors (including policy for determining the timing and conditions for providing remuneration, etc.)

Basic remuneration for Company Directors comprises monthly fixed remuneration and is determined within the limit of total remuneration for Directors determined by resolution of the General Meeting of Shareholders and in comprehensive consideration of evaluations of each Director's position and execution of duties, the Company's performance, levels of employees' wages, and other factors.

3. Policy for determining the details, and methods of calculating the amounts and numbers, of performance-linked remuneration and non-monetary remuneration, etc. (including policy for determining the timing and conditions of providing remuneration, etc.)

Bonuses—short-term performance-linked remuneration—comprise monetary remuneration within the limit of total remuneration for Directors determined by resolution of the General Meeting of Shareholders, that reflects key performance indicators (KPIs) with the aim of enhancing Directors' awareness of improving performance in each fiscal year, and amounts calculated using defined multipliers will be paid at a defined time each year when consolidated operating profit targets for each fiscal year are achieved.

Regarding share-based remuneration—a medium- and long-term incentive—, the number of shares equivalent to the amount of money calculated based on position multipliers from internal rules will be granted at a defined

time each year and the number of shares equivalent to the amount of money calculated based on achievement of performance indicators and the like in medium-term business plans will be paid at a defined time after the end of the medium-term business plans. The payments will be made through a trust established and within the scope of the amount determined by resolution of the General Meeting of Shareholders. Directors must conclude a share transfer restriction agreement with the Company before receiving the Company's shares. Accordingly, the shares received during the term of office will be restricted from being disposed of by transfer, etc. until retirement.

4. Policy for determining the monetary remuneration, performance-linked remuneration, and non-monetary remuneration, etc. percentages of remuneration, etc. for individual Directors

Percentages of types of remuneration for executive directors are determined in consideration of remuneration levels benchmarked against companies in similar industries and lines of business and of similar scale to the Company.

The Board of Directors (President and Representative Director delegated as described in 5. below) determines the details of remuneration, etc. for individual Directors within the percentages of types of remuneration after seeking consultation and receiving reports from the Nomination and Compensation Committee.

5. Matters relating to determining the details of remuneration, etc. for individual Directors

The specific details of remuneration, etc. for individual Directors are delegated to the President and Representative Director by resolution of the Board of Directors; the details of the authority thereof are evaluated and allocated in response to the amount of basic remuneration, position, and execution of duties of each Director. However, payments for individual Directors are determined after seeking consultation and receiving reports from the Nomination and Compensation Committee and in comprehensive consideration of the Company's performance and other factors.