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Securities Code: 6369

June 4, 2025

Start date of measures for electronic provision: May 30, 2025

To our shareholders:

Takashi Owada, President and Representative Director

TOYO KANETSU K.K.

11-1 Minamisuna 2-chome, Koto-ku, Tokyo

Notice of the 117th Annual General Meeting of Shareholders

The 117th Annual General Meeting of Shareholders of TOYO KANETSU K.K. (the “Company”) will be held as indicated below.

When convening this General Meeting of Shareholders, the Company takes measures for electronic provision, and posts matters related to measures for electronic provision as “Notice of the 117th Annual General Meeting of Shareholders” and “The 117th Annual General Meeting of Shareholders and Other Items Subject to Measures for Electronic Provision (Excluded from the Paper-based Documents Delivered upon Request)” on the following website.

The Company’s website:

<https://www.toyokanetsu.co.jp/ir/notice.html> (in Japanese)

In addition to the above, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE). To view this information from the latter website, access the TSE website (Listed Company Search) by using the internet address shown below, enter the Company name or securities code, and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.”

TSE website (Listed Company Search):

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

Instead of attending the meeting in person, you may exercise your voting rights in writing or by electronic methods (the Internet, etc.). Please review the Reference Documents for General Meeting of Shareholders, and exercise your voting rights by Wednesday, June 25, 2025, 5:30 p.m. (JST).

1. Date and Time: Thursday, June 26, 2025, 10:00 a.m. (JST) (Reception will open at 9:00 a.m.)

2. Venue: Large Hall, 3F, The Industry Club of Japan
4-6 Marunouchi 1-chome, Chiyoda-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 117th fiscal year (from April 1, 2024 to March 31, 2025), 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 117th fiscal year (from April 1, 2024 to March 31, 2025)

Matters to be resolved:

- | | |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Five Directors (Excluding Audit and Supervisory Committee Members) |
| Proposal No. 3 | Election of Four Directors Who Are Audit and Supervisory Committee Members |
| Proposal No. 4 | Partial Revision of Remuneration Details and Amounts for the Performance-Linked Share-Based Remuneration Plan for Directors, etc. |

Points to Note Regarding the General Meeting of Shareholders

- If you attend the meeting in person, please submit the voting form to the reception.
- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's website and the TSE website.
- Among the matters subject to measures for electronic provision, in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company, the following matters are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. The Audit and Supervisory Committee and the Accounting auditor have audited the documents subject to audit, including the following matters.
 - (i) "Outline of the system to ensure the appropriateness of operations and status of operations of the system" of the Business Report
 - (ii) "Consolidated statement of changes in equity" and "Notes to consolidated financial statements" of the Consolidated Financial Statements
 - (iii) "Non-consolidated statements of changes in equity" and "Notes to non-consolidated financial statements" of the Non-consolidated Financial Statements
- A video of the business report on the day of the General Meeting of Shareholders will be posted on the Company's website at a later date.
- Depending on the situation up to the date of the General Meeting of Shareholders, any significant changes in the operation of the General Meeting of Shareholders will be posted on the Company's website.

The Company's website (<https://www.toyokanetsu.co.jp>) (in Japanese)

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company recognizes the return of profit to its shareholders as a key management priority, and has been maintaining a basic policy for the return of profit to shareholders to optimize the balance between financial soundness and the return of profit to its shareholders.

In accordance with the policy for the return of profit to shareholders, the Company proposes to pay year-end dividends for the 117th fiscal year as follows:

Year-end dividends

- (1) Type of dividend property
To be paid in cash.
- (2) Allotment of dividend property and their aggregate amount
The Company proposes to pay a dividend of ¥186 per common share of the Company.
In this event, the total dividends will be ¥1,449,239,460.
Since the Company has paid an interim dividend of ¥50 per share, the annual dividend for the fiscal year under review will be ¥236 per share.
- (3) Effective date of dividends of surplus
June 27, 2025

<Reference>

Policy for return of profit to shareholders (fiscal year ended March 31, 2025)

- Consolidated dividend payout ratio: set at 50% or more. (The lower limit will be set at ¥100 per share annually.)
However, this limit does not apply where a large scale demand for funds arises.
- Consolidated total return ratio: although the consolidated total return ratio is not set, it is flexibly adjusted according to the performance.
- Effective period of the policy: For three fiscal years, from the fiscal year ended March 31, 2023, to the fiscal year ended March 31, 2025. A review will be made at the expiry of the period.

Proposal No. 2 Election of Five Directors (Excluding Audit and Supervisory Committee Members)

The terms of office of all six Directors (excluding Audit and Supervisory Committee Members) will expire at the conclusion of this meeting. Therefore, the Company proposes the election of five Directors.

Moreover, the Audit and Supervisory Committee expressed its opinion that “as members of the ‘Nomination Advisory Committee’ (the majority of which are outside Directors), which was established voluntarily, three members of the Audit and Supervisory Committee made deliberations according to the criteria and procedures stipulated in the Company’s ‘Corporate Governance Guidelines’ on the election of five Directors (excluding Audit and Supervisory Committee Members). Furthermore, as a result of participating in processes to report and make decisions in the meeting of the Board of Directors, and after reexamining the above in the Audit and Supervisory Committee, the Audit and Supervisory Committee has determined that the procedures for nominating candidates for Director who are not Audit and Supervisory Committee Members are appropriate and each candidate is eligible to be a Director of the Company.”

The candidates for Director (excluding Audit and Supervisory Committee Members) are as follows:

Candidate No.	Name	Current position	Responsibility, etc.	Attribute
1	Takashi Owada	President and Representative Director	In charge of Next-Generation Energy Development, Safety, Environment, and Quality Assurance	Reelection
2	Yasunori Kobayashi	Director	Senior Managing Officer in charge of Logistics Solutions Business and HR Management	Reelection
3	Takeshi Yonehara	—	Senior Executive Officer in charge of Financial Affairs, IR, Risk Management, and ESG	New election
4	Makiko Sato	Director	—	Reelection Outside Independent
5	Osamu Watanabe	—	—	New election Outside Independent

Reelection: A candidate for Director to be reelected

New election: A candidate for Director to be newly elected

Outside: A candidate for Outside Director to be elected

Independent: An independent officer as defined by the securities exchange

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
1	<p>Takashi Owada June 19, 1962</p> <p>Reelection</p> <p>Tenure as Director (at the conclusion of this meeting) 6 years</p> <p>Attendance to the Board of Directors meetings 12/12</p>	<p>Apr. 1985 Joined the Company</p> <p>Oct. 2002 Transferred to TOYO KANETSU SOLUTIONS K.K. (currently the Company), and General Manager of System Sales No. 1 Department, Marketing Division</p> <p>July 2006 General Manager of SI Department, System Division</p> <p>Apr. 2008 Executive Officer and General Manager of System Division</p> <p>Apr. 2015 Senior Executive Officer</p> <p>Apr. 2018 Transferred to the Company, and Executive Officer</p> <p> Seconded to TOYO KANETSU SOLUTIONS K.K. (currently the Company), and Director and Senior Executive Officer</p> <p>Apr. 2019 Managing Officer and Division Manager of Logistics Solutions Division of the Company</p> <p>June 2019 Director, Managing Officer and Division Manager of Logistics Solutions Division</p> <p>Apr. 2021 Director, Executive Vice President, and Division Manager of Logistics Solutions Division</p> <p>Apr. 2022 President and Representative Director</p> <p>Apr. 2023 President and Representative Director, Overseeing Safety, Environment, and Quality Assurance Department, Green Transformation Promotion Office, and Next-Generation Energy Development Office</p> <p>Apr. 2024 President and Representative Director, Overseeing Next-Generation Energy Development Division and Safety, Environment, and Quality Assurance Department</p> <p>Apr. 2025 President and Representative Director, in charge of Next-Generation Energy Development, Safety, Environment, and Quality Assurance (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>—</p>	7,348 shares
<p>Reasons for nomination as candidate for Director</p> <p>He has superior discernment and performance in his pursuits in the logistics solutions business that he has mainly engaged in since joining the Company. Moreover, given his excellent management skills, cultivated through his experience as Division Manager of the Logistics Solutions Division and as President since taking office in April 2022, the Company proposes his reelection as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company		Number of the Company's shares owned
2	Yasunori Kobayashi (January 1, 1968) Reelection Tenure as Director (at the conclusion of this meeting) 1 year Attendance to the Board of Directors meetings 10/10	Apr. 1990 Oct. 2002 Apr. 2011 Apr. 2015 Apr. 2019 Apr. 2022 June 2024 Apr. 2025 (Significant concurrent positions outside the Company) —	Joined the Company Transferred to TOYO KANETSU SOLUTIONS K.K. (currently the Company) General Manager of Project Management Department Executive Officer in charge of Corporate Management Department, Project Management Department, Construction Management Department, and Service Department TOYO KANETSU SOLUTIONS K.K. was merged with the Company Managing Officer in charge of Logistics Solutions Division, Overseas Business Department, Airport System Department, Construction Management Department, and Service Sales Department of the Company Senior Managing Officer and Division Manager of Logistics Solutions Division Director, Senior Managing Officer, and Division Manager of Logistics Solutions Division Director, Senior Managing Officer in charge of Logistics Solutions Business and HR Management (current position)	3,722 shares
	Reasons for nomination as candidate for Director He has superior discernment and performance in his pursuits in the logistics solutions business that he has mainly engaged in since joining the Company. Moreover, given his excellent management skills, cultivated through his experience as an officer in charge of multiple departments such as General Manager of Project Management Department in the logistics solutions business and as Division Manager of Logistics Solutions Division, the Company proposes his reelection as Director.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
3	<p>Takeshi Yonehara February 11, 1963</p> <p>New election</p> <p>Tenure as Director (at the conclusion of this meeting) – years</p> <p>Attendance to the Board of Directors meetings –</p>	<p>Apr. 1986 Joined the Company</p> <p>Apr. 2012 General Manager of Accounting Department of Corporate Management Division</p> <p>Apr. 2016 Executive Officer and General Manager of Accounting Department of Corporate Management Division</p> <p>June 2017 Managing Director of Toyo Kanetsu (Malaysia) Sdn. Bhd. (current position)</p> <p>Apr. 2018 Executive Officer, General Manager of Financial Planning Department of Corporate Management Division and in charge of Business Department</p> <p>Apr. 2019 Executive Officer in charge of Personnel Affairs Department, Financial Affairs Department and General Affairs Department of Corporate Division</p> <p>Apr. 2021 Managing Officer, Deputy Division Manager of Corporate Division and in charge of Personnel Affairs Department, Financial Affairs Department and General Affairs Department</p> <p>Apr. 2022 Senior Executive Officer and Division Manager of Corporate Division</p> <p>June 2022 Komisaris (Auditor) of PT Toyo Kanetsu Indonesia (current position)</p> <p>Apr. 2024 Senior Executive Officer, Division Manager of Corporate Division and Assistant to Next-Generation Energy Development Division</p> <p>Apr. 2025 Senior Executive Officer in charge of Financial Affairs, IR, Risk Management, and ESG (current position)</p> <p>(Significant concurrent positions outside the Company) Managing Director of Toyo Kanetsu (Malaysia) Sdn. Bhd. Komisaris (Auditor) of PT Toyo Kanetsu Indonesia</p>	2,737 shares
<p>Reasons for nomination as candidate for Director</p> <p>He has superior discernment and performance in his pursuits in the Corporate Division that he has mainly engaged in since joining the Company. Moreover, given his excellent management skills, cultivated through his experience as General Manager of the Accounting Department, Division Manager of the Corporate Division and officers of overseas subsidiaries in the storage tank business, the Company proposes his election as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
4	<p>Makiko Sato November 6, 1977</p> <p>Reelection Outside Independent</p> <p>Tenure as Director (at the conclusion of this meeting) 3 years</p> <p>Attendance to the Board of Directors meetings 12/12</p>	<p>Apr. 2000 Joined CyberAgent, Inc.</p> <p>Oct. 2005 Seconded to WEDDING PARK CO., LTD.</p> <p>Oct. 2006 Seconded to CyberAgent Ventures, Inc. (currently CyberAgent Capital, Inc.)</p> <p>June 2016 Established iSGS Investment Works Inc., and Director and Representative Partner</p> <p>Dec. 2018 Outside Director of LiB, Inc.</p> <p>June 2021 Member of the Promotion Committee of Tokyo Data Platform Council</p> <p>May 2022 Member of the Committee for Evaluating the Conclusion of the Exploration and Development of "Global Entrepreneurship for NEXT generation" Project at Ministry of Education, Culture, Sports, Science and Technology</p> <p>June 2022 Outside Director of the Company (current position)</p> <p>Feb. 2023 Representative Director and Representative Partner of iSGS Investment Works Inc. (current position)</p> <p>Jan. 2024 Director of the Japan Venture Capital Association (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Representative Director and Representative Partner of iSGS Investment Works Inc.</p> <p>Director of the Japan Venture Capital Association</p>	505 shares
<p>Reasons for nomination as candidate for outside Director and summary of expected roles</p> <p>She has abundant experience and knowledge of all aspects of corporate management cultivated through her service in the investment business in venture capital, etc. and as a manager, and she has been actively providing her opinions and advice to the Company as outside Director since 2022. She is expected to continue providing suggestions on the Group's medium- to long-term growth strategies and improvement of corporate value. Moreover, having judged that she will contribute to enhanced supervisory potential across the overall management, the Company proposes her reelection as outside Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
5	Osamu Watanabe September 28, 1954 New election Outside Independent Tenure as Director (at the conclusion of this meeting) – years Attendance to the Board of Directors meetings –	<p>Apr. 1978 Joined The Daiei, Inc.</p> <p>Apr. 1999 Representative Director and President of Shoppers Hirosaki Co., Ltd.</p> <p>Apr. 2002 Deputy General Manager of Sales planning Division of The Daiei, Inc.</p> <p>Apr. 2003 Deputy General Manager of Product Planning Division</p> <p>Aug. 2003 Joined TOSTEM VIVA Co., Ltd. (company name changed to LIXIL VIVA CORPORATION in 2011) (currently ARCLANDS CORPORATION), Executive Officer and Assistant General Manager of President's Office</p> <p>Feb. 2004 Managing Executive Officer and Deputy General Manager of Sales Division</p> <p>June 2006 Director, Senior-Level Managing Executive Officer, Deputy General Manager of Sales Division and General Manager of HC Business Department</p> <p>Apr. 2012 Director, Senior Managing Executive Officer and General Manager of Sales Division</p> <p>Oct. 2014 Representative Director, President & COO</p> <p>June 2018 Representative, President and CEO, and Nomination and Remuneration Advisory Committee Member</p> <p>Sept. 2021 Management consultant, Practitioner of Second Generation Management School “Kyooujikki” (current position)</p> <p>Apr. 2023 Coordination Professor Project Advisor of Hosei Business School of Innovation Management</p> <p>Apr. 2024 Coordination Professor Project Advisor of Hosei University Graduate School</p> <p>(Significant concurrent positions outside the Company) Management consultant, Practitioner of Second Generation Management School “Kyooujikki”</p>	0 shares
<p>Reasons for nomination as candidate for outside Director and summary of expected roles</p> <p>He has rich experience and knowledge regarding corporate management overall, cultivated through his role as a corporate manager and management consultant at listed companies (retailing industry), and he is expected to provide suggestions on the Group's medium- to long-term growth strategies and improvement of corporate value. Moreover, having judged that he will contribute to enhanced supervisory potential across the overall management, the Company proposes his election as outside Director.</p>			

- Notes:
1. There is no special interest between any of the candidates for Director and the Company.
 2. Makiko Sato and Osamu Watanabe are candidates for outside Director.
 3. Makiko Sato is currently an outside Director of the Company, and at the conclusion of this meeting, her tenure as outside Director will have been three years.
 4. The Company has entered into an agreement with Makiko Sato to limit her liability to the amount stipulated by laws and regulations, and if she is reelected, the Company plans to continue the agreement with the same content with her. Furthermore, if the election of Osamu Watanabe is approved, the Company plans to enter into the agreement with the same content with him.
 5. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. This policy insures Directors (including those who are Audit and Supervisory Committee Members), Corporate Auditors, and Executive Officers of the Company and its subsidiaries. Insurance premiums are borne by the Company. The policy will cover losses, such as indemnification and court costs, incurred in cases where an insured receives a claim for damages arising from the performance of duties as an officer and assumes legal liability for the damages. If the candidates are appointed and assume the office as Director, they will be

included as insureds in the policy. In addition, when the insurance policy is renewed, the Company plans to renew the policy with the same terms.

6. The Company has submitted notification to Tokyo Stock Exchange, Inc. concerning the appointment of Makiko Sato as an independent officer as provided for by the aforementioned exchange. Furthermore, if her reelection is approved, the Company plans to submit notification for her appointment as an independent officer again. In addition, Osamu Watanabe also satisfies the requirements for an independent officer as provided for by the stock exchange, and if his election is approved, the Company plans to submit notification for his appointment as an independent officer.
7. The name of Makiko Sato on the family register is Makiko Shigematsu.

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.

Furthermore, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

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

Candidate No.	Name	Current position	Responsibility, etc.	Attribute
1	Keisuke Kodama	Director	Executive Vice President, Assistant to the President, and Special Appointive Officer	New election
2	Kazuo Ushida	Audit and Supervisory Committee Member	—	Reelection Outside Independent
3	Shuji Iwamura	Audit and Supervisory Committee Member	—	Reelection Outside Independent
4	Yukari Sakai	Director	—	New election Outside Independent

Reelection: A candidate for Director who is Audit and Supervisory Committee Member to be reelected

New election: A candidate for Director who is Audit and Supervisory Committee Member to be newly elected

Outside: A candidate of outside Director who is Audit and Supervisory Committee Member to be elected

Independent: An independent officer as defined by the securities exchange

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company		Number of the Company's shares owned
1	<p>Keisuke Kodama December 26, 1958</p> <p>New election</p> <p>Tenure as Director (at the conclusion of this meeting) 10 years</p> <p>(of which, tenure as Audit and Supervisory Committee Member) — years</p> <p>Attendance to the Board of Directors meetings 12/12</p> <p>Attendance to the Audit and Supervisory Committee meetings —</p>	<p>Apr. 1982</p> <p>July 2006</p> <p>Apr. 2009</p> <p>Apr. 2010</p> <p>Apr. 2012</p> <p>Apr. 2013</p> <p>Apr. 2015</p> <p>June 2015</p> <p>Apr. 2016</p> <p>Apr. 2018</p> <p>Apr. 2019</p> <p>Apr. 2020</p> <p>Apr. 2022</p> <p>Apr. 2023</p> <p>Mar. 2024</p> <p>Apr. 2025</p> <p>(Significant concurrent positions outside the Company)</p> <p>—</p>	<p>Joined the Company</p> <p>General Manager of Domestic Sales Department of Plant & Machinery Division</p> <p>General Manager of Corporate Management Department of Corporate Management Division</p> <p>Executive Officer and General Manager of Corporate Management Department of Corporate Management Division</p> <p>Seconded to TOYO KANETSU SOLUTIONS K.K. (currently the Company) as an Executive Officer</p> <p>Transferred to TOYO KANETSU SOLUTIONS K.K. as a Senior Executive Officer</p> <p>Transferred to the Company as a Senior Executive Officer and Deputy Division Manager of Corporate Management Division</p> <p>Director, Managing Executive Officer, and Deputy Division Manager of Corporate Management Division</p> <p>Director, Managing Executive Officer, and Division Manager of Corporate Management Division</p> <p>Director, and General Manager of Corporate Management Division</p> <p>Director, Senior Managing Officer, and Division Manager of Corporate Division</p> <p>Director and Executive Vice President</p> <p>Director, Executive Vice President, and Assistant to the President</p> <p>Director and Executive Vice President in charge of Risk Management Department, and Special Appointive Officer</p> <p>Director of Kankyo Research Institute Inc.</p> <p>Director, Executive Vice President, Assistant to the President, and Special Appointive Officer (current position)</p>	9,855 shares
<p>Reasons for nomination as candidate for Director who is Audit and Supervisory Committee Member</p> <p>He has superior discernment and performance not only in his pursuits in the plant & machinery business that he has mainly engaged in since joining the Company, but also in the Corporate Division and the Logistics Solutions Business. Moreover, given his excellent management skills, cultivated through his broad experience as General Manager of the Domestic Sales Department of the Plant & Machinery Division, General Manager of the Corporate Management Department, Division Manager of the Corporate Division, and as a Director, the Company, having judged that he will contribute to enhanced auditing and supervisory potential across the overall management, proposes his election as Director who is Audit and Supervisory Committee Member.</p>				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
2	<p>Kazuo Ushida (January 25, 1953)</p> <p>Reelection Outside Independent</p> <p>Tenure as Director (at the conclusion of this meeting) 4 years</p> <p>(of which, tenure as Audit and Supervisory Committee Member) 4 years</p> <p>Attendance to the Board of Directors meetings 12/12</p> <p>Attendance to the Audit and Supervisory Committee meetings 12/12</p>	<p>Apr. 1975 Joined Nippon Kogaku K.K. (currently NIKON CORPORATION)</p> <p>June 2005 Managing Director, Member of the Board & Executive Vice President, and President of Precision Equipment Company</p> <p>June 2007 Director, Member of the Board & Executive Vice President, and President of Precision Equipment Company</p> <p>June 2013 Representative Director, Member of the Board & Senior Executive Vice President, Officer in charge of Intellectual Property Headquarters, President of Precision Equipment Company, and Vice Officer in charge of Corporate Planning Headquarters</p> <p>June 2014 President and Representative Director, Overseeing Medical Business Development Division and Business Development Division</p> <p>June 2017 President and Representative Director, Officer in charge of Business Development Division, Optical Engineering Division and Research & Development Division</p> <p>Apr. 2019 Representative Director and Chairman of the Board</p> <p>Apr. 2020 Chairman of the Board</p> <p>May 2021 Chairman of Japan Telescope Manufacturers Association</p> <p>June 2021 Outside Director (Audit and Supervisory Committee Member) of the Company (current position), Director and Chairman of the Board of NIKON CORPORATION, and Chairman of Japan Optical Industry Association (current position)</p> <p>Apr. 2022 Chairman of Japan Optical Glass Manufacturers' Association</p> <p>June 2022 Outside Director of JSR Corporation</p> <p>June 2024 Senior Counselor of NIKON CORPORATION (current position)</p> <p>(Significant concurrent positions outside the Company) Senior Counselor of NIKON CORPORATION Chairman of Japan Optical Industry Association</p>	767 shares
<p>Reasons for nomination as candidate for outside Director who is Audit and Supervisory Committee Member and summary of expected roles</p> <p>He has a wealth of experience related to technology development at a listed company (manufacturing industry), as well as abundant experience and advanced knowledge of all aspects of corporate management cultivated through his service as the manager, and he has been actively providing his opinions and advice to the Company as outside Director who is Audit and Supervisory Committee Member since 2021. In addition, as a member of the "Compensation Advisory Committee," which was voluntarily established by the Company, he is responsible for the supervisory function in the decision-making process on Directors' remuneration, etc. from an objective and neutral viewpoint. Therefore, having judged that he will contribute to enhanced auditing and supervisory potential across the overall management, the Company proposes his reelection as outside Director who is Audit and Supervisory Committee Member.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
3	<p>Shuji Iwamura September 16, 1949</p> <p>Reelection Outside Independent</p> <p>Tenure as Director (at the conclusion of this meeting) 2 years</p> <p>(of which, tenure as Audit and Supervisory Committee Member) 2 years</p> <p>Attendance to the Board of Directors meetings 12/12</p> <p>Attendance to the Audit and Supervisory Committee meetings 12/12</p>	<p>Apr. 1976 Appointed as a Public Prosecutor</p> <p>Oct. 2002 Head of special investigation task force of the Tokyo District Public Prosecutors Office</p> <p>June 2010 Superintending Prosecutor of the Sendai High Public Prosecutors Office</p> <p>Aug. 2011 Superintending Prosecutor of the Nagoya High Public Prosecutors Office</p> <p>Oct. 2012 Registered as an attorney at law, Advisor to Nagashima Ohno & Tsunematsu</p> <p>May 2013 Outside Corporate Auditor of FamilyMart Co., Ltd.</p> <p>June 2013 Outside Auditor of Riken Corporation</p> <p>Mar. 2015 Outside Auditor of CANON ELECTRONICS INC. (current position)</p> <p>June 2015 Outside Auditor of The Hokkaido Bank, Ltd. (current position)</p> <p>Oct. 2017 Member of the Board of Governors and Member of the Audit Committee, of Government Pension Investment Fund</p> <p>June 2018 Outside Director of Hayashikane Sangyo Co., Ltd.</p> <p>June 2019 Outside Director (Audit and Supervisory Committee Member) of Riken Corporation</p> <p>Jan. 2020 TOKYO FLEX LAW OFFICE LPC</p> <p>Apr. 2021 T&K Partners (current position)</p> <p>June 2023 Outside Director (Audit and Supervisory Committee Member) of the Company (current position), Outside Director of Hayashikane Sangyo Co., Ltd. (Audit and Supervisory Committee Member) (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Attorney at law at T&K Partners</p> <p>Outside Auditor of CANON ELECTRONICS INC.</p> <p>Outside Auditor of The Hokkaido Bank, Ltd.</p> <p>Outside Director of Hayashikane Sangyo Co., Ltd. (Audit and Supervisory Committee Member)</p>	268 shares
<p>Reasons for nomination as candidate for outside Director who is Audit and Supervisory Committee Member and summary of expected roles</p> <p>He has specialist expertise cultivated as a public prosecutor and attorney at law, and rich experience in the legal world, such as serving as Superintending Prosecutor, etc. He has been actively providing his opinions and advice to the Company as outside Director who is Audit and Supervisory Committee Member since 2023. In addition, as a member of the "Nomination Advisory Committee," which was voluntarily established by the Company, he is responsible for the supervisory function in the selection of candidates for Directors from an objective and neutral viewpoint. Therefore, having judged that he will contribute to enhanced auditing and supervisory potential across the overall management, the Company proposes his reelection as outside Director who is Audit and Supervisory Committee Member.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
4	<p>Yukari Sakai June 23, 1968</p> <p>New election Outside Independent</p> <p>Tenure as Director (at the conclusion of this meeting) 3 years</p> <p>(of which, tenure as Audit and Supervisory Committee Member) – years</p> <p>Attendance to the Board of Directors meetings 11/12</p> <p>Attendance to the Audit and Supervisory Committee meetings –</p>	<p>Apr. 1991 Joined Nomura Securities Co., Ltd.</p> <p>Jan. 2005 Director of Corporate Tune Co., Ltd.</p> <p>June 2005 Standing Outside Audit and Supervisory Board Member of UNITED ARROWS LTD.</p> <p>June 2008 Outside Auditor of REPROCELL Inc.</p> <p>Sept. 2013 Outside Auditor of Beauty Kadan Co., Ltd.</p> <p>June 2016 Outside Director (Standing Audit and Supervisory Committee Member) of UNITED ARROWS LTD.</p> <p>Oct. 2017 Outside Director (Audit and Supervisory Committee Member) of Tea Life Co., Ltd.</p> <p>Mar. 2019 External Director (Audit & Supervisory Board Member) of Uzabase, Inc.</p> <p>June 2021 Outside Director of PACIFIC METALS CO., LTD. (current position)</p> <p>June 2022 Outside Director of the Company (current position)</p> <p>(Significant concurrent positions outside the Company) Outside Director of PACIFIC METALS CO., LTD.</p>	505 shares
<p>Reasons for nomination as candidate for outside Director who is Audit and Supervisory Committee Member and summary of expected roles</p> <p>She has broad knowledge of corporate management overall, as well as finance and accounting, cultivated through her operations experience at a securities company and her career as an outside officer in a wide range of fields, and she has been actively providing her opinions and advice to the Company as outside Director since 2022. In addition, as a member of the “Compensation Advisory Committee,” which was voluntarily established by the Company, she is responsible for the supervisory function in the decision-making process on Directors’ remuneration, etc. from an objective and neutral viewpoint. Therefore, having judged that she will contribute to enhanced auditing and supervisory potential across the overall management, the Company proposes her election as outside Director who is Audit and Supervisory Committee Member.</p>			

- Notes:
1. There is no special interest between any of the candidates for Director who are Audit and Supervisory Committee Members and the Company.
 2. Kazuo Ushida, Shuji Iwamura, and Yukari Sakai are candidates for outside Director.
 3. Although Shuji Iwamura has never been directly involved in the management of a company except as an outside officer, the Company judges that he will appropriately fulfill his duties as described in “Reasons for nomination as a candidate for outside Director who is Audit and Supervisory Committee Member and summary of expected roles.”
 4. Kazuo Ushida is currently an outside Director who is an Audit and Supervisory Committee Member of the Company, and at the conclusion of this meeting, his tenure as outside Director will have been four years.
 5. Shuji Iwamura is currently an outside Director who is an Audit and Supervisory Committee Member of the Company, and at the conclusion of this meeting, his tenure as outside Director will have been two years.
 6. Yukari Sakai is currently an outside Director of the Company, and at the conclusion of this meeting, her tenure as outside Director will have been three years.
 7. The Company has entered into agreements with Kazuo Ushida, Shuji Iwamura, and Yukari Sakai, and to limit their liability to the amount stipulated by laws and regulations, and if Kazuo Ushida and Shuji Iwamura are reelected, and if the election of Yukari Sakai is approved, the Company plans to continue the agreement with the same content with them. Furthermore, if the election of Keisuke Kodama is approved, the Company plans to enter into the agreement with same content with him.
 8. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. This policy insures Directors (including those who are Audit and Supervisory Committee Members), Corporate Auditors, and Executive Officers of the Company and its subsidiaries. Insurance premiums are borne by the Company. The policy will cover losses, such as indemnification and court costs, incurred in cases where an insured receives a claim for damages arising from the performance of duties as an officer and assumes legal liability for the damages. If the candidates are appointed and assume the office as Director, they will be

included as insureds in the policy. In addition, when the insurance policy is renewed, the Company plans to renew the policy with the same terms.

9. The Company has submitted notification to Tokyo Stock Exchange, Inc. concerning the appointments of Kazuo Ushida, Shuji Iwamura, and Yukari Sakai as independent officers as provided for by the aforementioned exchange. Furthermore, if Kazuo Ushida and Shuji Iwamura's reelection is approved, and if the election of Yukari Sakai is approved, the Company plans to submit notification for their appointment as independent officers again.

				Main expected areas of expertise								
				Overall management	Human capital	Legal, risk management	Finance, accounting	International experience	DX, IT	ESG, SDGs	Business management	Engineering, quality, safety
1	Takashi Owada (Male) (63)			●	●					●	●	●
2	Yasunori Kobayashi (Male) (57)				●			●	●		●	●
3	Takeshi Yonehara (Male) (62)			●		●	●	●		●		
4	Makiko Sato (Female) (47)		Independent Outside	●					●	●	●	
5	Osamu Watanabe (Male) (70)		Independent Outside	●				●	●		●	
6	Keisuke Kodama (Male) (66)	Audit and Supervisory Committee Member				●	●	●		●		
7	Kazuo Ushida (Male) (72)	Audit and Supervisory Committee Member	Independent Outside	●	●			●			●	●
8	Shuji Iwamura (Male) (75)	Audit and Supervisory Committee Member	Independent Outside	●	●	●				●		
9	Yukari Sakai (Female) (57)	Audit and Supervisory Committee Member	Independent Outside			●	●		●	●		

Composition ratios of the Board of Directors

Ratio of outside Directors

55.6%

(Five of nine Directors)

Ratio of female Directors

22.2%

(Two of nine Directors)

Proposal No. 4 Partial Revision of Remuneration Details and Amounts for the Performance-Linked Share-Based Remuneration Plan for Directors, etc.

1. Reasons for the Proposal and Reasons Justifying such Remuneration, Etc.

This proposal requests the approval of the remuneration amount, etc. and the maximum number of shares, etc., for the Performance-Linked Share-Based Remuneration Plan (hereinafter referred to as the “Plan”) for the Company’s Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) and Executive Officers who are not Directors but have a rank of at or above Managing Executive Officer level (hereinafter collectively referred to as “Directors, etc.”), which the Company introduced in fiscal 2019, in order to partially revise the content of the Plan (hereinafter referred to as the “Revision”). Moreover, the resolution of details regarding the Plan after the Revision shall be entrusted to the Company’s Board of Directors, within the amounts shown in section 3 of this proposal, below.

The revision of the Plan is intended to clarify the link between the remuneration of Directors, etc. and the Company’s business performance and stock value, and to make Directors, etc. share the benefits and risks associated with stock price fluctuations with shareholders, which will increase their motivation to contribute to further enhancing corporate value in order to realize the Medium-Term Business Plan beginning in fiscal 2025. Based on such purpose, non-financial indicators (ESG indicators) will be added as new key performance indicators, and the upper limit on the amount of money to be contributed by the Company and the upper limits on the number of the Company’s points to be granted to Directors, etc. will be changed. In light of this purpose and reason, and consistent with the Company’s decision-making policy regarding the content of individual remuneration, etc. for Directors, we believe that the content of this proposal is appropriate.

The decision-making policy regarding the content of individual remuneration, etc. for Directors after the approval of this proposal is as described in [Reference] described later.

If the Proposal No. 2, “Election of Five Directors (Excluding Audit and Supervisory Committee Members),” is approved and passed as originally proposed, the number of Directors of the Company applicable to the Plan will be three at the conclusion of this General Meeting of Shareholders. As stated above, the Plan is also applicable to Executive Officers who are not Directors but have a rank of at or above Managing Executive Officer level, and together with Directors, shall be applicable to nine individuals.

Moreover, the Audit and Supervisory Committee expressed its opinion that “as members of the ‘Compensation Advisory Committee’ (the majority of which are outside Directors), which was established voluntarily, three members of the Audit and Supervisory Committee have made deliberations according to the criteria and procedures stipulated in the Company’s ‘Corporate Governance Guidelines’ on the partial revision of remuneration details and amounts for the Performance-linked Share-based Remuneration Plan for Directors who are not Audit and Supervisory Committee Members. Furthermore, as a result of participating in processes to report and make decisions in the meeting of the Board of Directors, and after reexamining the above in the Audit and Supervisory Committee, the Audit and Supervisory Committee has determined that the procedures for determining remuneration, etc. are appropriate and that the partial revision of remuneration details and amounts is reasonable.”

2. Details of the Revision

The details of the previous Plan will be partially revised as follows.

(Main Items Revised)

Item	Before Revision	After Revision
Upper Limit on the Amount of Trust Money to be Contributed by the Company	¥167 million (of which ¥120 million is for the Directors) for each of the Plan periods (three fiscal years).	<u>¥700 million (of which ¥300 million is for the Directors)</u> for each of the Plan periods (three fiscal years)
Upper Limits on the Number of the Company’s Points (Number of Shares) to Be Granted to Directors, Etc.	41,000 points a fiscal year (corresponding to 41,000 shares; of which 30,340 points will be for Directors [corresponding to 30,340 shares]). 123,000 points for the three fiscal years of a Plan period conferred to Directors, etc. (corresponding to 123,000 shares; of which 91,020 points will be for Directors [corresponding to 91,020 shares]).	<u>48,000 points a fiscal year (corresponding to 48,000 shares; of which 20,000 points will be for Directors [corresponding to 20,000 shares]).</u> <u>120,000 points for the three fiscal years of a Plan period conferred to Directors, etc. (corresponding to 120,000 shares; of which 50,000 points will be for Directors [corresponding to 50,000 shares]).</u>

Key Performance Indicators	Financial indicators: ROE and the operating profits by each division (the segment profits)	<u>Financial indicators: ROE, corporate operating profit, and the operating profits by each division (the segment profits)</u> <u>Non-financial indicators: Percentage of GHG emission reduction targets achieved and overall evaluation by the Compensation Advisory Committee on the status of efforts to improve employee engagement</u>
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3. Remuneration Amounts and Details, Etc. Under the Plan

(1) Overview of the Plan

The Plan is a performance-linked share-based remuneration plan that will use money contributed by the Company as capital to acquire the Company's shares via a trust (hereinafter, the trust established based on the Plan shall be referred to as the "Trust") and, based on the Regulations for the Provision of Shares for the Performance-linked Share-based Remuneration Plan stipulated by the Company, each of the Directors, etc. will be provided with shares of the Company that are in proportion to the number of points assigned to each of the Directors, etc., and cash that is in proportion to the market price of the shares of the Company (hereinafter collectively referred to as the "Shares of the Company, etc.") through the Trust. The Directors, etc. shall receive Shares of the Company, etc. after the finalization of results for the final fiscal year of each Plan Period (as defined in (3) below), in principle.

(2) Individuals Eligible for the Plan

Individuals eligible for the Plan shall be Directors, etc.*1

*1 Excluding those who do not reside in Japan.

(3) Plan Periods for the Plan

The period shall be the three fiscal years (hereinafter referred to as "Eligible Period") from the fiscal year ending March 31, 2026, to the fiscal year ending March 31, 2028 and each of the three fiscal years (if the period of a Medium-Term Business Plan to be established after the elapse of the Eligible Period differs from a three fiscal year period, the fiscal year period corresponding to the Medium-Term Business Plan shall apply.) beginning after the elapse of the Eligible Period (each of these periods, together with the Eligible Period, is hereinafter referred to as "Plan Period").

(4) Trust Period

The period shall be from August 26, 2019, until the termination of the Trust. (No specific termination date has been set, and the Trust shall continue as long as the Plan continues.) Moreover, the Trust will be terminated upon delisting of the Company's shares, abolition of the Regulations for the Provision of Shares for the Performance-linked Share-based Remuneration Plan, etc.

(5) Upper Limit on the Amount of Trust Money to be Contributed by the Company to the Trust as Capital for Acquiring Shares

Subject to the approval of the partial revision of the Plan at this General Meeting of Shareholders, the Company will contribute up to ¥700 million (of which, ¥300 million is for Directors) to the Trust as funds for the acquisition of the Company's shares (hereinafter referred to as "Share Acquisition Funds") in order to provide the Company's shares to the Directors, etc. under the Plan for the Eligible Period (Note).

In addition, after the Eligible Period and until the termination of the Plan, the Company shall contribute to the Trust within the upper limit mentioned above for each of the Plan Periods. However, in the case of such additional contribution, if there are shares (hereinafter referred to as "Remaining Shares." However, this excludes shares of the Company equivalent to the number of points (refer to (7) below for information about points) granted to Directors, etc. for each of the immediately preceding Plan Periods for which the granting of shares to Directors, etc. has not yet been completed.) and money (hereinafter collectively referred to as "Remaining Shares, etc.") remaining in the trust assets at the end of the Plan Period immediately preceding the Plan Period for which such additional contribution is to be made, the total amount of such Remaining Shares, etc. and the trust money to be additionally contributed shall be within the respective maximum amounts. The

Company may additionally entrust funds for the acquisition of shares during the Plan Period, including during the Eligible Period, to the extent that the total amount of contributions during the Plan Period is equal to the respective maximum amounts mentioned above.

Note: In addition to the aforementioned capital to acquire shares of the Company, the actual money entrusted to the Trust by the Company includes the expected amount of expenses required for managing the Trust and trust administrator remuneration, etc.

(6) Method of Acquisition of the Company's Shares by the Trust and the Maximum Number of Shares to be Acquired

It is planned for the Trust to acquire the Company's shares through the stock market or subscribing to the Company's disposal of treasury shares by using the funds contributed by the Company as in (5). The Company shall not issue new shares. Details regarding the method of acquisition will be determined and disclosed by the Company after this General Meeting of Shareholders.

Moreover, a maximum of 120,000 shares (of which, 50,000 will be for directors) (refer to (7) below for information about for the maximum number of shares to be granted) will be acquired in the Eligible Period. In addition, the aforementioned number of shares will be the maximum number of shares to be acquired in each of the Plan Periods after the end of the Eligible Period.

(7) Method of Calculating the Shares of the Company to be Conferred to Each of the Directors, etc. and Upper Limits Thereof

The Company shall grant each of the Directors, etc., points every fiscal year according to their position and the degree of attainment of performance goals, in accordance with the Regulations for the Provision of Shares for the Performance-linked Share-based Remuneration Plan stipulated by the Board of Directors of the Company. For each Plan Period, the points conferred to Directors, etc., for one fiscal year shall be at most 48,000 points (corresponding to 48,000 shares; of which 20,000 points are for the Directors [corresponding to 20,000 shares]), and the points conferred to Directors, etc., in the three fiscal years of the Eligible Period shall be at most 120,000 points (corresponding to 120,000 shares; of which 50,000 points are for the Directors [corresponding to 50,000 shares]).

Moreover, one point shall be converted to one share of the Company (fractions below one point will be discarded) in relation to the shares provided to the Directors. However, if stock splits, allotment without consideration, share consolidation, or the like, are implemented for the shares of the Company following approval by the general meeting of this proposed program, reasonable adjustments will be made to the conversion rate of the shares of the Company per point according to such rate.

(Calculation of Points)

Directors, etc., who are not responsible for business divisions or are responsible for corporate divisions:

Conferred points = base points for position (linked to financial indicators) × performance-linkage coefficient of financial indicators $((1) \times 0.5 + (2) \times 0.5)^{*2}$ + base points for position (linked to non-financial indicators) × performance-linkage coefficient of non-financial indicators^{*3}

<Directors, etc., responsible for business division>

Conferred points = base points for position (linked to financial indicators) × performance-linkage coefficient of financial indicators $((1) \times 0.25 + (2) \times 0.25 + (3) \times 0.5)^{*2}$ + base points for position (linked to non-financial indicators) × performance-linkage coefficient of non-financial indicators^{*3}

*2 The performance linkage coefficients of financial indicators (1), (2), and (3) may vary between 0% and 144% according to the degree of achievements of targets in corporate ROE, corporate operating profit, and the operating profits of each division (the segment profits).

*3 The performance linkage coefficient of non-financial indicators may vary between 0% to 100%, according to the achievement rate of GHG emission reduction targets and overall evaluation by the Compensation Advisory Committee on the progress of efforts to improve employee engagement.

(8) Provision of Shares of the Company to Each of the Directors, etc.

In principle, following the determination of the performance of the final fiscal year of each of the Plan Periods, if the Directors, etc., fulfill the conditions for beneficiaries stipulated in the Regulations for the Provision of Shares for the Performance-linked Share-based Remuneration Plan, and on the condition that the Directors,

etc., follow specified beneficiary determination procedures, the Trust will provide the Directors, etc., shares of the Company in accordance with the cumulative total of points conferred in each of the Plan Periods.

However, from the perspective of securing funds to pay taxes, a number of shares of the Company corresponding to 50% of the cumulative points shall be paid in cash in an amount equivalent to the market value of the shares of the Company instead of the provision of the shares of the Company. Moreover, in the event that it is determined that a Director, etc. will become a non-resident of Japan due to death or overseas assignment, etc., all shall be paid in cash equivalent to the market value of the shares of the Company shares, instead of the provision of all of the shares of the Company. Furthermore, the Trust may sell the shares of the Company in order to provide the cash payment.

(9) Exercise of Voting Rights of Shares of the Company in the Trust

To ensure neutrality to management, the voting rights of the shares of the Company in the Trust (that is, the shares of the Company prior to their provision to Directors, etc., as noted in (8)) shall not be exercised during the trust period.

(10) Treatment of Dividends for Shares of the Company in the Trust

Dividends of the shares of the Company in the Trust shall be received by the Trust for the acquisition of shares of the Company and for trust fees payable for the Trust.

(11) Treatment upon Termination of the Trust

With regard to the shares of the Company among the residual assets of the Trust at the time of termination of the Trust, the Company plans to acquire all such shares without consideration and cancel them by resolution of the Board of Directors. In addition, of the residual assets of the Trust at the time of termination of the Trust, the Company plans to provide the balance of money to the Directors, etc., in service at the time, in proportion to the points they have each accumulated as of that time.

[Reference] Policy and procedures for determining remuneration for Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) after the conclusion of this General Meeting of Shareholders.

In determining remuneration for individual Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members; “Executive Directors”), the Company will do so in accordance with the policy and procedures, etc., that are set forth below.

(a) Basic policy

- Our basic policy on remuneration for Executive Directors is to: 1) use a remuneration structure in which remuneration, earnings, and stock value are linked to each other in order to: i) make Executive Directors more motivate to contribute to improving the Company’s earnings and enhancing its corporate value in the medium to long term; and ii) ensure that remuneration fully functions as incentive to share profit and risk from stock price fluctuations with shareholders; and 2) set remuneration for each of individual Executive Directors at fair levels reflecting their responsibilities at the time of determination. Remuneration for Executive Directors consists of “Base Pay (monetary and fixed),” “Performance-linked Monetary Remuneration,” and “Performance-linked Share-based Remuneration.”
- The Company pays solely base pay (monetary and fixed) to Directors who are Audit and Supervisory Committee Members serving a supervision function and to non-Executive Directors who are not Audit and Supervisory Committee Members in light of their duties.
- Regarding matters for a remuneration determination method for individual non-Executive Directors who are not Audit and Supervisory Committee Members, we ensure the transparency of our remuneration determination processes using a method identical to the remuneration determination method described in item (e) below for individual Executive Directors.

(b) Determination policy for individual base pay (monetary), etc. (including policy for determining remuneration payment timing and conditions)

- Base pay for Executive Directors, being fixed monthly pay, is determined in accordance with title-by-title remuneration tables prepared beforehand in comprehensive consideration of the levels of base pay for directors at peers, the Company’s business performance, and its employee salary levels, etc.
- Such base pay is paid monthly as fixed monthly pay over the next fiscal year, coupled with performance-linked monetary remuneration as described in item “(c) 1” below.

(c) Determination policy for the description of performance-linked monetary remuneration, etc., and non-monetary remuneration, etc. (hereinafter referred to as “Performance-Linked Share-Based Remuneration”), and the calculation methods for amounts or numbers for them (including policy for determining remuneration payment timing and conditions).

1. Determination policy for the description of performance-linked monetary remuneration, etc., and the calculation method for amounts or numbers for it
 - “Performance-linked Monetary Remuneration” comes in the form of cash remuneration reflecting key performance indicators (KPIs) in order to raise personnel’s awareness to enhance business performance for each fiscal year, and is an amount calculated based on the amount of ordinary profit for a given fiscal year while also considering the projected amount of ordinary profit for the subsequent fiscal year.
 - By resolution of the General Meeting of Shareholders, Directors’ bonuses could potentially be paid out in an amount constituting a portion of profit only if the amount of ordinary profit and the amount of stock dividends are at or above certain levels.
2. Determination policy for the description of the Performance-Linked Share-Based Remuneration, etc., and the calculation method for amounts or numbers for it
 - (i) Description of the Performance-Linked Share-Based Remuneration, etc., and amount and calculation method
 - Each fiscal year, the Company grants points described below for “the Performance-Linked Share-Based Remuneration” to Executive Directors and Executive Officers who are not Directors but have a rank of at or above Managing Executive Officer level (hereinafter referred to as “Directors, etc.”)

in accordance with title and the achievement rates for business performance targets under the Medium-Term Business Plan, etc. in conformity to: i) Regulations for the Provision of Shares for the Performance-linked Share-based Remuneration Plan for Directors as resolved at a Board of Directors meeting on May 14, 2019; and ii) Partial Revision of Remuneration Details and Amounts for the Performance-Linked Share-Based Remuneration Plan for Directors, etc. resolved at the 117th Annual General Meeting of Shareholders on June 26, 2025.

Directors, etc., who are not responsible for business units or are responsible for corporate divisions:
 Conferred points = base points for position (linked to financial indicators) × performance-linkage coefficient of financial indicators ((1) × 0.5 + (2) × 0.5)^{*2} + base points for position (linked to non-financial indicators) × performance-linkage coefficient of non-financial indicators^{*3}

Directors, etc., responsible for business divisions:

Conferred points = base points for position (linked to financial indicators) × performance-linkage coefficient of financial indicators ((1) × 0.25 + (2) × 0.25 + (3) × 0.5)^{*2} + base points for position (linked to non-financial indicators) × performance-linkage coefficient of non-financial indicators^{*3}

*2 The performance linkage coefficients of financial indicators (1), (2), and (3) vary between 0% and 144% according to the achievements of targets in corporate ROE, corporate operating profit, and the operating profits of each division (the segment profits).

*3 The performance linkage coefficient of non-financial indicators varies between 0% to 100%, according to the achievement rate of GHG emission reduction targets and overall evaluation by the Compensation Advisory Committee on the progress of efforts to improve employee engagement.

- In the three-year period from the fiscal year ending March 31, 2026, to the fiscal year ending March 31, 2028 (hereinafter referred to as “Eligible Period”; an expected Medium-Term Business Plan period), points to be conferred to Directors, etc., shall be 48,000 points a fiscal year at most (corresponding to 48,000 shares; of which 20,000 points will be for Executive Directors [corresponding to 20,000 shares]), and points to be conferred to Directors, etc., for the three fiscal years of the Eligible Period shall be 120,000 points at most (corresponding to 120,000 shares; of which 50,000 points will be for Executive Directors [corresponding to 50,000 shares]). Moreover, one point shall be converted to one share of the Company in relation to the shares provided to the Directors, etc.

(ii) Determination policy for the payment timing and conditions for the Performance-Linked Share-Based Remuneration, etc.

- Eligible periods of the Performance-Linked Share-Based Remuneration Plan for officers shall be the Eligible Period, as well as each of three fiscal year periods commencing after the elapse of it (if the period of a Medium-Term Business Plan to be established after the elapse of the Eligible Period differs from a three fiscal year period, the fiscal year period corresponding to the Medium-Term Business Plan shall apply).
- Shares of the Company shall be granted to Directors, etc., after a finalization of the financial results for the final year of each eligible period, in principle, and in accordance with the number of cumulative points conferred during the period. However, from the perspective of securing funds to pay taxes, a number of shares of the Company corresponding to 50% of the cumulative points shall be converted into cash, and the cash amount equal to the amount of the converted shares shall be paid to the Directors, etc.

(d) Determination policy for the percentage for the amount of remuneration, etc. of individual Directors for base pay (monetary), performance-linked monetary remuneration, etc., and the Performance-Linked Share-Based Remuneration, etc.

- The percentage of remuneration categories for Executive Directors have yet to be determined due to being decided in accordance with the financial results for a given fiscal year and next fiscal year, as well as each Executive Director’s achievement rates for corporate ROE, corporate operating profit, and division operating profit targets for an Eligible Period and subsequent three fiscal years. This is because: i) performance-linked monetary remuneration is intended to be in an amount calculated in accordance with previous-fiscal-year and next-fiscal-year financial results; and ii) the Performance-Linked Share-Based Remuneration is intended to

constitute a number of shares computed in accordance with corporate ROE and corporate operating profit, target KPIs of a Medium-Term Business Plan for an Eligible Period, and with the operating profit of each division each Executive Directors is responsible for. However, considering the purpose of the introduction of performance-linked remuneration, the system is structured so as to ensure that the higher an officer is in position, the more weighting of performance-linked remuneration applies.

- (e) Information on the determination method for the description of remuneration, etc., for individual Executive Directors

As for amounts of remuneration for individual Executive Directors, the Company's Corporate Governance Guidelines specify the policy and procedures for determining the remuneration of Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members). The Company secures transparency of its remuneration determination processes by ensuring that amounts of remuneration for individual Executive Directors are decided by resolution of a Board of Directors meeting through deliberations and recommendation by the Compensation Advisory Committee, the majority of which are independent outside Directors.