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Securities code: 9031

June 5, 2026

Date of commencement of electronic provision measures: May 22, 2026

To Shareholders with Voting Rights:

Koichi Hayashida
President and CEO
Nishi-Nippon Railroad Co., Ltd.
1-11-1 Tenjin, Chuo Ward,
Fukuoka City

**NOTICE OF
THE 186th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 186th Annual General Meeting of Shareholders of Nishi-Nippon Railroad Co., Ltd. (the “Company”) will be held as described below.

When convening this General Meeting of Shareholders, the Company has taken electronic provision measures to provide the information contained in the Reference Documents for the General Meeting of Shareholders (the “matters subject to the electronic provision measures”) in electronic format and has posted this information on the following websites on the Internet. Please access either of the websites to review the information.

The Company’s website: <https://www.nishitetsu.co.jp/en/ir/stock/meeting.html>

The Tokyo Stock Exchange (TSE) website (Listed Company Search):
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

To view the information, please access the above website, input the issue name (company name) or securities code, click “Search,” then click “Basic information,” and select “Documents for public inspection/PR information.”

If you are not attending the meeting in person, you may exercise your voting rights in writing or via the Internet in advance. Please review the attached “Reference Documents for the General Meeting of Shareholders” and exercise your voting rights by 6:00 p.m. on Thursday, June 25, 2026, Japan time.

- 1. Date and Time:** Friday, June 26, 2026 at 10:00 a.m. Japan time
(The reception desk will open at 9:00 a.m.)
- 2. Place:** 8F Saiun-no-ma, Solaria Nishitetsu Hotel Fukuoka,
2-2-43, Tenjin, Chuo Ward, Fukuoka City

3. Meeting Agenda:

Matters to be reported: The Business Report, Non-Consolidated Financial Statements, Consolidated Financial Statements for the Company's 186th Fiscal Year (April 1, 2025 - March 31, 2026), and results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Seven (7) Directors who are not Audit & Supervisory Committee Members
- Proposal 4:** Election of Five (5) Directors who are Audit & Supervisory Committee Members
- Proposal 5:** Determination of the Amount and Details of Restricted Stock-based Remuneration for Directors who are not Audit & Supervisory Committee Members (excluding Outside Directors) and Executive Officers with Titles

- Among the matters subject to the electronic provision measures, the following matters are not presented in the documents provided to shareholders who have requested the delivery of documents in accordance with the provisions of laws and regulations and Article 18, Paragraph (2) of the Articles of Incorporation of the Company. These matters are included in the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Audit & Supervisory Committee and the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by Accounting Auditor.
- The Business Report
 - Major Business Activities and Facilities
 - Employees
 - Major Lenders
 - Particulars Regarding the Company's Stock
 - Particulars Regarding the Accounting Auditor
 - Particulars Regarding the Company's Share Options, etc.
 - The System to Ensure the Appropriateness of the Company's Business and the Status of Operation of Such System
 - Basic Policies Regarding the Way a Person is to Control the Determination of Financial and Business Policies of the Company
 - Consolidated Financial Statements
 - Consolidated Statement of Changes in Equity
 - Notes to the Consolidated Financial Statements
 - Non-Consolidated Financial Statements
 - Non-Consolidated Statement of Changes in Equity
 - Notes to the Non-Consolidated Financial Statements
- If any amendments are made to matters subject to the electronic provision measures, such amendments will be posted on the websites of the Company and TSE.
- We may limit the number of questions from shareholders to conduct the proceedings smoothly.
- The video of the briefing of matters to be reported in the General Meeting of Shareholders will be distributed on the Company's website at a later date.
- For the guide to exercise your voting rights including voting via the Internet, please refer to the next page.

Guide to Exercise Your Voting Rights

If you are attending the meeting:

Date and Time of the Meeting: Friday, June 26, 2026, at 10:00 a.m. Japan time

(The reception desk will open at 9:00 a.m.)

Please bring the enclosed Voting Rights Exercise Form and submit it at the reception desk.

- If you exercise your voting rights by proxy, the proxy needs to be another shareholder with voting rights. The proxy will be required to present written proof of their power of attorney.

If you are unable to attend the meeting:

Voting by postal mail

Voting Deadline: Arrival by 6:00 p.m. on Thursday, June 25, 2026, Japan time

Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and return it to the Company so that it arrives by the voting deadline.

- If there is no indication for approval or disapproval of a proposal in the Voting Rights Exercise Form, it shall be deemed as an intention of approval.

Voting via the Internet

Voting Deadline: Entry by 6:00 p.m. on Thursday, June 25, 2026, Japan time

Please enter your approval or disapproval of the proposals on the website for voting designated by the Company.

- If you exercise your voting rights both in writing and via the Internet, the voting rights exercised via the Internet shall be deemed valid.
- If you exercise your voting rights more than once via the Internet, the last vote shall be deemed valid.

Reference Documents for the General Meeting of Shareholders

Proposals and References

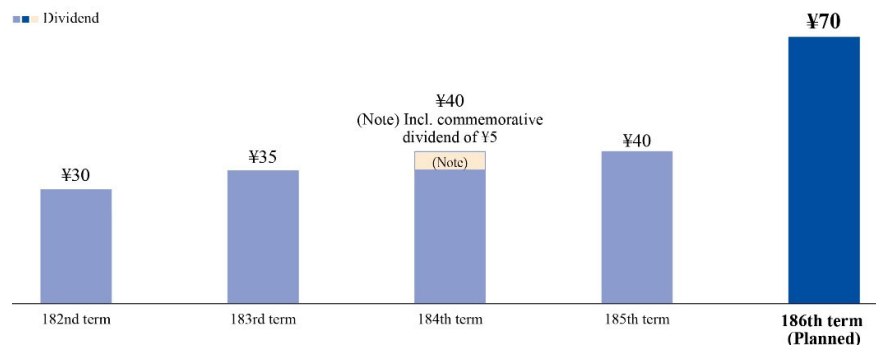
Proposal 1: Appropriation of Surplus

With regards to the Company's appropriation of surplus, the basic policy is to constantly pay stable dividends while taking into consideration the increase of internal reserves that are required for developing our future business and enhancing the business structure.

Based on such views, we would like to set the year-end dividend for the fiscal year ended March 31, 2026, at ¥45 per share. Therefore, the annual dividend will be ¥70 per share together with the interim dividend of ¥25.

1. Matters concerning year-end dividends
 - (1) Type of dividend property
Cash
 - (2) Allotment of dividend property to shareholders and the total amount
¥45 per share of the Company's common stock
Total amount: ¥3,414,386,700
 - (3) Effective date of dividends of surplus
June 29, 2026
2. Other matters concerning the appropriation of surplus
 - (1) Item of surplus to decrease and its amount
Retained earnings brought forward: ¥11,000,000,000
 - (2) Item of surplus to increase and its amount
General reserve: ¥11,000,000,000

(Reference) Changes in annual dividends per share



Proposal 2: Partial Amendment to the Articles of Incorporation

1. Reasons for Change

The purpose of business is being changed to accommodate diversification of the business. Other necessary changes, such as the number of items, are also being made.

2. Details of Change

Changes are as follows.

(Underlines indicate changes .)

Current Articles of Incorporation	Proposed Changes
<p>(Purpose)</p> <p>Article 2 The purpose of the Company shall be to engage in railway and automobile transportation.</p> <p>2 In addition to the preceding paragraph, the Company may engage in the following businesses activities simultaneously.</p> <p>(1) - (38) [Omitted]</p> <p>(39) Production, processing and sales of agricultural products</p> <p>[Newly established]</p> <p>[Newly established]</p> <p>[Newly established]</p> <p>(40) - (41) [Omitted]</p> <p>3 In addition to the preceding two paragraphs, the Company may invest in other business activities, provide warranty or become an incorporator of another company as necessary in its business management.</p>	<p>(Purpose)</p> <p>Article 2 [Same as current]</p> <p>2 In addition to the preceding paragraph, the Company may engage in the following businesses activities simultaneously.</p> <p>(1) - (38) [Same as current]</p> <p>(39) Production, processing and sales of agricultural <u>and marine</u> products</p> <p><u>(40) Manufacture, processing, and trading of fertilizers, feed, agricultural chemicals, agricultural machinery and other general agricultural materials</u></p> <p><u>(41) Investment in and trading of securities</u></p> <p><u>(42) Investment in special purpose companies (companies as defined in the “Regulation on the Terminology, Forms, and Preparation Methods of Financial Statements”), and real estate investment trusts, as well as trading, brokerage, and management of equity interests</u></p> <p><u>(43) - (44) [Renumbering. Same as current]</u></p> <p>3 [Same as current]</p>

Proposal 3: Election of Seven (7) Directors who are not Audit & Supervisory Committee Members

Upon the close of this General Meeting of Shareholders, the terms of office of all seven (7) Directors who are not Audit & Supervisory Committee members will expire. Accordingly, shareholders are requested to elect seven (7) Directors who are not Audit & Supervisory Committee members.


This proposal has been deliberated on by the Nomination and Remuneration Advisory Committee, the majority of whose members are Outside Directors, and decided on by the Board of Directors.

This proposal has also been reviewed by the Audit & Supervisory Committee, and no special opinions were expressed.

The candidates for the position of Director who is not an Audit & Supervisory Committee member are as follows:

No.	Name	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings in FY2025
1	Sumio Kuratomi [Reappointment]	Representative Director and Chairman Chairman of the Board	100%
2	Koichi Hayashida [Reappointment]	President and CEO Operations in general; Audit Department	100%
3	Yoshito Matsumoto [Reappointment]	Representative Director, Executive Vice President Assistant to President (Operations in general); Future Mobility Strategy Promotion Department, Kitakyushu Group, and Bus Transportation Division; Director of Bus Transportation Division	100% (Note)
4	Sunao Ohkaku [Reappointment]	Director of the Board, Senior Managing Executive Officer Corporate Planning Department and DX/ICT Promotion Department	100% (Note)
5	Satoru Matsufuji [Reappointment]	Director of the Board, Managing Executive Officer Railway Transportation Business Division; Director of Railway Transportation Business Division	100%
6	Kikuyo Tsuno [Reappointment] [Outside] [Independent]	Director of the Board	100%
7	Mie Matsuo [Reappointment] [Outside] [Independent]	Director of the Board	100% (Note)


(Note) Mr. Yoshito Matsumoto, Mr. Sunao Ohkaku, and Ms. Mie Matsuo were elected as Directors of the Board at the 185th Annual General Meeting of Shareholders held on June 27, 2025, and assumed the office on the same day. Their attendance is for the Board of Directors meetings held from that date.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Sumio Kuratomi (August 13, 1953) [Reappointment] 	[Career summary and positions] April 1978 Joined the Company June 2008 Director of the Board, Executive Officer June 2011 Director of the Board, Managing Executive Officer June 2013 Representative Director and President June 2016 President and CEO April 2021 Representative Director and Chairman (present position) [Responsibilities] Chairman of the Board [Significant concurrent positions] Outside Director, The Torigoe Co., Ltd. Outside Director, The Bank of Fukuoka, Ltd.	15,200
[Reason for nomination as candidate for Director and expected roles] <p>Mr. Sumio Kuratomi has been involved in management of the Company for 18 years since he assumed the position of Director of the Board, Executive Officer in June 2008. As such, he has abundant experience and insight into corporate management.</p> <p>While assuming the positions of Representative Director and President in June 2013 and then Representative Director and Chairman in April 2021 (to the present), he has taken on management responsibility of the Company. Since April 2021, he has also overseen the Company's management in general in his capacity as Chairman of the Board.</p> <p>We believe that, based on his abundant experience and insight, Mr. Sumio Kuratomi is capable of strengthening the monitoring and decision-making functions of the Board of Directors as he properly conducts proceedings of the Board of Directors meetings in his capacity as the Chairman of the Board. Accordingly, we propose his reappointment as Director of the Board of the Company.</p>			


(Note) There is no special interest between Mr. Sumio Kuratomi and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Koichi Hayashida (September 5, 1965) [Reappointment] 	[Career summary and positions] April 1988 Joined the Company June 2016 Executive Officer April 2018 Senior Executive Officer June 2018 Director of the Board, Senior Executive Officer April 2020 Director of the Board, Senior Managing Executive Officer April 2021 President and CEO (present position) [Responsibilities] Operations in general; Audit Department [Significant concurrent positions] Outside Director, RKB Mainichi Holdings Corporation	14,100
[Reason for nomination as candidate for Director and expected roles] Mr. Koichi Hayashida has been involved in management of the Company for eight (8) years since he assumed the position of Director of the Board in June 2018. As such, he has abundant experience and insight into corporate management. Since assuming the position of President and CEO in April 2021, Mr. Koichi Hayashida has been overseeing the Company's operations in general. We believe that, in his capacity as President and CEO, he is capable of addressing the turbulent international conditions and other significant changes in the business environment with such abundant experience and insight, while at the same time properly directing initiatives outlined in the new three-year plan of the 17th Mid-Term Management Plan, thus realizing sustainable growth and enhancement of corporate value of the Group, which is committed to the challenge of sustainable growth, over the medium- to long-term. Accordingly, we propose his reappointment as Director of the Board of the Company.			


(Note) There is no special interest between Mr. Koichi Hayashida and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
	Yoshito Matsumoto (August 13, 1966) [Reappointment] 	[Career summary and positions] April 1991 Joined the Company April 2019 Executive Officer April 2020 Managing Executive Officer April 2024 Senior Managing Executive Officer April 2025 Executive Vice President June 2025 Representative Director, Executive Vice President (present position) [Responsibilities] Assistant to President (Operations in general); Future Mobility Strategy Promotion Department, Kitakyushu Group, and Bus Transportation Division; Director of Bus Transportation Division	4,500
3	<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Yoshito Matsumoto joined the Company in 1991 and has since been engaged in the bus transportation business. He is currently the Executive Vice President to assist the President and CEO in the Company's operations in general and in charge of the Bus Transportation Division where he has garnered abundant work experience and impressive accomplishments in the Company.</p> <p>He has also been involved in the management as Representative Director since June 2025.</p> <p>We believe that, with his abundant work experience and insight, Mr. Yoshito Matsumoto is capable of strengthening the monitoring and decision-making functions of the Board of Directors, assisting the President and CEO, who is leading the transportation and community development business and global business, as Executive Vice President, and contributing to the sustainable growth of the Group, which is committed to the challenge of sustainable growth, and to the enhancement of corporate value over the medium- to long-term by overseeing the Bus Transportation Division, Future Mobility Strategy Promotion Department, and Kitakyushu Group. Accordingly, we propose his reappointment as Director of the Board of the Company.</p>		


(Note) There is no special interest between Mr. Yoshito Matsumoto and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p data-bbox="282 380 451 443">Sunao Ohkaku (June 14, 1960)</p> <p data-bbox="277 485 456 512">[Reappointment]</p> 	<p data-bbox="509 260 850 287">[Career summary and positions]</p> <p data-bbox="509 296 932 323">April 1985 Joined the Company</p> <p data-bbox="509 331 1192 394">July 2006 General Manager of CV Management Office, Corporate Planning Division</p> <p data-bbox="509 403 1182 466">June 2009 General Manager of Corporate Management Department</p> <p data-bbox="509 474 1187 501">June 2012 General Manager of Accounting Department</p> <p data-bbox="509 510 1235 573">June 2015 Director of the Board, Executive Officer, General Manager of Accounting Department</p> <p data-bbox="509 581 980 609">June 2016 Senior Executive Officer</p> <p data-bbox="509 617 1170 680">June 2018 Director of the Board, Standing Audit & Supervisory Committee member (full-time)</p> <p data-bbox="509 688 1133 751">June 2020 Director of the Board, Senior Managing Executive Officer</p> <p data-bbox="509 760 1089 787">June 2021 Senior Managing Executive Officer</p> <p data-bbox="509 795 1133 858">June 2025 Director of the Board, Senior Managing Executive Officer (present position)</p> <p data-bbox="509 867 699 894">[Responsibilities]</p> <p data-bbox="509 903 1230 930">Corporate Planning Department and DX/ICT Promotion Department</p>	7,400
<p data-bbox="250 932 976 959">[Reason for nomination as candidate for Director and expected roles]</p> <p data-bbox="250 968 1338 1100">Mr. Sunao Ohkaku joined the Company in 1985 and has since been mainly engaged in accounting operations. He is currently a Senior Managing Executive Officer in charge of the Corporate Planning Department and DX/ICT Promotion Department, where he has garnered abundant work experience and impressive accomplishments in the Company.</p> <p data-bbox="250 1108 1425 1171">He also audited and supervised corporate management as Standard Audit & Supervisory Committee member for two years from June 2018.</p> <p data-bbox="250 1180 1425 1388">We believe that, with his abundant work experience and insight, Mr. Sunao Ohkaku is capable of strengthening the monitoring and decision-making functions of the Board of Directors, overseeing the Corporate Planning Department and DX/ICT Promotion Department, and contributing to the sustainable growth of the Group, which is committed to the challenge of sustainable growth, and to the enhancement of corporate value over the medium- to long-term as a management executive. Accordingly, we propose his reappointment as Director of the Board of the Company.</p>			

(Note) There is no special interest between Mr. Sunao Ohkaku and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	<p>Satoru Matsufuji (September 5, 1964)</p> <p>[Reappointment]</p> 	<p>[Career summary and positions]</p> <p>April 1987 Joined the Company</p> <p>July 2012 Representative Director and President of Nishitetsu Station Service Co., Ltd.</p> <p>July 2015 Deputy Director of Railway Transportation Business Division, General Manager of Marketing Planning Department, the Company</p> <p>April 2018 Executive Officer, Deputy Director of Railway Transportation Business Division, General Manager of Marketing Planning Department</p> <p>June 2020 Director of the Board, Executive Officer, Deputy Director of Railway Transportation Business Division, General Manager of Marketing Planning Department</p> <p>April 2021 Director of the Board, Executive Officer, Deputy Director of Railway Transportation Business Division, General Manager of Planning Department</p> <p>April 2023 Director of the Board, Managing Executive Officer (present position)</p> <p>[Responsibilities] Railway Transportation Business Division; Director of Railway Transportation Business Division</p> <p>[Significant concurrent positions] Outside Director, Fuji P.S Corporation</p>	6,000
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Satoru Matsufuji joined the Company in 1987 and has since been engaged in the railway transportation business. He is currently a Managing Executive Officer in charge of the Railway Transportation Business Division where he has garnered abundant work experience and impressive accomplishments in the railway transportation business.</p> <p>We believe that, with his work experience and insight, Mr. Satoru Matsufuji is capable of strengthening the monitoring and decision-making functions of the Board of Directors, overseeing the railway transportation business, and contributing to the sustainable growth of the Group, which is committed to the challenge of sustainable growth, and to the enhancement of corporate value over the medium- to long-term as a management executive for the sake of the safety assurance of transportation services by reflecting his perspectives as the safety manager of the railway transportation business. Accordingly, we propose his reappointment as Director of the Board of the Company.</p>			

(Note) There is no special interest between Mr. Satoru Matsufuji and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	<p>Kikuyo Tsuno (June 6, 1965)</p> <p>[Reappointment] [Outside] [Independent]</p> 	<p>[Career summary and positions]</p> <p>July 2017 Deputy General Manager of Human Resource Vitalization Division, Business Solution Headquarters; General Manager of Planning Group, Kyushu Electric Power Co., Inc.</p> <p>June 2018 General Manager of Corporate Strategy Division (Group organizational strategy)</p> <p>July 2020 General Manager of Human Resource Vitalization Division, Business Solution Headquarters (Labor management)</p> <p>June 2022 Specially Appointed Audit & Supervisory Committee Member (present position)</p> <p>June 2023 Executive Officer; General Manager of Human Resource Vitalization Division, Business Solution Headquarters (present position)</p> <p>June 2023 Director of the Board, the Company (present position)</p> <p>[Significant concurrent positions] Executive Officer, Kyushu Electric Power Co., Inc.</p>	2,000
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Ms. Kikuyo Tsuno currently serves as Executive Officer, General Manager of Human Resource Vitalization Division, Business Solution Headquarters at Kyushu Electric Power Co., Inc., and has gained abundant experience and insight into human resources, labor management, and corporate planning through her work there.</p> <p>She has also provided valuable opinions in her capacity as the Company's Outside Director who is not an Audit & Supervisory Committee member since June 2023 based on her experience and insight.</p> <p>With this work experience and insight, we expect her to improve discussions at Board of Directors meetings in our Company, which strives to strengthen its human resources to support sustainable growth. As an Outside Director with no conflict of interest with the Company, we believe that she will be able to strengthen the supervisory and decision-making functions of the Board of Directors. Accordingly, we propose her reappointment as an Outside Director.</p>			

(Notes)

- Ms. Kikuyo Tsuno is currently an Outside Director who is not an Audit & Supervisory Committee member of the Company. At the conclusion of this General Meeting of Shareholders, she will have served for three (3) years as an Outside Director of the Company.
- The Company has transactions with Kyushu Electric Power Co., Inc. in the form of payment for electricity charges and otherwise, but its amount constitutes less than 1% of annual consolidated sales for each company, which conforms to the below-mentioned criteria for the independence of Outside Directors.
- The Company has registered Ms. Kikuyo Tsuno as an Independent Officer with the TSE and FSE.
- The Company has concluded a contract with Ms. Kikuyo Tsuno, which limits her liability as provided in Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability under this contract will be the minimum liability amount stipulated by laws and regulations. The Company intends to continue the said contract with her.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
	<p>Mie Matsuo (October 17, 1964)</p> <p>[Reappointment] [Outside] [Independent]</p> 	<p>[Career summary and positions]</p> <p>July 2009 Executive Officer, IBM Business Consulting Services KK</p> <p>April 2010 Director and Partner, IBM Japan Ltd.</p> <p>January 2018 Senior Partner</p> <p>January 2019 Managing Partner in charge of Asia Pacific region, IBM Global Services Pte. Ltd.</p> <p>April 2022 Managing Partner, IBM Japan Ltd.</p> <p>October 2023 Audit and supervisory board member</p> <p>June 2025 Director of the Board, the Company (present position)</p> <p>[Significant concurrent positions]</p> <p>Outside Director, Sumitomo Mitsui Trust Asset Management Co., Ltd.</p> <p>External Director, Kurita Water Industries Ltd.</p>	100
7	<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Ms. Mie Matsuo is a licensed tax accountant and U.S. certified public accountant, and was engaged in consulting to improve efficiency and sophistication of accounting and finance-related and indirect operations, oversaw the business transformation service division utilizing AI and other advanced technologies as Managing Partner, and served as Audit and supervisory board member at IBM Japan Ltd. She has gained abundant insight and experience into IT and digital, global business management, financial accounting, and corporate governance.</p> <p>She has also provided valuable opinions in her capacity as the Company's Outside Director who is not an Audit & Supervisory Committee member since June 2025 based on her experience and insight.</p> <p>We expect her to improve discussions at Board of Directors meetings by providing valuable opinions based on her experience and insight in our Company, which strives to expand growth businesses, create new earning power, strengthen governance in the overseas business, and promote DX. As an Outside Director with no conflict of interest with the Company, we believe that she will be able to strengthen the supervisory and decision-making functions of the Board of Directors. Accordingly, we propose her reappointment as an Outside Director.</p>		

(Notes)

1. Ms. Mie Matsuo is currently an Outside Director who is not an Audit & Supervisory Committee member of the Company. At the conclusion of this General Meeting of Shareholders, she will have served for one (1) year as an Outside Director of the Company.
2. There is no special interest between Ms. Mie Matsuo and the Company.
3. The Company has registered Ms. Mie Matsuo as an Independent Officer with the TSE and FSE.
4. The Company has concluded a contract with Ms. Mie Matsuo, which limits her liability as provided in Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability under this contract will be the minimum liability amount stipulated by laws and regulations. The Company intends to continue the said contract with her.

[Matters concerning directors and officers liability insurance contracts for each candidate]

The Company has concluded a liability insurance contract for directors and officers as stipulated in Article 430-3, Paragraph (1) of the Companies Act with an insurance company to insure its directors and executive officers. The insurance policy covers compensation for damages to be borne by the insured due to claims for damages arising from acts (including omissions) of the insured in connection with their duties as a director or executive officer of the Company. However, to ensure that the proper execution of duties is not compromised, there are certain exclusions of liability, such as not covering damages caused by illegal or criminal acts by the insured. If each candidate is appointed to the position of Director who is not an Audit & Supervisory Committee member, each candidate will be included as the insured under this insurance policy. The Company plans to renew this insurance policy with the same contents at the next renewal.

Proposal 4: Election of Five (5) Directors who are Audit & Supervisory Committee Members

Upon the close of this General Meeting of Shareholders, the terms of office of all five (5) Directors who are Audit & Supervisory Committee members will expire. Accordingly, shareholders are requested to elect five (5) Directors who are Audit & Supervisory Committee members.


This proposal has been deliberated on by the Nomination and Remuneration Advisory Committee, the majority of whose members are Outside Directors, and decided on by the Board of Directors.

This proposal has already obtained the consent of the Audit & Supervisory Committee.


The candidate for the position of Director who is an Audit & Supervisory Committee member is as follows:

No.	Name	Current positions and responsibilities at the Company	FY2025	
			Attendance at the Board of Directors meeting	Attendance at the Audit & Supervisory Committee
1	Tetsuya Nagasao [Reappointment]	Director of the Board, Standing Audit & Supervisory Committee member Chairman of Audit & Supervisory Committee	100%	100%
2	Toru Kawaharabata [Reappointment] [Outside] [Independent]	Director of the Board, Audit & Supervisory Committee member	100%	100%
3	Takashige Shibato [Reappointment] [Outside]	Director of the Board, Audit & Supervisory Committee member	93.3%	90.9%
4	Kyoko Matsuoka [Reappointment] [Outside]	Director of the Board, Audit & Supervisory Committee member	93.3%	100%
5	Osamu Nagata [Reappointment] [Outside] [Independent]	Director of the Board, Audit & Supervisory Committee member	100% (Note)	100% (Note)

(Note) Mr. Osamu Nagata was elected as Directors of the Board at the 185th Annual General Meeting of Shareholders held on June 27, 2025, and assumed the office on the same day. His attendance is for the Board of Directors meetings and Audit & Supervisory Committee held from that date.


No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Tetsuya Nagasao (August 1, 1962)</p> <p>[Reappointment]</p> 	<p>[Career summary and positions]</p> <p>April 1986 Joined the Company</p> <p>June 2007 General Manager of Project Planning & Development Department, Urban Development Business Division</p> <p>July 2010 General Manager of Distribution and Leisure Business Department, Urban Development Business Division</p> <p>July 2012 General Manager of Public Relations Office</p> <p>July 2015 General Manager of General Affairs and Public Relations Department</p> <p>June 2016 Executive Officer, Deputy Director of Business Creation Division and General Manager of Business Development Department</p> <p>February 2017 Representative Director and Senior Managing Director, Fukuoka Airport Holdings Co., Ltd.</p> <p>April 2018 Senior Group Director, the Company</p> <p>July 2018 Representative Director and President & CEO, Fukuoka International Airport Co., Ltd.</p> <p>April 2020 Senior Managing Executive Officer, the Company</p> <p>June 2024 Director of the Board, Standing Audit & Supervisory Committee member (full-time) (present position)</p>	6,300
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Tetsuya Nagasao joined the Company in 1986 and has since been engaged mainly in the urban development business, general affairs, and public relations. He served as Representative Director and President & CEO of Fukuoka International Airport Co., Ltd., and has garnered abundant work experience and impressive accomplishments in the Company as well as experience as a corporate manager of an airport management company.</p> <p>While assuming the position of Director of the Board, Audit & Supervisory Committee member (full-time) in June 2024, he has taken on audit from various aspects in his capacity as Chairman of the Audit & Supervisory Committee based on the experience and knowledge to secure soundness and appropriateness in corporate management.</p> <p>We believe that we can expect to strengthen the auditing and supervisory functions of the Company if he uses his experience and insight as a full-time Director who is an Audit & Supervisory Committee member. Accordingly, we propose his reappointment as Director who is an Audit & Supervisory Committee member.</p>			

(Note) There is no special interest between Mr. Tetsuya Nagasao and the Company.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Toru Kawaharabata (August 3, 1966) [Reappointment] [Outside] [Independent] 	[Career summary and positions] April 1990 Joined the Ministry of Transport (present Ministry of Land, Infrastructure, Transport and Tourism (MLIT)) August 2004 Deputy General Manager, Corporate Planning Department, General Planning Division, Japan Freight Railway Company April 2011 Director-General, Planning and Tourism Department, Kyushu District Transport Bureau, MLIT September 2012 Director, Port Management and Operation Division, Ports and Harbours Bureau July 2014 Director, Air Navigation Services Planning Division, Air Navigation Services Department, Civil Aviation Bureau July 2016 Executive Director, National Agency for Automobile and Land Transport Technology July 2018 Director, General Affairs Division, Road Transport Bureau, MLIT July 2019 Director-General, Air Navigation Services Department, Civil Aviation Bureau July 2020 Director-General, Chugoku District Transport Bureau July 2021 Director-General, Kyushu District Transport Bureau December 2022 Advisor, Nippon Life Insurance Company June 2024 Director of the Board, Audit & Supervisory Committee member (full-time), the Company (present position)	900
[Reason for nomination as candidate for Director and expected roles] Mr. Toru Kawaharabata worked for MLIT and thus possesses abundant knowledge and professional experience in the railway business and the bus business, which are the core business fields of the Company, as well as aviation and logistics. While assuming the position of Outside Director of the Board who is an Audit & Supervisory Committee member (full-time) of the Company in June 2024, he has taken on audit from various aspects based on the experience and knowledge to secure soundness and appropriateness in corporate management. We believe that we can expect to strengthen the auditing and supervisory functions of the Company and enhance the effectiveness of the Board of Directors by, for example, ensuring that business is executed vigilantly by the management and improving discussions at Board of Directors meetings and other occasions if, as a full-time Outside Director who is an Audit & Supervisory Committee member and who does not have any conflict of interest with the Company, he uses his experience and insight. Accordingly, we propose his reappointment as Director who is an Audit & Supervisory Committee member.			


(Note)

1. Mr. Toru Kawaharabata is currently an Outside Director who is an Audit & Supervisory Committee member of the Company. At the conclusion of this General Meeting of Shareholders, he will have served for two (2) years as an Outside Director who is an Audit & Supervisory Committee member of the Company.
2. There is no special interest between Mr. Toru Kawaharabata and the Company.
3. The Company has registered Mr. Toru Kawaharabata as an Independent Officer with the TSE and FSE.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<p>Takashige Shibato (March 13, 1954)</p> <p>[Reappointment] [Outside]</p> 	<p>[Career summary and positions]</p> <p>June 2003 Director of The Bank of Fukuoka, Ltd. (BOF)</p> <p>April 2005 Managing Director</p> <p>April 2007 Senior Managing Executive Officer, Member of the Board</p> <p>April 2007 Director of Fukuoka Financial Group, Inc. (FFG)</p> <p>April 2010 Representative Director & Deputy President, BOF</p> <p>April 2012 Representative Director & Deputy President, FFG</p> <p>June 2014 Representative Director and President</p> <p>June 2014 Representative Director and President, BOF</p> <p>April 2019 Representative Director and Chairman & President, FFG</p> <p>April 2019 Representative Director and Chairman & President, BOF</p> <p>June 2020 Director of the Board, Audit & Supervisory Committee member, the Company (present position)</p> <p>April 2022 Representative Director and Chairman, FFG (present position)</p> <p>April 2022 Representative Director and Chairman, BOF (present position)</p> <p>[Significant concurrent positions]</p> <p>Representative Director and Chairman, FFG</p> <p>Representative Director and Chairman, BOF</p> <p>Outside Director, Daiichi Koutsu Sangyo Co., Ltd.</p> <p>Outside Director, RKB Mainichi Holdings Corporation</p>	4,822
<p>[Reason for nomination as candidate for Director and expected roles]</p> <p>Mr. Takashige Shibato holds concurrent positions as Representative Director and Chairman at FFG and BOF and thus possesses abundant experience and knowledge in the realm of corporate management. Through such work experience, he has gained considerable insight in the areas of finance and accounting. He has also taken on audit in his capacity as the Company's Outside Director who is an Audit & Supervisory Committee member since June 2020, based on the experience and knowledge and provided valuable opinions in the Board of Directors meetings and the Audit & Supervisory Committee.</p> <p>We believe that we can expect to strengthen the auditing and supervisory functions of the Company and enhance the effectiveness of the Board of Directors if, as an Outside Director who is an Audit & Supervisory Committee member, he uses his insight to conduct valuable auditing and taps into his experience and knowledge to improve discussions at Board of Directors meetings and other occasions. Accordingly, we propose his reappointment as Director who is an Audit & Supervisory Committee member.</p>			


(Notes)

1. Mr. Takashige Shibato is currently an Outside Director who is an Audit & Supervisory Committee member of the Company. At the conclusion of this General Meeting of Shareholders, he will have served for six (6) years as an Outside Director who is an Audit & Supervisory Committee member of the Company.
2. The Company has transactions with BOF, where Mr. Takashige Shibato serves as Representative Director and Chairman, in the form of fund borrowing and otherwise.
3. The Company has concluded a contract with Mr. Takashige Shibato, which limits his liability as provided in Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability under this contract will be the minimum liability amount stipulated by laws and regulations. The Company intends to continue the said contract with him.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p data-bbox="246 277 487 340">Kyoko Matsuoka (September 14, 1964)</p> <p data-bbox="276 382 457 445">[Reappointment] [Outside]</p> 	<p data-bbox="506 256 847 283">[Career summary and positions]</p> <p data-bbox="506 289 1250 436">December 1993 Representative Director, Matsuoka One Architects (present Spinglass Architects) (present position) April 2007 Associate Professor, Department of Architecture, School of Science and Technology for Future Life, Tokyo Denki University</p> <p data-bbox="506 443 1242 499">October 2012 President, NPO Fukuoka Architecture Foundation (present position)</p> <p data-bbox="506 506 1226 562">November 2016 Representative Director and President, Daio Co., Ltd. (present position)</p> <p data-bbox="506 569 1263 625">June 2020 Representative Director, Community Design in City Center (present position)</p> <p data-bbox="506 632 1096 659">June 2020 Director of the Board, the Company</p> <p data-bbox="506 665 1177 693">June 2022 Director of the Board, Audit & Supervisory Committee member (present position)</p> <p data-bbox="506 699 863 726">[Significant concurrent positions]</p> <p data-bbox="506 732 1071 760">Representative Director and President, Daio Co., Ltd.</p>	200
<p data-bbox="246 777 977 804">[Reason for nomination as candidate for Director and expected roles]</p> <p data-bbox="246 810 1409 982">Ms. Kyoko Matsuoka has long been involved in city design as an architect, mainly in Fukuoka, and served as Representative Director and President, Daio Co., Ltd., thus earning experience and knowledge in corporate management. She has also provided valuable opinions in her capacity as the Company's Outside Director who is not an Audit & Supervisory Committee member since June 2020, and Outside Director who is an Audit & Supervisory Committee member since June 2022, based on her experience and knowledge.</p> <p data-bbox="246 989 1432 1192">We believe that we can expect to strengthen the monitoring of the Company and decision-making functions of the Board of Directors, if, as an Outside Director who is an Audit & Supervisory Committee member, she uses her expert knowledge and experience to add perspectives to our Board of Directors and provides the Company with useful opinions on urban development to enhance discussions in the Board of Directors and other meetings and perform effective audit utilizing her knowledge. Accordingly, we propose her reappointment as Director who is an Audit & Supervisory Committee member.</p>			

(Notes)

1. Ms. Kyoko Matsuoka is currently an Outside Director who is an Audit & Supervisory Committee member of the Company. At the conclusion of this General Meeting of Shareholders, she will have served for six (6) years as an Outside Director and for four (4) years as an Outside Director who is an Audit & Supervisory Committee member of the Company.
2. The Company has transactions with Daio Co., Ltd., in the form of the receipt of rent from buildings and otherwise.
3. The Company has concluded a contract with Ms. Kyoko Matsuoka, which limits her liability as provided in Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability under this contract will be the minimum liability amount stipulated by laws and regulations. The Company intends to continue the said contract with her.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
	Osamu Nagata (March 2, 1957) [Reappointment] [Outside] [Independent] 	[Career summary and positions] June 2009 Managing Officer, Toyota Motor Corporation April 2013 Executive Vice President, Toyota Motor North America; President & CEO, Toyota Motor Engineering & Manufacturing North America, Inc. April 2015 Senior Managing Officer; Deputy Chief Officer, North America Region, Toyota Motor Corporation; Chief Administrative Officer, Toyota Motor North America April 2017 Executive Vice President; Chief Financial Officer June 2017 Member of the Board of Directors June 2018 President, Member of the Board of Directors, Toyota Motor Kyushu, Inc. June 2025 Director of the Board, Audit & Supervisory Committee member, the Company (present position)	200
5	[Reason for nomination as candidate for Director and expected roles] <p>Mr. Osamu Nagata was engaged in management of overseas entities and subsidiaries, and held positions as Executive Vice President and CFO at Toyota Motor Corporation. He also served as President, Member of the Board of Directors at Toyota Motor Kyusyu, Inc. He thus possesses abundant experience and knowledge as a senior executive of a global company, and has gained considerable insight in the area of finance and accounting through such work experience.</p> <p>He has also provided valuable opinions in his capacity as the Company's Outside Director who is an Audit & Supervisory Committee member since June 2025, based on the experience and knowledge.</p> <p>We believe that we can expect to strengthen the auditing and supervisory functions of the Company and enhance the effectiveness of the Board of Directors if, as an Outside Director who is an Audit & Supervisory Committee member with no conflict of interest with the Company, he uses his insight to conduct valuable auditing and taps into his experience and knowledge to improve discussions at Board of Directors meetings and other occasions. Accordingly, we propose his reappointment as Director who is an Audit & Supervisory Committee member.</p>		

(Notes)

1. Mr. Osamu Nagata is currently an Outside Director who is an Audit & Supervisory Committee member of the Company. At the conclusion of this General Meeting of Shareholders, he will have served for one (1) year as an Outside Director who is an Audit & Supervisory Committee member of the Company.
2. There is no special interest between Mr. Osamu Nagata and the Company.
3. The Company has registered Mr. Osamu Nagata as an Independent Officer with the TSE and FSE.
4. The Company has concluded a contract with Mr. Osamu Nagata, which limits his liability as provided in Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability under this contract will be the minimum liability amount stipulated by laws and regulations. The Company intends to continue the said contract with him.

[Matters concerning directors and officers liability insurance contracts for each candidate]

The Company has concluded a liability insurance contract for directors and officers as stipulated in Article 430-3, Paragraph (1) of the Companies Act with an insurance company to insure its directors and executive officers. The insurance policy covers compensation for damages to be borne by the insured due to claims for damages arising from acts (including omissions) of the insured in connection with their duties as a director or executive officer of the Company. However, to ensure that the proper execution of duties is not compromised, there are certain exclusions of liability, such as not covering damages caused by illegal or criminal acts by the insured. If each candidate is appointed to the position of Director who is an Audit & Supervisory Committee member, each candidate will be included as the insured under this insurance policy. The Company plans to renew this insurance policy with the same contents at the next renewal.

(Reference) Skills Matrix

Regarding skills to be possessed in light of business characteristics and management strategy, the Board of Directors of the Company identified “skills to be possessed by the Board of Directors” and listed them on a skills matrix as follows according to a long-term vision of “CYD Vision 2035” and critical strategies in the medium-term management plan.

The Company has introduced an executive officer system, and the skills required in each business field of the entire Group shall be prepared by the entire Group, including executive officers in charge. Each executive officer in charge attends the Board of Directors meetings and supports the Board of Directors’ decision-making to strengthen the functions of the Board of Directors.

The following composition of the Board of Directors is prepared on the precondition that Proposal 3, “Election of Seven (7) Directors who are not Audit & Supervisory Committee Members,” and Proposal 4, “Election of Five (5) Directors who are Audit & Supervisory Committee Members” are all approved as originally proposed.

Name	Position, etc. in the Company		Skills to be possessed by the Board of Directors in light of business characteristics and management strategy										
			Corporate management	Human resources, labor management	Finance, accounting	IT, digital	Global	Sustainability, local contribution	Internal control, safety	Mobility	Real estate, urban development	Logistics	
Sumio Kuratomi	Representative Director and Chairman		●		●	●			●	●		●	
Koichi Hayashida	President and CEO		●			●	●	●	●			●	
Yoshito Matsumoto	Representative Director, Executive Vice President									●	●	●	
Sunao Ohkaku	Director of the Board, Senior Managing Executive Officer		●		●	●		●	●				
Satoru Matsufuji	Director of the Board, Managing Executive Officer									●	●		
Kikuyo Tsuno	Director of the Board	Outside Independent	●	●					●	●			
Mie Matsuo	Director of the Board	Outside Independent	●		●	●	●		●				

Name	Position, etc. in the Company		Skills to be possessed by the Board of Directors in light of business characteristics and management strategy										
			Corporate management	Human resources, labor management	Finance, accounting	IT, digital	Global	Sustainability, local contribution	Internal control, safety	Mobility	Real estate, urban development	Logistics	
Tetsuya Nagasao	Director of the Board, Standing Audit & Supervisory Committee member		●					●	●	●		●	
Toru Kawaharabata	Director of the Board, Audit & Supervisory Committee member	Outside Independent	●						●	●	●	●	●
Takashige Shibato	Director of the Board, Audit & Supervisory Committee member	Outside	●		●			●	●	●			
Kyoko Matsuoka	Director of the Board, Audit & Supervisory Committee member	Outside	●			●		●	●	●		●	
Osamu Nagata	Director of the Board, Audit & Supervisory Committee member	Outside Independent	●		●			●	●	●			

(Reference) Criteria for the Independence of Outside Directors

The Company considers Outside Directors as independent if none of the following criteria applies to the respective Outside Director.

1. A person for whom the Company or any of its subsidiaries (hereinafter collectively the “Company Group”) is a major client^{*1} or their executors of business^{*2}
2. A person who is a major client of the Company Group^{*3} or their executors of business
3. A regular employee, partner, or staff member of the auditing firm that is the accounting auditor of the Company Group
4. A consultant, accounting expert, or legal expert who has received cash or other economic benefit in excess of an average of 10 million yen per annum over the past three (3) years from the Company Group aside from the officer’s remuneration
5. A person who is a major shareholder of the Company^{*4} or their executors of business
6. A person who executes business for a firm of which the Company Group is a major shareholder
7. A person who executes business for a firm that is a major lender to the Company Group^{*5}
8. A director, company auditor, accounting advisor, operating officer, or executive officer of a firm that accepts a Director (full-time or otherwise) from the Company Group, or any of those of a parent company or subsidiary of such firm
9. A person who executes business for an organization that receives donations or other assistance in excess of an average of 10 million yen per annum or 30% of its average annual total expenses over the past three business years, whichever is the higher amount, from the Company Group
10. A person to whom any of the aforementioned criteria 1-6 has applied within the past five (5) years
11. A person who is a spouse or other relation within the second degree of kinship to a person to whom any of the following applies
 - 1) A person to whom any of the aforementioned criteria 1-7 applies and who holds an important position^{*6}
 - 2) A person who executes business for the Company Group or a Director of the Company Group who does not execute business
12. A person whose total term of office at the Company exceeds eight (8) years

- Notes:
1. “A person for whom the Company Group is a major client” refers to a person (or firm) who received payment from the Company Group in the most recent business year which accounted for either 2% or more of consolidated sales for the year for that person (or firm).
 2. “An executor of business” refers to an executive director, executive officer, employee who executes business, director or other similar official, or employee.
 3. “A person who is a major client of the Company Group” refers to a person (or firm) who made payment to the Company Group in its most recent business year which accounted for 2% or more of the Company Group’s consolidated sales for the year.
 4. “A major shareholder” refers to a shareholder who holds 10% or more of the voting rights.
 5. “A major lender” refers to a financial institution from which the Company Group’s borrowings accounted for 10% or more of the Company Group’s total balance of borrowings on a consolidated basis at the end of the most recent business year.
 6. “A person who holds an important position” refers to a person serving in the position of General Manager or higher within a company, or in the case of an auditing firm or law office, the position of accountant or attorney at such firms and offices.

Proposal 5: Determination of the Amount and Details of Restricted Stock-based Remuneration for Directors who are not Audit & Supervisory Committee Members (excluding Outside Directors) and Executive Officers with Titles

1. Reason for the proposal

The remuneration of the Company's Directors who are not Audit & Supervisory Committee members (excluding Outside Directors) and Executive Officers with Titles (hereinafter, "Executive Remuneration") comprises basic remuneration consisting of monetary remuneration, short-term-performance-linked bonuses and medium-term-performance-linked bonuses, and stock-based remuneration, whereby stock is delivered at the time of retirement through a trust. Among these types of remuneration, the Company proposes to discontinue the medium-term-performance-linked bonuses, and in its stead, introduce a new stock-based remuneration plan whereby restricted stock is delivered while the officers are in office (hereinafter, the existing stock-based remuneration shall be referred to as "Stock-based Remuneration (Retirement Stock Compensation)" or "Retirement Stock Compensation," and the new stock-based remuneration shall be referred to as "Stock-based Remuneration (Term-of-Office Stock Compensation)" or "Term-of-Office Stock Compensation").

If this proposal is approved and passed, the Company's Executive Remuneration shall comprise basic remuneration consisting of monetary remuneration, short-term-performance-linked bonuses, and two types of stock-based remuneration (Retirement Stock Compensation and Term-of-Office Stock Compensation), resulting in an increase in the ratio of stock-based remuneration to total remuneration.

The Company had previously introduced and administered the Stock-based Remuneration (Retirement Stock Compensation), a performance-linked stock-based remuneration plan with the express objective to share a sense of profit with shareholders and to increase the officers' willingness to contribute to the enhancement of corporate value and share price appreciation through the implementation of the management plan. Given that the introduction of a Stock-based Remuneration (Term-of-Office Stock Compensation) based on this proposal will further advance the sharing of value with the shareholders, the Company considers this proposal to be appropriate.

The number of Directors eligible for the Stock-based Remuneration (Term-of-Office Stock Compensation) under this proposal, if Proposal 3 "Election of Seven (7) Directors who are not Audit & Supervisory Committee Members" is approved and passed as proposed, will be five. Furthermore, the amount and details of remuneration, etc., proposed include the remuneration of Executive Officers with titles. And the number of Executive Officers with titles who do not concurrently serve as Directors is eight.

This proposal has been deliberated on by the Nomination and Remuneration Advisory Committee, the majority of whose members are Outside Directors, and decided on by the Board of Directors. Additionally, this proposal has also been reviewed by the Audit & Supervisory Committee, and no special opinions were expressed.

2. Amount and details of remuneration, etc., based on the Stock-based Remuneration (Term-of-Office Stock Compensation)

(1) The mechanism of the stock-based remuneration

The Stock-based Remuneration (Retirement Stock Compensation), which had previously been adopted by the Company, was introduced upon receiving approval at the 176th Annual General Meeting of Shareholders held on June 29, 2016 (hereinafter, the "176th General Meeting of Shareholders"), under which, a trust established through monetary contributions by the Company (hereinafter, the "Trust") acquires the Company's common stock (hereinafter, the "Company's Stock") from the stock market or the Company (through the disposal of treasury stock), and, the Company's Stock, etc. are delivered, etc. to persons eligible under the plan, in principle, at the time of their retirement.

The Stock-based Remuneration (Term-of-Office Stock Compensation), which is being proposed and which will be newly introduced, will also be a plan, similar to that of the Retirement Stock Compensation, whereby the Company's Stock will be delivered to persons eligible under the plan through a trust, and it will use the Trust already operating under the Retirement Stock Compensation, thus its introduction will not require the establishment of a new trust. Accordingly, the trust period will, in principle, be the same as that of the Retirement Stock Compensation, i.e., the three-year period linked to the mid-term management plan (currently, the period from the fiscal year ending on March 31, 2027 to the fiscal year ending on March 31, 2029, hereinafter, the period linked to the mid-term management plan shall be referred to as the "Target Period"). Also, in terms of the voting rights associated with the Company's Stock within the Trust, they will be treated in the same way as those of the Retirement Stock Compensation, and will not be exercised across the board, as per the instructions of a trust administrator, who is independent of the Company and its officers.

- (2) Persons eligible under the Stock-based Remuneration (Term-of-Office Stock Compensation) plan and the calculation method of the Company's Stock to be delivered

The Company's Directors who are not Audit & Supervisory Committee members (excluding Outside Directors) and Executive Officers with titles shall be eligible for Stock-based Remuneration (Term-of-Office Stock Compensation), provided, however, that Directors who are not Audit & Supervisory Committee members and Executive Officers with titles are not non-residents of Japan (hereinafter, the persons eligible under the Stock-based Remuneration (Term-of-Office Stock Compensation) plan shall be referred to as "Eligible Officers").

Under the Term-of-Office Stock Compensation, points will be awarded to the Eligible Officers according to their positions and responsibilities at a predesignated time after the end of each fiscal year. Each Eligible Officer, upon being awarded points each year, shall receive delivery of the Company's Stock corresponding to these points by completing the designated beneficiary rights holder certification procedures. However, these stocks shall be subject to transfer restrictions until the time of retirement of the Eligible Officer.

One point shall equal one share of the Company's Stock. However, in an event such as a stock split or stock consolidation of the Company's Stock, where adjustment is deemed reasonable, the number of the Company's Stock to be delivered per point may be reasonably adjusted in accordance with the stock split ratio, consolidation ratio, or the like.

- (3) Upper limit of the Company's monetary contribution and the upper limit of the Company's Stock to be delivered

This proposal asks shareholders for their approval regarding the Stock-based Remuneration (Term-of-Office Stock Compensation) for the Company to contribute money of up to 150 million yen to the Trust per year, and to set the total number of points that may be awarded to Eligible Officers at up to 40,000 points per year and the total number of shares of the Company's Stock to be acquired through the Trust at up to 40,000 shares per year (However, in an event such as a stock split (including any gratis allotment of the shares) or stock consolidation of the Company's Stock with an effective date after the resolution date of this General Meeting of Shareholders, adjustments will be made to the such total number, after such effective date, in accordance with the stock split ratio, consolidation ratio, or the like, as necessary, to a reasonable extent).

It should be noted that, for the upper limits of the amount of remuneration and the number of shares associated with the Stock-base Remuneration (Retirement Stock Compensation), the Company received approval at the 180th Annual General Meeting of Shareholders held on June 26, 2020 (hereinafter, the "180th General Meeting of Shareholders"), to contribute up to 580 million yen to the trust per Target Period and to set the total number of shares of the Company's Stock to be acquired through the trust during the Target Period at up to 230,000 shares. If this proposal is approved and passed, the total number of the Company's Stock to be acquired through the trust for both the Term-of-Office Stock Compensation and the Retirement Stock

Compensation will be up to 350,000 shares per Target Period, which represents 0.4% of the total number of shares issued by the Company as of March 31, 2026.

3. Transfer restriction agreement relating to the Company's Stock to be delivered to Eligible Officers
The delivery of the Company's Stock in 2. (2) above shall be subject to the conclusion between the Company and the Eligible Officer of a transfer restriction agreement, which includes the following details.

- (a) Eligible Officers shall not transfer, pledge as security, or otherwise dispose of the stocks from the date on which they receive delivery of the Company's Stock to the date of the expiry of the transfer restriction period due to complete retirement from the position of the Company's Director, Executive Officer with a title, Executive Officer, or any other position prescribed by the Company's Stock Handling Regulations (hereinafter, the "Eligible Position").
- (b) Transfer restrictions shall be lifted upon the expiry of the transfer restriction period due to the complete retirement of the Eligible Officer from an Eligible Position.
- (c) In the event of misconduct during the transfer restriction period, such as a material violation of responsibilities or internal rules, or resignation for personal reasons contrary to the Company's wishes, the Company shall not lift the transfer restriction on the Company's Stock delivered to the Eligible Officer and shall acquire such shares without consideration.

However, no transfer restrictions shall be applied to the Company's Stock if these are delivered on or after the date of complete retirement from an Eligible Position. In such cases, a certain percentage of the Company's Stock may be sold and converted into cash through a trust for the purpose of the Company withholding income tax and other taxes, and the cash proceeds may be delivered in lieu of the Company's Stock.

Furthermore, the shares delivered are expected to be held in a dedicated account opened by the Eligible Officer at a securities firm during the transfer restriction period.

4. Others

(1) Other details of the Plan

Matters such as the setting of the Trust, modifications to the trust agreement, additional contributions to the Trust, and others shall be determined by the Board of Directors.

(2) Details of the Stock-based Remuneration (Retirement Stock Compensation)

Regarding the amount of money to be contributed by the Company, the total number of points that may be granted to Eligible Officers, and the total number of the Company's Stock to be acquired through the trust during each Target Period under the Retirement Stock Compensation, there will be no changes to the matters approved at the 180th General Meeting of Shareholders. Furthermore, regarding the method and timing of delivery, etc., of the Company's Stock, etc., and other details concerning the Retirement Stock Compensation, there will be no changes from the matters approved at the 176th General Meeting of Shareholders and the 180th General Meeting of Shareholders.

(3) Stock-based remuneration for Executive Officers

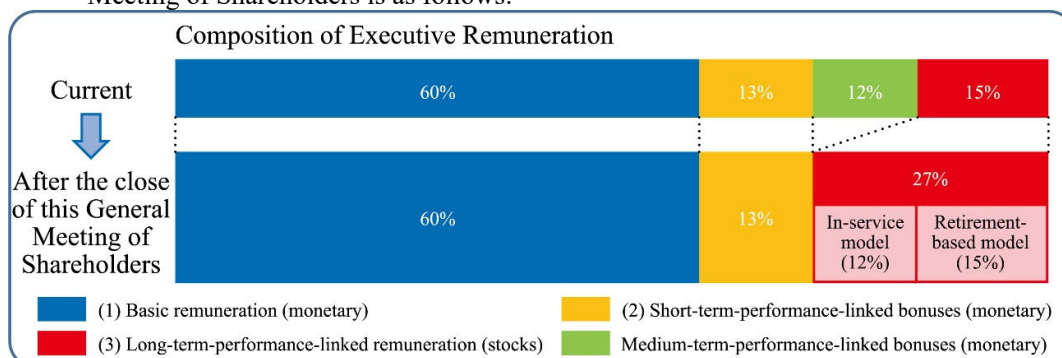
If this proposal is approved and passed as proposed, a Stock-based Remuneration (Term-of-Office Stock Compensation) shall also be introduced for Executive Officers (limited to Executive Officers who are in charge of the Company's departments), for which the Trust is expected to be used.

(Reference) Overview of the Executive Remuneration System (After the close of this General Meeting of Shareholders)

If Proposal 5 is approved and passed as proposed, Executive Remuneration for the Company's Directors who are not Audit & Supervisory Committee members (excluding

Outside Directors) and Executive Officers with Titles will become a remuneration system that further advances the sharing of value with the shareholders, as the ratio of long-term-performance-linked remuneration (stock-based remuneration) will be greater.

The overview of the Executive Remuneration system after the close of this General Meeting of Shareholders is as follows:



(1) Basic remuneration (monetary)

A monthly fixed remuneration determined according to positions and responsibilities

(2) Short-term-performance-linked bonuses

Paid at a predesignated time each year

The amount paid is the base amount based on positions and responsibilities that varies depending on the valuation (*) of the officer, including performance in the previous fiscal year.

(*) Details of the valuation

- Overall evaluation
 - The degree of achievement and year-on-year changes in the previous fiscal year of the target indicators set in the mid-term management plan
- Department evaluation
 - Performance evaluation system
- Personal evaluation
 - Evaluation of the status of execution of duties

(3) Long-term-performance-linked remuneration (stocks)

(i) Term-of-Office Stock Compensation, as described in Proposal 5

At a predesignated time each year, the Company's common stock is delivered through a trust (the Company's common stock is subject to transfer restrictions until the time of retirement). The number of shares delivered is determined based on positions and responsibilities.

(ii) Retirement Stock Compensation

The Company's common stock is delivered through a trust at the time of retirement. The number of shares delivered varies, as the base points (*) granted each year, which are determined based on positions and responsibilities, vary depending on the degree of achievement of target indicators for each mid-term management plan period, while the officer is in office.

(*) 1 point is converted to 1 share of the Company's stock at the time of retirement.