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(Securities Code 8078)

June 9, 2020

**To Those Shareholders with Voting Rights:**

Hironari Furukawa  
Representative Director and President  
Hanwa Co., Ltd.  
4-3-9 Fushimi-machi,  
Chuo-ku, Osaka, Japan

**NOTICE OF  
THE 73RD ORDINARY GENERAL SHAREHOLDERS MEETING**

Dear Shareholders:

You are cordially notified of the 73rd Ordinary General Shareholders Meeting of Hanwa Co., Ltd. (“the Company”). The meeting will be held as described below.

Recently, in order to prevent the spread of the coronavirus disease (COVID-19) infection, the government and prefectural governors have issued stay-at-home requests. In light of the current situation, as a result of careful consideration, the Company has decided to hold the General Shareholders Meeting with measures to prevent infection to the extent possible.

In order to prevent the spread of infection, we strongly encourage our shareholders to exercise their voting rights in advance in writing by mail or via the Internet, etc. and refrain from attending the meeting on the date of the event as much as possible.

Please review the Reference Materials for the General Shareholders Meeting (page 5 through 20), and cast your vote by 5:00 p.m. on Tuesday, June 23, 2020 Japan time.

■ Exercise of voting rights in writing

Indicate your approval or disapproval of each proposal on the enclosed Voting Form and return it to the Company so that it may arrive before the above voting deadline.

■ Exercise of voting rights via Internet

Refer to the “Guide to Exercising Voting Rights via Internet, etc.” described in the page 4 of this document, and access the website designated by the Company (<https://www.web54.net>) to enter your approval or disapproval of each proposal before the above voting deadline by following the instructions provided in the website.

- 1. Date and Time:** Wednesday, June 24, 2020 at 10:00 a.m. Japan time (reception starts at 9:00 a.m.)
- 2. Place:** Seventh Floor Conference Room  
Hanwa Co., Ltd.  
HK Yodoyabashi Garden Avenue Bldg., 4-3-9 Fushimi-machi, Chuo-ku, Osaka

In order to prevent the spread of the COVID-19 infection, we will increase the space between seats. Consequently, the number of seats available this year will be significantly lower than in previous years. For placing as many seats as possible, we plan to provide another venue in the same floor. If more shareholders than expected arrive, we may refuse admission to the venue. We would appreciate your understanding.

### 3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 73rd Fiscal Year (April 1, 2019 - March 31, 2020) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
  2. Non-Consolidated Financial Statements for the Company's 73rd Fiscal Year (April 1, 2019 - March 31, 2020)

**Proposals to be resolved:**

- Proposal No. 1:** Appropriation of Surplus  
**Proposal No. 2:** Election of Thirteen (13) Directors  
**Proposal No. 3:** Election of Three (3) Corporate Auditors

< Request to shareholders >

1. The Company will provide alcohol hand sanitizer near the reception desk. We strongly encourage our shareholders to use it, as well as bring and wear a mask.
  2. The Company will take a temperature near the entrance of the venue. For those who have a fever and those whose physical condition is considered to be unsatisfactory, we may refuse admission to the venue and ask to leave. Additionally, for those who have returned from abroad within the last 14 days, please inform us at the reception desk, and we may also refuse admission.
  3. Administrative staff for the meeting are required to take their temperatures, check their physical condition, and wear masks while serving you.
  4. In consideration of shortening this year's meeting to prevent the spread of the COVID-19 infection, the Company will omit the detailed explanation of the Matters to be reported (including the audit report) and the Proposals to be resolved at the venue. We encourage our shareholders to read through this notice in advance.
  5. In order to reduce the risk of spreading the infection, only some of the Company's officers may attend the meeting at the venue or online, regardless of their physical condition on the event day.
- In accordance with laws and regulations as well as Article 18 of the Company's Articles of Incorporation, the following items are posted on the Company's website (<https://www.hanwa.co.jp/>) and therefore not included in the attached documents to this Notice.
    - 1) Notes to Consolidated Financial Statements
    - 2) Notes to Non-Consolidated Financial StatementsThe "Notes to Consolidated Financial Statements" and "Notes to Non-Consolidated Financial Statements" have been combined with the Consolidated Financial Statements and Non-Consolidated Financial Statements for the auditing process, in order for the preparation of the Audit Report and the Independent Auditor's Report by the Corporate Auditors and the Accounting Auditor.
  - Revisions to the Reference Materials for the General Shareholders Meeting, the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements, if any, will be posted on the Company's website (<https://www.hanwa.co.jp/>).

## Guide to Exercising Voting Rights

Voting by attending the General Shareholders Meeting in person	
If you plan to attend the Meeting, please present the enclosed Voting Form to the receptionist when you arrive at the venue.	Date and time of the Meeting: Wednesday, June 24, 2020 at 10:00 a.m. Japan time
<ul style="list-style-type: none"> <li>• Please bring with you this Notice to the venue on the day of the Meeting.</li> <li>• As the light clothing (Cool Biz) dress code will be followed at the Meeting, we would appreciate it if you could come to the Meeting wearing casual attire.</li> </ul>	

Voting in writing	
Please indicate your approval or disapproval of each proposal on the enclosed Voting Form and return it.	Deadline for voting: By 5:00 p.m. on Tuesday, June 23, 2020 Japan time (Arrival of Voting Forms)

Voting via Internet	
Please enter your approval or disapproval of each proposal on the website designated by the Company ( <a href="https://www.web54.net">https://www.web54.net</a> ).	Deadline for voting: By 5:00 p.m. on Tuesday, June 23, 2020 Japan time (Acceptance of entries)

< Information concerning use of Electronic Voting Platform > (To institutional investors)

Institutional investors can also use the Electronic Voting Platform operated by ICJ, Inc. to submit votes electronically for the Ordinary General Shareholders Meeting.

## **Guide to Exercising Voting Rights via Internet, etc.**

If you plan to vote using Internet, etc., please read the following instructions and precautions in advance.

1. Website for exercising voting rights  
Votes can be submitted via Internet only on the website designated by the Company for this purpose.  
URL for votes: <https://www.web54.net>
2. How to exercise your voting rights
  - (1) If you wish to exercise your voting rights using Internet, please use the voting rights code and password that are shown on the enclosed Voting Form and then enter your votes by following instructions provided by the website.
  - (2) Internet votes must be received no later than 5:00 p.m. on Tuesday, June 23, 2020 Japan time. Shareholders are asked to submit votes as soon as possible.
  - (3) If a shareholder submits two votes in writing and via Internet etc., the vote via Internet will be counted as effective ones. Additionally, if a shareholder submits votes using Internet more than once, or submits multiple votes using a personal computer and a cell phone, only the last votes received will be treated as valid.
  - (4) When voting via Internet, shareholders are responsible for Internet Service Provider connection fees and communication carrier fees (connection fees, etc.).
3. Handling of your voting rights code and password
  - (1) The password is important information to verify that the voter is a genuine shareholder. We ask that you handle this information with the same care and attention as you would to your personal seal or passcode.
  - (2) If you input a wrong password more than a certain number of times, your password will be locked. If you wish to have your password re-issued, please follow the instructions on the screen.
  - (3) The password written on the Voting Form is only valid for this General Shareholders Meeting.
4. Contact information for inquiries on how to use your personal computer for voting
  - (1) If you have any questions regarding how to use your personal computer in order to exercise your voting rights via Internet, please contact the following support desk:

<p>Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Web Support Dedicated Line: Toll-free: 0120-652-031 (9:00 a.m. to 9:00 p.m., Japan standard time)</p>
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- (2) For other inquiries, please contact the following center:
  - (a) Shareholders who have accounts at securities companies  
Please contact the securities companies where you have your accounts.
  - (b) Shareholders who do not have accounts at securities companies (Shareholders who have special accounts at securities companies)

<p>Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Business Center Toll-free: 0120-782-031 (9:00 a.m. to 5:00 p.m., Japan standard time, except for weekends and holidays)</p>
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## Reference Materials for the General Shareholders Meeting

### Proposals and References

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

Proposal for the appropriation of surplus is as follows:

Matters concerning the year-end dividend for the 73rd fiscal year

The Company regards the sustainable return of earnings to shareholders as one of the most important management responsibilities. While giving its top priority to continuous payment of stable dividends to shareholders, the Company has been making constant efforts to improve profitability and pursue increases in the amount of dividend payments in accordance with the rise of the Company's basic revenue level and the collection status of profit generated through strategic investments.

While the existing business domains and group companies have shown a steady ability to produce earnings even under severe business environment, the Company recorded a net loss for the current period due to such factors as impairment losses recognized for strategic investments. Consequently, the Company proposes a year-end dividend of ¥25 per share (a decrease of ¥50 from the previous year).

(1) Type of dividend	Cash
(2) Matters concerning distribution of the dividend to shareholders and the aggregate amount of dividend	The Company proposes to pay a year-end dividend of ¥25 per common share. The aggregate dividend will be ¥1,015,946,300. As the Company has already paid an interim dividend of ¥75 per share in December 2019, the annual dividend will be ¥100 per share for the current fiscal year.
(3) Effective date of dividend payment	June 25, 2020

## Proposal No. 2: Election of Thirteen (13) Directors

The terms of office of all twelve (12) Directors will expire at the conclusion of this General Shareholders Meeting. In order to ensure the transparency of its management and further strengthen its Corporate Governance, the Company proposes the election of thirteen (13) Directors, including the addition of one (1) Outside Director.

The candidates for Directors are as follows:

No.	Name	Current positions at the Company	
1	Hironari Furukawa	Representative Director and President	<u>Reelection</u>
2	Yasumichi Kato	Director and Executive Vice President	<u>Reelection</u>
3	Hidemi Nagashima	Director and Senior Managing Executive Officer	<u>Reelection</u>
4	Yoichi Nakagawa	Director and Senior Managing Executive Officer	<u>Reelection</u>
5	Yasuharu Kurata	Director and Senior Managing Executive Officer	<u>Reelection</u>
6	Yasushi Hatanaka	Director and Senior Managing Executive Officer	<u>Reelection</u>
7	Ryuji Hori	Director	<u>Reelection</u> <u>Outside Director</u> <u>Independent Officer</u>
8	Tatsuya Tejima	Director	<u>Reelection</u> <u>Outside Director</u> <u>Independent Officer</u>
9	Kamezo Nakai	Director	<u>Reelection</u> <u>Outside Director</u> <u>Independent Officer</u>
10	Junko Sasaki	-	<u>New candidate</u> <u>Outside Director</u> <u>Independent Officer</u>
11	Yoichi Sasayama	Director and Managing Executive Officer	<u>Reelection</u>
12	Takatoshi Kuchiishi	Director and Managing Executive Officer	<u>Reelection</u>
13	Keiji Matsubara	Managing Executive Officer	<u>New candidate</u>

No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)
1	<p><u>Reelection</u></p> <p>Hironari Furukawa (October 30, 1946)</p> <p>■ Number of shares of the Company held 30,725 shares</p> <p>■ Attended 16 out of 16 meetings of Board of Directors (100%)</p>	<p>March 1969    Joined the Company</p> <p>April 1996    Executive Vice President of Hanwa Co., (Hong Kong) Ltd. and Vice General Manager of Asian Region (China &amp; Hong Kong)</p> <p>June 1997    Appointed Director</p> <p>April 2003    Appointed Managing Director</p> <p>April 2005    Appointed Senior Managing Director</p> <p>April 2009    Appointed Representative Director and Executive Vice President</p> <p>April 2011    Appointed Representative Director and President (current position)</p>
<p>[Reason for the election of a candidate for the position of Director]</p> <p>Since joining the Company, Mr. Hironari Furukawa has been mainly involved in the steel business, both domestically and abroad, and has served as Representative Director and President since 2011. He has been nominated for the position of Director because the Company believes that through his strong leadership, he can contribute to expanding the Company's business and strengthen its management foundation by utilizing his extensive experience in the steel, metals and alloys, non-ferrous metals businesses etc., along with his global expertise cultivated during his eight-year assignment in Hong Kong.</p>		
2	<p><u>Reelection</u></p> <p>Yasumichi Kato (April 26, 1955)</p> <p>■ Number of shares of the Company held 25,883 shares</p> <p>■ Attended 16 out of 16 meetings of Board of Directors (100%)</p>	<p>April 1978    Joined the Company</p> <p>April 2009    Appointed Corporate Officer In charge of Osaka HQ Steel Plates, Structural Steel Sheets and Steel Sheets Sales</p> <p>June 2010    Appointed Director</p> <p>April 2012    Appointed Director and Managing Executive Officer</p> <p>April 2016    Appointed Director and Senior Managing Executive Officer</p> <p>April 2019    Appointed Director and Executive Vice President (current position)</p> <p>[Current responsibilities] In charge of overall Steel Division and Lumber &amp; Plywood Division</p>
<p>[Reason for the election of a candidate for the position of Director]</p> <p>Since joining the Company, Mr. Yasumichi Kato has been mainly involved in the steel sheets business under Steel Division. From 2016, he was responsible for Overseas Steel and Lumber &amp; Plywood Division as Director and Senior Managing Executive Officer, and since 2019, he has been overseeing the Company's entire steel business and supervising Lumber &amp; Plywood Division as Director and Executive Vice President. He has been nominated for the position of Director because the Company believes that he can utilize his high level of expertise and extensive business experience, and contribute to further improvement in business performance.</p>		

No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)	
3	<p><u>Reelection</u></p> <p>Hidemi Nagashima (February 15, 1960)</p> <p>■ Number of shares of the Company held 11,757 shares</p> <p>■ Attended 16 out of 16 meetings of Board of Directors (100%)</p>	<p>April 1983</p> <p>April 2011</p> <p>April 2012</p> <p>June 2015</p> <p>April 2016</p> <p>April 2017</p> <p>[Current responsibility]</p>	<p>Joined the Company</p> <p>Appointed Corporate Officer In charge of Tokyo HQ Steel Plates, Steel Sheets Sales, Structural Steel Sheets Dept. 1, Structural Steel Sheets Dept. 2, and Hokkaido Branch Office</p> <p>Appointed Executive Officer</p> <p>Appointed Director and Executive Officer</p> <p>Appointed Director and Managing Executive Officer</p> <p>Appointed Director and Senior Managing Executive Officer (current position)</p> <p>General Manager of Nagoya Branch Office</p>
<p>[Reason for the election of a candidate for the position of Director]</p> <p>Since joining the Company, Mr. Hidemi Nagashima has been mainly involved in the steel sheets business under Steel Division. He has served as Director and Executive Officer from 2015, responsible for Tokyo HQ Steel Plates &amp; Sheets Division and has been serving as Director and Senior Managing Executive Officer since 2017. He has been nominated for the position of Director because the Company believes that he can utilize his high level of expertise and extensive business experience, and contribute to further improvement in business performance as General Manager of Nagoya Branch Office.</p>			
4	<p><u>Reelection</u></p> <p>Yoichi Nakagawa (August 14, 1961)</p> <p>■ Number of shares of the Company held 5,188 shares</p> <p>■ Attended 16 out of 16 meetings of Board of Directors (100%)</p>	<p>April 1986</p> <p>April 2013</p> <p>April 2014</p> <p>June 2015</p> <p>April 2016</p> <p>April 2017</p> <p>[Current responsibilities]</p>	<p>Joined the Company</p> <p>Appointed Corporate Officer In charge of Accounting and Affiliated Enterprises, and General Manager of Accounting Dept. and Affiliated Enterprises Dept.</p> <p>Appointed Executive Officer</p> <p>Appointed Director and Executive Officer</p> <p>Appointed Director and Managing Executive Officer</p> <p>Appointed Director and Senior Managing Executive Officer (current position)</p> <p>In charge of Metal Recycling Division and Primary Metal Division and in charge of overall administrations and Machinery Division</p>
<p>[Reason for the election of a candidate for the position of Director]</p> <p>Since joining the Company, Mr. Yoichi Nakagawa has been mainly involved in the accounting and finance business. He has served as Director and Executive Officer from 2015, responsible for Accounting and Finance, and has been serving as Director and Senior Managing Executive Officer in charge of overall administrations since 2017. From 2018, he has been overseeing Metal Recycling Division and Primary Metal Division, and concurrently supervising Machinery Division since 2019. He has been nominated for the position of Director because the Company believes he can contribute to further enhancement of corporate value of the Company by utilizing his high level of knowledge, and his global expertise and extensive business experience cultivated over the twelve years of his assignment in the U.S.</p>			



No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)	
5	<p style="text-align: center;"><u>Reelection</u></p> <p>Yasuharu Kurata (September 12, 1959)</p> <p>■Number of shares of the Company held 1,600 shares</p> <p>■Attended 16 out of 16 meetings of Board of Directors (100%)</p>	<p>April 1982</p> <p>April 2011</p> <p>April 2012</p> <p>April 2016</p> <p>June 2016</p> <p>April 2017</p> <p>[Current responsibilities]</p>	<p>Joined the Company</p> <p>Appointed Corporate Officer General Manager of Asian Region (ASEAN, India, Middle East) In charge of Departments excluding Steel and Machinery and Chairman of HANWA SINGAPORE (PRIVATE) LTD.</p> <p>Appointed Executive Officer</p> <p>Appointed Managing Executive Officer</p> <p>Appointed Director and Managing Executive Officer</p> <p>Appointed Director and Senior Managing Executive Officer (current position)</p> <p>In charge of Energy Division, Food Division and in charge of Hedging Administration Office</p> <p>[Reason for the election of a candidate for the position of Director] Since joining the Company, Mr. Yasuharu Kurata has been mainly involved in the non-ferrous metals business. From 2010, he was General Representative of Asian Region during his assignment in Singapore of over five years. From 2016, he has served as Director and Managing Executive Officer in charge of the petroleum and chemicals and food products business, and has been serving as Director and Senior Managing Executive Officer since 2017. He has been nominated for the position of Director because the Company believes that he can utilize his extensive business experience cultivated domestically and abroad and contribute to further improvement in business performance.</p>
6	<p style="text-align: center;"><u>Reelection</u></p> <p>Yasushi Hatanaka (August 30, 1960)</p> <p>■Number of shares of the Company held 5,725 shares</p> <p>■Attended 16 out of 16 meetings of Board of Directors (100%)</p>	<p>April 1983</p> <p>August 2012</p> <p>April 2013</p> <p>June 2014</p> <p>April 2016</p> <p>April 2019</p> <p>[Current responsibilities]</p>	<p>Joined the Company</p> <p>Appointed Corporate Officer In charge of Osaka HQ Steel Sheets Dept. 1, Steel Sheets Dept. 2, Steel Sheets Dept. 3 and Steel Processing Project Promote Team, Assistant to Director in charge of Tokyo HQ Steel Sheet International and General Manager of Osaka HQ Steel Sheets Dept. 3</p> <p>Appointed Executive Officer</p> <p>Appointed Director and Executive Officer</p> <p>Appointed Director and Managing Executive Officer</p> <p>Appointed Director and Senior Managing Executive Officer (current position)</p> <p>Senior General Manager of Osaka Head Office In charge of Osaka HQ Steel Bars &amp; Construction Materials Division, Osaka HQ Steel Plates &amp; Sheets Division, Steel Processing Project Promote, Kyushu Branch Office, Chugoku Branch Office, Hokuriku Branch Office</p> <p>[Reason for the election of a candidate for the position of Director] Since joining the Company, Mr. Yasushi Hatanaka has been mainly involved in the steel sheets business under Steel Division. In 2002, he relocated to China for his assignment over five years. From 2014, he served as Director and Executive Officer in charge of Osaka HQ Steel Sheets Division and Steel Processing Project, and since 2019, he has been serving as Senior General Manager of Osaka Head Office and concurrently supervising the steel business and all branch offices in western Japan as Director and Senior Managing Executive Officer. He has been nominated for the position of Director because the Company believes that he can utilize his high level of expertise and extensive business experience, and contribute to further improvement in business performance.</p>

No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)
7	<p style="text-align: center;"> <span style="border: 1px solid black; padding: 2px;">Reelection</span>  <span style="border: 1px solid black; padding: 2px;">Outside Director</span>  <span style="border: 1px solid black; padding: 2px;">Independent Officer</span> </p> <p style="text-align: center;">Ryuji Hori (September 3, 1943)</p> <p>■Number of shares of the Company held 1,164 shares</p> <p>■Attended 16 out of 16 meetings of Board of Directors (100%)</p>	<p>April 1966    Joined Iwai Sangyo Company Ltd. (currently Sojitz Corporation)</p> <p>June 1996    Appointed Director of Nissho Iwai Corporation (currently Sojitz Corporation)</p> <p>June 2000    Appointed Managing Director of Nissho Iwai Corporation</p> <p>June 2002    Appointed Senior Managing Executive Officer of Nissho Iwai Corporation (Retired from the position in March 2003)</p> <p>April 2003    Professor, School of Law, Waseda University</p> <p>April 2004    Professor, Waseda Law School, Waseda University (Retired from the position in March 2014)</p> <p>June 2005    Appointed Audit &amp; Supervisory Board Member (External Auditor) of Tokuyama Corporation (Retired from the position in June 2017)</p> <p>June 2011    Appointed Outside Director of Riskmonster.com (current position)</p> <p>June 2012    Appointed Outside Director of T&amp;D Holdings, Inc. (Retired from the position in June 2018)</p> <p>April 2013    Managing Director and Principal of Waseda Osaka Gakuen (Retired from the position in December 2018)</p> <p>April 2014    Advisor of TMI Associates (current position)</p> <p>                Professor Emeritus, Waseda University (current position)</p> <p>June 2014    Appointed Director of the Company (current position)</p> <p>May 2016    Appointed Outside Director of NISHIKI Co., LTD. (Retired from the position in May 2020)</p> <p>June 2018    Appointed Outside Corporate Auditor of Lotte Co., Ltd. (current position)</p> <p>December 2019 Appointed Representative Director and President of TMI Ventures Co., Ltd. (current position)</p> <p>(Significant concurrent positions)                          Outside Director of Riskmonster.com                          Outside Corporate Auditor of Lotte Co., Ltd.</p>
<p>[Reason for the election of a candidate for the position of Outside Director]            Mr. Ryuji Hori has expertise and extensive knowledge in legal affairs, cultivated through his many years of experience mainly in risk management at a general trading company, along with his experience as a university professor. The Company believes that he can provide supervision towards the Company's management decisions and business execution from a general and multilateral perspective; therefore, he has been nominated for the position of Outside Director.</p> <p>[Matters concerning Independence]            Mr. Ryuji Hori satisfies the "Independence Standards for Outside Officers" (stated on page 20) stipulated by the Company, and the Company has registered him as Independent Officer pursuant to the provisions of the Tokyo Stock Exchange, Inc.            There are no special interests between Mr. Ryuji Hori and the Company and the Company judges that there is no factor affecting his independence as Outside Director.</p>		

No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)
8	<p style="text-align: center;"> <span style="border: 1px solid black; padding: 2px;">Reelection</span>  <span style="border: 1px solid black; padding: 2px;">Outside Director</span>  <span style="border: 1px solid black; padding: 2px;">Independent Officer</span> </p> <p>Tatsuya Tejima (July 12, 1946)</p> <p>■ Number of shares of the Company held 1,225 shares</p> <p>■ Attended 16 out of 16 meetings of Board of Directors (100%)</p>	<p>April 1969    Joined Toho Zinc Co., Ltd.</p> <p>June 1999    Appointed Director of Toho Zinc Co., Ltd.</p> <p>June 2000    Appointed Executive Officer of Toho Zinc Co., Ltd.</p> <p>January 2002   Appointed Managing Executive Officer of Toho Zinc Co., Ltd.</p> <p>June 2002    Appointed Managing Director and Managing Executive Officer of Toho Zinc Co., Ltd.</p> <p>June 2003    Appointed Representative Director and Managing Director, and Managing Executive Officer of Toho Zinc Co., Ltd.</p> <p>June 2005    Appointed Representative Director and Senior Managing Director, and Senior Managing Executive Officer of Toho Zinc Co., Ltd.</p> <p>June 2006    Appointed Representative Director and President, and COO of Toho Zinc Co., Ltd.</p> <p>June 2008    Appointed Representative Director and President of Toho Zinc Co., Ltd. (Retired from the position in June 2017)</p> <p>June 2017    Appointed Advisor of Toho Zinc Co., Ltd. (current position) Appointed Outside Director of Furukawa Co., Ltd. (current position)</p> <p>June 2018    Appointed Director of the Company (current position) (Significant concurrent positions) Outside Director of Furukawa Co., Ltd. Advisor of Toho Zinc Co., Ltd.</p>
<p>[Reason for the election of a candidate for the position of Outside Director] Mr. Tatsuya Tejima has extensive knowledge and business experience cultivated through many years of his career as an executive of a non-ferrous metal smelting company. He has been nominated for the position of Outside Director because the Company believes that with his noble character and deep insight, he can provide supervision towards the Company's management decisions and business execution from a practical and objective standpoint.</p> <p>[Matters concerning Independence] Mr. Tatsuya Tejima satisfies the "Independence Standards for Outside Officers" (stated on page 20) stipulated by the Company, and the Company has registered him as Independent Officer pursuant to the provisions of the Tokyo Stock Exchange, Inc. He had served as Representative Director and President of Toho Zinc Co., Ltd., who has a business relationship with the Company, until June 2017. However, transactions between the Company and Toho Zinc Co., Ltd. consist of less than 0.2% of the annual consolidated sales of the Company. Therefore, the Company judges that these transactions would not affect his independence as Outside Director in light of their scale and nature.</p>		

No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)
9	<p style="text-align: center;"> <span style="border: 1px solid black; padding: 2px;">Reelection</span>  <span style="border: 1px solid black; padding: 2px;">Outside Director</span>  <span style="border: 1px solid black; padding: 2px;">Independent Officer</span> </p> <p>Kamezo Nakai (July 30, 1950)</p> <p>■ Number of shares of the Company held 624 shares</p> <p>■ Attended 13 out of 13 meetings of Board of Directors (100%)</p>	<p>April 1974    Joined Nomura Securities Co., Ltd. (currently Nomura Holdings, Inc.)</p> <p>June 1995    Appointed Director of Nomura Securities Co., Ltd.</p> <p>April 1999    Appointed Managing Director of Nomura Securities Co., Ltd.</p> <p>April 2003    Appointed Director and Senior Managing Executive Officer of Nomura Asset Management Co., Ltd.</p> <p>June 2003    Appointed Senior Managing Executive Officer of Nomura Asset Management Co., Ltd. Appointed Executive Managing Director of Nomura Holdings, Inc. (Retired from the position in March 2006)</p> <p>April 2008    Appointed Advisor of Nomura Asset Management Co., Ltd. (Retired from the position in March 2009)</p> <p>June 2009    Appointed Director and President (Representative Director) of Nomura Land and Building Co., Ltd. (Retired from the position in March 2012)</p> <p>June 2011    Appointed Director and President (Representative Director) of Nomura Real Estate Holdings, Inc.</p> <p>February 2012 Appointed Director and Executive Officer of Nomura Real Estate Development Co., Ltd.</p> <p>April 2012    Appointed Director and President (Representative Director), Chief Executive Officer of Nomura Real Estate Development Co., Ltd.</p> <p>May 2012    Appointed Director and President (Representative Director) and Chief Executive Officer of Nomura Real Estate Holdings, Inc.</p> <p>April 2015    Appointed Chairman of the Board of Directors (Representative Director) of Nomura Real Estate Development Co., Ltd.</p> <p>June 2015    Appointed Chairman of the Board of Directors (Representative Director) of Nomura Real Estate Holdings, Inc. (Retired from the position in June 2017)</p> <p>April 2017    Appointed Director of Nomura Real Estate Development Co., Ltd. (Retired from the position in June 2017)</p> <p>June 2017    Appointed Senior Advisor of Nomura Real Estate Development Co., Ltd. (current position) Appointed Outside Director of DSB Co., Ltd. (current position)</p> <p>November 2018 Appointed Outside Director of BIC CAMERA INC. (current position)</p> <p>June 2019    Appointed Director of the Company (current position)</p> <p>(Significant concurrent positions) Outside Director of DSB Co., Ltd. Outside Director of BIC CAMERA INC.</p>
<p>[Reason for the election of a candidate for the position of Outside Director] Mr. Kamezo Nakai has extensive knowledge and abundant experience cultivated through his many years of corporate management in the securities industry and real estate industry. He has been nominated for the position of Outside Director because the Company believes that he can provide supervision towards the Company's management decisions and business execution from a practical and multilateral perspective especially in finance and investment.</p> <p>[Matters concerning Independence] Mr. Kamezo Nakai satisfies the "Independence Standards for Outside Officers" (stated on page 20) stipulated by the Company, and the Company has registered him as Independent Officer pursuant to the provisions of the Tokyo Stock Exchange, Inc. Mr. Nakai had served as an executing person of Nomura Real Estate Development Co., Ltd., who has a business relationship with the Company, until June 2017. However, transactions between the Company and Nomura Real Estate Development Co., Ltd. consists of less than 0.1% of the annual consolidated sales of the Company. Therefore, the Company judges that these transactions would not affect his independence as Outside Director in light of their scale and nature.</p>		

No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)
10	<p style="text-align: center;">New candidate Outside Director Independent Officer</p> <p>Junko Sasaki (January 12, 1960)</p> <p>■Number of shares of the Company held 0 shares</p>	<p>April 1983      Joined IBM Japan Ltd.</p> <p>January 2007    Appointed Executive Officer, APAC &amp; Japan Technical Sales Support of IBM Japan Ltd. (Retired from the position in January 2010)</p> <p>January 2011    Joined Microsoft Japan Co., Ltd. Appointed Executive and General Manager of Customer Service &amp; Support of Microsoft Japan Co., Ltd. (Retired from the position in January 2015)</p> <p>February 2015    Joined WEIC Corporation</p> <p>April 2015      Appointed Director and General Manager of Sales Division of WEIC Corporation (Retired from the position in July 2015)</p> <p>January 2016    Joined FireEye, Inc. Appointed Vice President (Retired from the position in September 2016)</p> <p>December 2016    Joined Sartorius Japan K.K. Appointed President &amp; CEO (Retired from the position in March 2018)</p> <p>May 2018        Appointed Outside Director, Member of the Audit and Supervisory Committee of Yasukawa Electric Corporation (current position)</p> <p>June 2019        Appointed External Director of Sumitomo Mitsui Trust Bank, Limited (current position)</p> <p>(Significant concurrent positions) Outside Director, Member of the Audit and Supervisory Committee of Yasukawa Electric Corporation External Director of Sumitomo Mitsui Trust Bank, Limited</p>
<p>[Reason for the election of a candidate for the position of Outside Director] Ms. Junko Sasaki has extensive knowledge and abundant experience cultivated through her corporate management experience at IT companies etc. with global operations. She is newly nominated for the position of Outside Director because the Company believes that she can provide supervision toward the Company's management decision and business execution from a practical and professional perspective.</p> <p>[Matters concerning Independence] Ms. Junko Sasaki satisfies the "Independence Standards for Outside Officers" (stated on page 20) stipulated by the Company, and the Company intends to register her as Independent Officer pursuant to the provisions of the Tokyo Stock Exchange, Inc. There are no special interests between Ms. Sasaki and the Company and the Company judges that there is no factor affecting her independence as Outside Director.</p>		
11	<p style="text-align: center;">Reelection</p> <p>Yoichi Sasayama (November 8, 1961)</p> <p>■Number of shares of the Company held 1,461 shares</p> <p>■Attended 15 out of 16 meetings of Board of Directors (93%)</p>	<p>April 1984      Joined the Company</p> <p>April 2012      Appointed Corporate Officer In charge of Tokyo HQ Steel Sheets, and General Manager of Steel Sheets Dept.</p> <p>April 2014      Appointed Executive Officer</p> <p>April 2017      Appointed Managing Executive Officer</p> <p>June 2017      Appointed Director and Managing Executive Officer (current position)</p> <p>[Current responsibilities] In charge of Tokyo HQ Steel Plates &amp; Sheets Division and Niigata Branch Office</p>
<p>[Reason for the election of a candidate for the position of Director] Since joining the Company, Mr. Yoichi Sasayama has been mainly involved in the steel sheets business under Steel Division. In 2014, he was assigned as the General Representative of the Asian Region in charge of Steel and Machinery working in Thailand and Indonesia for over three years. After his overseas assignment, he has been serving as Director and Managing Executive Officer since 2017. He has been nominated for the position of Director because the Company believes that he can contribute to further improvement in business performance as a supervisor in charge of Tokyo HQ Steel Plates &amp; Sheets Division and Niigata Branch Office by utilizing his high level of expertise and extensive business experience cultivated domestically and abroad.</p>		

No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)
12	<p style="text-align: center;"><b>Reelection</b></p> <p>Takatoshi Kuchiishi (October 23, 1958)</p> <p>■Number of shares of the Company held 10,077 shares</p> <p>■Attended 16 out of 16 meetings of Board of Directors (100%)</p>	<p>April 1981      Joined the Company</p> <p>April 2010      Appointed Corporate Officer In charge of Tokyo HQ Steel Bars &amp; Construction Materials Dept.1, Dept.2, Ferrous Raw Materials, Steel Structure Marketing, Distributor Sales, Tohoku Branch Office, Niigata Branch Office, Kitakanto Branch Office, and in charge of Promotion and Coordination for Steel Structure business of all offices</p> <p>June 2010      Appointed Director</p> <p>September 2010      President of Hanwa Fellows Engineering (China) Co., Ltd. (Retired from the position in May 2020)</p> <p>April 2012      Appointed Director and Executive Officer</p> <p>June 2014      Appointed Executive Officer</p> <p>April 2017      Appointed Managing Executive Officer</p> <p>June 2018      Appointed Director and Managing Executive Officer (current position)</p> <p>[Current responsibilities] In charge of Tokyo HQ Steel Bars &amp; Construction Materials Division, Steel Structure Marketing Division of all offices, Ferrous Raw Materials Division of all offices, Tokyo HQ Thermal-insulation Construction Dept., Hokkaido Branch Office, Tohoku Branch Office, Kitakanto Branch Office</p>
		<p>[Reason for the election of a candidate for the position of Director] Since joining the Company, Mr. Takatoshi Kuchiishi has been mainly involved in the steel bars and construction materials business under Steel Division. He was assigned as Director in 2010, and in 2014, he resigned from the position of Director due to a reduction in the number of directors and was assigned as Executive Officer. Since 2018, he has been serving Director and Managing Executive Officer. He has been nominated for the position of Director because the Company believes that he can contribute to further improvement in business performance as a supervisor in charge of Tokyo HQ Steel Bars &amp; Construction Materials Division, Steel Structure Marketing Division of all offices, Ferrous Raw Materials Division of all offices and Tokyo HQ Thermal-insulation Construction Dept., as well as in charge of Hokkaido Branch Office, Tohoku Branch Office, and Kitakanto Branch Office by utilizing his high level of expertise and extensive business experience.</p>
13	<p style="text-align: center;"><b>New candidate</b></p> <p>Keiji Matsubara (November 9, 1960)</p> <p>■Number of shares of the Company held 3,628 shares</p>	<p>April 1983      Joined the Company</p> <p>April 2014      Appointed Corporate Officer General Representative for East China Region, Chairman and President of HANWA TRADING (SHANGHAI) CO., LTD., and in charge of Wire Products &amp; Special Steel Titanium for Asian Region</p> <p>April 2015      Appointed Executive Officer</p> <p>April 2018      Appointed Managing Executive Officer (current position)</p> <p>[Current responsibilities] In charge of International Trade Dept. 1, Dept. 2, Trade Administration Dept., Wire Products &amp; Special Steel Division of all offices</p>
		<p>[Reason for the election of a candidate for the position of Director] Since joining the Company, Mr. Keiji Matsubara has been mainly involved in the wire products and special steel business under Steel Division. After working in China for 6 years since 2013, he has been serving as Managing Executive Officer in charge of International Trade Depts., Trade Administration Dept., and Wire Products &amp; Special Steel Division of all offices since 2019. He is newly nominated for the position of Director because the Company believes that he can appropriately fulfill his duties as Director by utilizing his high level of expertise and extensive business experience cultivated domestically and abroad.</p>

- Notes:
1. There are no special interests between any of the candidates and the Company.
  2. Mr. Ryuji Hori, Mr. Tatsuya Tejima, Mr. Kamezo Nakai, and Ms. Junko Sasaki are candidates for the positions of Outside Directors.
  3. Mr. Ryuji Hori is currently an Outside Director of the Company. At the conclusion of this General Shareholders Meeting he will have served for six years.

4. Mr. Tatsuya Tejima is currently an Outside Director of the Company. At the conclusion of this General Shareholders Meeting he will have served for two years.
5. Mr. Kamezo Nakai is currently an Outside Director of the Company. At the conclusion of this General Shareholders Meeting he will have served for one year.
6. At Toho Zinc Co., Ltd., in which Mr. Tatsuya Tejima served as Representative Director until June 2017, it was discovered that a part of non-ferrous slag products shipped by the Annaka Smelter and Refinery in the past did not meet the soil environmental standards of the Soil Contamination Countermeasures Act.
7. Nomura Real Estate Development Co., Ltd., in which Mr. Kamezo Nakai served as Director until June 2017, received a corrective order and guidance from a labor standards office, concerning the operation of its discretionary labor system in December 2017.
8. Messrs. Ryuji Hori, Tatsuya Tejima, and Kamezo Nakai have entered into an agreement with the Company limiting their liability for damages in accordance with Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement follows the provisions of laws and regulations. The Company plans to continue the above agreement with Messrs. Ryuji Hori, Tatsuya Tejima, and Kamezo Nakai if they are reelected. The Company plans to conclude a similar agreement as the above with Ms. Junko Sasaki if she is elected and the maximum amount of liability under the agreement follows the provisions of laws and regulations.
9. The number of shares of the Company held includes the number of shares held through the Hanwa Directors Stock Ownership Plan.

### Proposal No. 3: Election of Three (3) Corporate Auditors

The terms of office of Corporate Auditors, Akihiko Ogasawara, Yasuo Naide, and Mitsuo Hirakata will expire at the conclusion of this General Shareholders Meeting. Consequently, shareholders are requested to elect three (3) Corporate Auditors. The Board of Corporate Auditors has previously given its approval for this proposal.

The candidates for Corporate Auditors are as follows:

No.	Name	Current positions at the Company	
1	Akihiko Ogasawara	Corporate Auditor (Full-time)	Reelection
2	Yasuo Naide	Corporate Auditor	Reelection Outside Corporate Auditor Independent Officer
3	Hideyuki Takahashi	-	New candidate Outside Corporate Auditor Independent Officer

No.	Name (Date of birth)	Brief career summary and positions at the Company (Significant concurrent positions)	
1	<p>Reelection</p> <p>Akihiko Ogasawara (September 30, 1953)</p> <p>■Number of shares of the Company held 10,122 shares</p> <p>■Attended 16 out of 16 meetings of Board of Directors (100%)</p> <p>■Attended 14 out of 14 meetings of Board of Corporate Auditors (100%)</p>	<p>April 1976</p> <p>April 2006</p> <p>June 2006</p> <p>April 2011</p> <p>April 2012</p> <p>April 2013</p> <p>June 2018</p>	<p>Joined the Company</p> <p>Appointed Corporate Officer in charge of Non-ferrous Metals, Metals &amp; Alloys and Special Metals &amp; Alloys and General Manager of Metals and Alloys Dept.</p> <p>Appointed Director</p> <p>Appointed Managing Director</p> <p>Appointed Director and Managing Executive Officer</p> <p>Appointed Director and Senior Managing Executive Officer</p> <p>Appointed Corporate Auditor (current position)</p>
<p>[Reason for the election of a candidate for the position of Corporate Auditor]</p> <p>Mr. Akihiko Ogasawara has been nominated for the position of Corporate Auditor because the Company believes that he can utilize his expertise, experience, and extensive knowledge of overall corporate management, gained through many years of his career in the non-ferrous metals business of the Company, and contribute to ensuring the Company's sound management as Corporate Auditor.</p>			



No.	Name (Date of birth)	Brief career summary and positions at the Company (Significant concurrent positions)
2	<p style="text-align: center;"> <span style="border: 1px solid black; padding: 2px;">Reelection</span>  <span style="border: 1px solid black; padding: 2px;">Outside Corporate</span>  <span style="border: 1px solid black; padding: 2px;">Auditor</span>  <span style="border: 1px solid black; padding: 2px;">Independent Officer</span> </p> <p style="text-align: center;">Yasuo Naide (August 14, 1946)</p> <p>■Number of shares of the Company held 48,200 shares</p> <p>■Attended 16 out of 16 meetings of Board of Directors (100%)</p> <p>■Attended 13 out of 14 meetings of Board of Corporate Auditors (92%)</p>	<p>April 1971      Joined Sumitomo Heavy Industries, Ltd.</p> <p>June 2001      Appointed Senior Vice President of Sumitomo Heavy Industries, Ltd.</p> <p>June 2003      Appointed Executive Vice President of Sumitomo Heavy Industries, Ltd. (Retired from the position in March 2007)</p> <p>December 2006   Appointed Representative Director and President of Sumitomo Heavy Industries Environment Co., Ltd. (Retired from the position in March 2010)</p> <p>April 2010      Appointed Representative Director and President of Sumitomo Heavy Industries Business Associates Co., Ltd. (Retired from the position in March 2012)</p> <p>June 2012      Appointed Corporate Auditor of the Company (current position)</p>
<p>[Reason for the election of a candidate for the position of Outside Corporate Auditor] Mr. Yasuo Naide has been nominated for the position of Corporate Auditor because the Company believes that he can utilize his extensive practical experience with heavy equipment manufacturers and his broad knowledge and experience gained through corporate management.</p> <p>[Matters concerning Independence] Mr. Yasuo Naide satisfies the “Independence Standards for Outside Officers” (stated on page 20) stipulated by the Company, and the Company has registered him as Independent Officer pursuant to the provisions of the Tokyo Stock Exchange, Inc. There are no special interests between Mr. Yasuo Naide and the Company and the Company judges that there is no factor affecting his independence as Outside Corporate Auditor.</p>		

No.	Name (Date of birth)	Brief career summary and positions at the Company (Significant concurrent positions)
3	<p data-bbox="295 573 459 600">New candidate</p> <p data-bbox="277 607 493 633">Outside Corporate</p> <p data-bbox="333 640 437 667">Auditor</p> <p data-bbox="268 674 494 701">Independent Officer</p> <p data-bbox="268 734 494 797">Hideyuki Takahashi (April 20, 1957)</p> <p data-bbox="268 831 494 925">■Number of shares of the Company held 0 shares</p>	<p data-bbox="518 248 1410 302">April 1980    Joined the Industrial Bank of Japan, Ltd. (currently Mizuho Bank, Ltd.)</p> <p data-bbox="518 309 1410 577">April 2012    Appointed Managing Executive Officer of Mizuho Financial Group, Inc. Appointed Managing Executive Officer of Mizuho Bank, Ltd. Appointed Managing Executive Officer of Mizuho Corporate Bank, Ltd. (Retired from the position in April 2013) Appointed Managing Executive Officer of Mizuho Trust &amp; Banking Co., Ltd. (Retired from the position in April 2014) Appointed President &amp; CEO of Mizuho Financial Strategy Co., Ltd. (Retired from the position in April 2014)</p> <p data-bbox="518 584 1410 638">June 2012    Appointed Executive Managing Director of Mizuho Financial Group, Inc.</p> <p data-bbox="518 645 1410 730">April 2013    Appointed Deputy President of Mizuho Financial Group, Inc. Appointed Deputy President and Executive Officer of Mizuho Bank, Ltd.</p> <p data-bbox="518 736 1410 857">Appointed Deputy President and Executive Officer of Mizuho Corporate Bank, Ltd. (Retired from the position in July 2013) Appointed Managing Executive Officer of Mizuho Securities Co., Ltd. (Retired from the position in April 2014)</p> <p data-bbox="518 864 1410 949">April 2014    Appointed Member of the Board of Directors of Mizuho Financial Group, Inc. (non-executive) (Retired from the position in June 2017)</p> <p data-bbox="518 956 1410 1010">June 2014    Appointed Member of the Board of Director of Mizuho Bank, Ltd. (non-executive) (Retired from the position in June 2017)</p> <p data-bbox="518 1016 1410 1070">June 2017    Appointed President and CEO of Mizuho Research Institute Ltd. (Retired from the position in June 2019)</p> <p data-bbox="518 1077 1410 1162">June 2019    Appointed Chairman of the Kyoritsu Co., Ltd. (current position) Appointed Outside Director of Sunshine City Corporation (current position)</p> <p data-bbox="518 1169 1410 1249">(Significant concurrent positions) Chairman of the Kyoritsu Co., Ltd. Outside Director of Sunshine City Corporation</p>
<p data-bbox="256 1256 1174 1283">[Reason for the election of a candidate for the position of Outside Corporate Auditor]</p> <p data-bbox="256 1290 1398 1435">Mr. Hideyuki Takahashi has expertise in banking and finance, cultivated through his many years of business experience at financial institutions, along with his abundant experience in corporate management and audit. He is newly nominated for the position of Outside Corporate Auditor because the Company believes that he can appropriately audit and supervise the Board of Directors of the Company by utilizing his knowledge and experience.</p> <p data-bbox="256 1442 639 1469">[Matters concerning Independence]</p> <p data-bbox="256 1476 1398 1615">Mr. Hideyuki Takahashi satisfies the “Independence Standards for Outside Officers” (stated on page 20) stipulated by the Company, and the Company intends to register him as Independent Officer pursuant to the provisions of the Tokyo Stock Exchange, Inc. There are no special interests between Mr. Hideyuki Takahashi and the Company and the Company judges that there is no factor affecting his independence as Outside Corporate Auditor.</p>		

- Notes:
1. There are no special interests between any of the candidate and the Company.
  2. Messrs. Yasuo Naide and Hideyuki Takahashi are candidates for the positions of Outside Corporate Auditors.
  3. Mr. Yasuo Naide is currently an Outside Corporate Auditor of the Company. At the conclusion of this General Shareholders Meeting he will have served for eight years.
  4. Messrs. Akihiko Ogasawara and Yasuo Naide has entered into an agreement with the Company limiting their liability for damages in accordance with Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability under the agreement follows the provisions of laws and regulations. The Company plans to continue the above agreement with Messrs. Akihiko Ogasawara and Yasuo Naide if they are reelected. The Company plans to conclude a similar agreement as the above with Mr. Hideyuki Takahashi if he is elected and the maximum amount of liability under the agreement follows the provisions of laws and regulations.

In accordance with Principle 4.9 of the Corporate Governance Code, stating that the Company should establish independence standards aimed at securing effective independence of outside officers (outside directors and outside corporate auditors), at a meeting of the Board of Directors held on September 26, 2017, the Company passed a resolution regarding “Independence Standards for Outside Officers” as follows.

#### Independence Standards for Outside Officers

When an outside officer (outside director and outside corporate auditor) of the Company does not fall under any of the following cases, he or she is judged independent from the Company.

1. A major shareholder of the Company (meaning a shareholder who holds either directly or indirectly 10% or more of the total voting rights of the Company at the end of the most recent fiscal year), or an executing person thereof.
2. A person belonging to or an executing person of a company of which the Company is a major shareholder (holding 10% or more of the total voting rights of the company at the end of the most recent fiscal year).
3. A major business partner of the Company (whose annual transaction with the Company exceeds 2% of the consolidated net sales of the Company during the most recent fiscal year), or an executing person thereof.
4. A major lender to the Company (whose outstanding loans to the Company at the end of most recent fiscal year exceeds 2% of the consolidated total net assets of the Company), or an executing person thereof.
5. A representative or an employee who belongs to the audit corporation that is the accounting auditor of the Company.
6. A consultant, legal professional, certified public accountant, tax accountant, or other person providing a specialist service who received more than 10 million yen of monetary consideration or other properties per year from the Company other than officer remuneration in the most recent fiscal year (referring to a person belonging to the organization if the one who received the relevant property is an organization such as corporation or association).
7. A person who received the annual total of more than 10 million yen of donations or aid funds from the Company in the most recent fiscal year (referring to an executing person who belongs to the organization if the one who received the relevant donations or aid funds is an organization such as corporation or association).
8. A person who falls under any of 1 to 7 above in the past three years
9. A person whose close relative falls under any of 1 to 8 above.

(Note 1.) An executing person refers to an executive director, executive officer, corporate officer, or staff executing business of an entity.

(Note 2.) A close relative means a relative within the second degree of kinship.

Even if a person falls under any of the above criteria, such person may be elected as a candidate for independent outside officer if the person satisfies the requirements of an outside director or an outside corporate auditor under the Companies Act, has specialization and experience necessary in view of the Company’s current situations and his/her knowledge and viewpoint are judged to be beneficial to the Company’s management, on the condition that the Company provides explanations to shareholders of the reasons of its judgement and the fact that the person satisfies the requirements of an independent outside officer.