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(Securities Code 8078)

June 1, 2023

**To Those Shareholders with Voting Rights:**

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

**NOTICE OF  
THE 76TH ORDINARY GENERAL SHAREHOLDERS MEETING**

Dear Shareholders:

You are cordially notified of the 76th Ordinary General Shareholders Meeting of Hanwa Co., Ltd. (“the Company”). The meeting will be held as described below.

Measures for electronic provision are applied for this General Shareholders Meeting. As information (electronic provision measures matters) which is reference materials for general shareholders meetings, etc. is posted on “4. Websites on which electronic provision measures matters are posted” later, please access it to confirm.

In place of attending the meeting in person, you may exercise your voting rights either via Internet or in writing. Please review the Reference Materials for the General Shareholders Meeting, which include contents of each proposal, and cast your vote by 5:00 p.m. on Thursday, June 22, 2023 Japan time according to the “Guide to Exercising Voting Rights” described on pages 3 and 4 of this document.

- 1. Date and Time:** Friday, June 23, 2023 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
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company’s 76th Fiscal Year (April 1, 2022 - March 31, 2023) 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 76th Fiscal Year (April 1, 2022 - March 31, 2023)
  - Proposals to be resolved:**
    - Proposal No. 1:** Appropriation of Surplus
    - Proposal No. 2:** Election of Twelve (12) Directors
    - Proposal No. 3:** Election of Two (2) Corporate Auditors
    - Proposal No. 4:** Determination of Remuneration for Granting Restricted Stock to Executive Directors
    - Proposal No. 5:** Revisions to Remuneration for Corporate Auditors
- 4. Websites on which electronic provision measures matters are posted**

The Company's website

<https://www.hanwa.co.jp/en/ir/stock/meeting.html>

Listed Company Search (Tokyo Stock Exchange's website)

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

Please enter the issue name (company name) "Hanwa" or securities code "8078" to search and select Basic information and Documents for public inspection/PR information.

Soukai Portal (Sumitomo Mitsui Trust Bank, Limited)

<https://www.soukai-portal.net> (only in Japanese)

Please scan QR code on the enclosed voting form, or enter your ID/initial password to access.

\*Each website may be temporarily inaccessible due to scheduled maintenance, etc. If you cannot access the website, please check the matters from a different website or try again later.

- In accordance with laws and regulations as well as Article 18 of the Company's Articles of Incorporation, the following items of matters which should be described on a document of electronic provision measures matters are posted on the Internet and therefore not included in this Notice.
  - 1) System to ensure the appropriateness of business activities (internal control system) and outline of the operating status of the system in the Business Report
  - 2) Notes to Consolidated Financial Statements 3) Notes to Non-Consolidated Financial StatementsAccordingly, information described on a document of electronic provision measures matters is parts of the Business Report, the Consolidated Financial Statements, and Non-Consolidated Financial Statements audited by the Corporate Auditors in order for the preparation of the Audit Report, and the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Accounting Auditor in order for the preparation of the Independent Auditor's Report.
- Revisions to electronic provision measures matters, if any, will be posted on each website by providing original and amended items.
- Please note that the notice of resolutions of this Ordinary General Shareholders Meeting will be posted on the Company's website (<https://www.hanwa.co.jp/en/>) instead of sending it via mail.

< Request to shareholders >

When attending the meeting, please consider your physical condition and the state of the COVID-19 infection on the day of the meeting and also consider exercising voting rights via Internet or in writing.

Any significant changes to the operation of the General Shareholders Meeting due to the spread of COVID-19 will be posted on the Company's website (<https://www.hanwa.co.jp/en/>).

## 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: Friday, June 23, 2023 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. In case your approval or disapproval of each proposal is not specified on the enclosed Voting Form, it is to be treated as approval.	Deadline for voting: By 5:00 p.m. on Thursday, June 22, 2023 Japan time (Arrival of Voting Forms)

Voting via Internet	
Please indicate your approval or disapproval of the proposals according to the guide on the following page. The “voting rights code” and “password” needed to submit votes via Internet are written on the Voting Form.	Deadline for voting: By 5:00 p.m. on Thursday, June 22, 2023 Japan time (Acceptance of entries)

### < Treatment of voting rights exercised repeatedly >

If a shareholder submits votes repeatedly, via Internet and in writing, 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 smartphone, only the last votes received will be treated as valid.

### < 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

### **Voting via Smart Phone, etc.**

1. Scan the QR Code on the Voting Form.  
\* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Click “To Exercise Voting Rights” on the first screen of Soukai Portal
3. The first screen of “Smart Vote®” appears. Then, please indicate your approval or disapproval according to the instructions on the screen.

### **Voting via PC, etc.**

Enter login ID/password written on the Voting Form on the URL below. After logged in, please indicate your approval or disapproval according to the instructions on the screen.

#### **Soukai Portal URL**

▶<https://www.soukai-portal.net>

Website for exercising voting rights is continuously available.

▶<https://www.web54.net>

#### Notes:

- To change the content of your vote after submission, “voting rights code” and “password” written on the Voting Form should be entered.
- The website is not available from 0:00 a.m. to 5:00 a.m. on the first Monday in January, April, July, and October due to system maintenance.

#### Inquiries

<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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## 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 76th 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 will make efforts for sustainable growth of the corporate value and pursue increases in the amount of dividend payments in the medium to long term.

Also, regarding the internal reserve, the Company will utilize it for the active investment in the enhancement of our management foundation, growth businesses and new businesses, and make efforts for further expansion of the Group.

Regarding the business results for the current fiscal year, the Company continued to set new records for both net sales and income as in the previous fiscal year, and the financial position and cash flows also improved. Considering these conditions comprehensively, the Company proposes a year-end dividend of ¥80 per share for the current fiscal 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 ¥80 per common share. The aggregate dividend will be ¥3,250,958,960. As the Company has already paid an interim dividend of ¥50 per share in December 2022, the annual dividend will be ¥130 per share for the current fiscal year.
(3) Effective date of dividend payment	June 26, 2023

## Proposal No. 2: Election of Twelve (12) Directors

The terms of office of all twelve (12) Directors will expire at the conclusion of this General Shareholders Meeting. Consequently, the Company proposes the election of twelve (12) Directors.

The candidates for Directors are as follows:

No.	Name	Current positions at the Company	
1	Yasumichi Kato	Representative Director and Chairman	Male Reelection
2	Yoichi Nakagawa	Representative Director and President	Male Reelection
3	Hidemi Nagashima	Director and Senior Managing Executive Officer	Male Reelection
4	Yasuharu Kurata	Director and Senior Managing Executive Officer	Male Reelection
5	Yasushi Hatanaka	Director and Senior Managing Executive Officer	Male Reelection
6	Yoichi Sasayama	Director and Senior Managing Executive Officer	Male Reelection
7	Ryuji Hori	Director	Male Reelection Outside Director Independent Officer
8	Tatsuya Tejima	Director	Male Reelection Outside Director Independent Officer
9	Kamezo Nakai	Director	Male Reelection Outside Director Independent Officer
10	Reiko Furukawa	Director	Female Reelection Outside Director Independent Officer
11	Keiji Matsubara	Director and Managing Executive Officer	Male Reelection
12	Hisashi Honda	Executive Officer	Male New candidate

No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)	
1	<p data-bbox="300 286 391 315">Male</p> <p data-bbox="300 322 422 351">Reelection</p> <p data-bbox="272 383 450 445">Yasumichi Kato (April 26, 1955)</p> <p data-bbox="236 477 486 568">■ Number of shares of the Company held 28,709 shares</p> <p data-bbox="236 600 486 721">■ Attended 17 out of 17 meetings of Board of Directors (100%)</p>	<p data-bbox="502 286 625 315">April 1978</p> <p data-bbox="502 322 625 351">April 2009</p> <p data-bbox="502 416 625 445">June 2010</p> <p data-bbox="502 452 625 481">April 2012</p> <p data-bbox="502 488 625 517">April 2016</p> <p data-bbox="502 524 625 553">April 2019</p> <p data-bbox="502 560 625 589">April 2021</p> <p data-bbox="502 595 625 624">April 2022</p> <p data-bbox="502 631 625 660">April 2023</p>	<p data-bbox="673 286 895 315">Joined the Company</p> <p data-bbox="673 322 1358 414">Appointed Corporate Officer In charge of Osaka HQ Steel Plates, Structural Steel Sheets and Steel Sheets Sales</p> <p data-bbox="673 421 884 450">Appointed Director</p> <p data-bbox="673 456 1241 486">Appointed Director and Managing Executive Officer</p> <p data-bbox="673 492 1318 521">Appointed Director and Senior Managing Executive Officer</p> <p data-bbox="673 528 1203 557">Appointed Director and Executive Vice President</p> <p data-bbox="673 564 1370 593">Appointed Representative Director and Executive Vice President</p> <p data-bbox="673 600 1262 629">Appointed Representative Director and Vice Chairman</p> <p data-bbox="673 636 1398 665">Appointed Representative Director and Chairman (current position)</p>
<p data-bbox="236 734 954 763">[Reason for the election of a candidate for the position of Director]</p> <p data-bbox="236 770 1378 907">Since joining the Company, Mr. Yasumichi Kato has been mainly involved in the steel sheets business under Steel Division, and he has served as Representative Director and Vice Chairman since 2022, and he has served as Representative Director and Chairman since April 2023. He has been nominated for the position of Director because the Company believes that he can utilize his many years of management experience at the Company, and supervise comprehensively the future management of the Company.</p>			

No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)	
2	<p style="text-align: center;">Male Reelection</p> <p>Yoichi Nakagawa (August 14, 1961)</p> <p>■ Number of shares of the Company held 8,104 shares</p> <p>■ Attended 17 out of 17 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>April 2022</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</p> <p>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. Yoichi Nakagawa has been mainly involved in the Accounting and Finance Divisions. He served as Director and Executive Officer from 2015, responsible for Accounting and Finance, and served as Director and Senior Managing Executive Officer since 2017, and has been serving as Representative Director and President since April 2022. He has been nominated for the position of Director because the Company believes that he can contribute to further enhancement of corporate value of the Company and strengthen its management foundation by utilizing his high level of knowledge, his global expertise and extensive business experience cultivated over the twelve years of his assignment in the U.S., and his extensive management experience.</p>			
3	<p style="text-align: center;">Male Reelection</p> <p>Hidemi Nagashima (February 15, 1960)</p> <p>■ Number of shares of the Company held 17,384 shares</p> <p>■ Attended 17 out of 17 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>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>[Current responsibility] 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>			

No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)	
4	<p style="text-align: center;"><u>Male</u> <u>Reelection</u></p> <p style="text-align: center;">Yasuharu Kurata (September 12, 1959)</p> <p>■ Number of shares of the Company held 2,808 shares</p> <p>■ Attended 17 out of 17 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>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>[Current responsibilities] In charge of Energy Division, Food Division, Life Living Materials Division, New Business Development Office, Metal Recycling Division and Primary Metal Division</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 Energy &amp; Living Materials 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>
5	<p style="text-align: center;"><u>Male</u> <u>Reelection</u></p> <p style="text-align: center;">Yasushi Hatanaka (August 30, 1960)</p> <p>■ Number of shares of the Company held 7,530 shares</p> <p>■ Attended 17 out of 17 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>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>[Current responsibilities] 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)	
6	<p data-bbox="261 266 432 331"><u>Male</u> <u>Reelection</u></p> <p data-bbox="261 367 485 432">Yoichi Sasayama (November 8, 1961)</p> <p data-bbox="261 456 496 555">■ Number of shares of the Company held 2,755 shares</p> <p data-bbox="261 584 485 703">■ Attended 16 out of 17 meetings of Board of Directors (94%)</p>	<p data-bbox="517 266 639 293">April 1984</p> <p data-bbox="517 300 639 327">April 2012</p> <p data-bbox="517 394 639 421">April 2014</p> <p data-bbox="517 427 639 454">April 2017</p> <p data-bbox="517 461 639 488">June 2017</p> <p data-bbox="517 495 639 521">April 2021</p> <p data-bbox="501 551 767 577">[Current responsibilities]</p>	<p data-bbox="719 266 932 293">Joined the Company</p> <p data-bbox="719 300 1378 387">Appointed Corporate Officer In charge of Tokyo HQ Steel Sheets, and General Manager of Steel Sheets Dept.</p> <p data-bbox="719 394 1023 421">Appointed Executive Officer</p> <p data-bbox="719 427 1139 454">Appointed Managing Executive Officer</p> <p data-bbox="719 461 1283 488">Appointed Director and Managing Executive Officer</p> <p data-bbox="719 495 1362 544">Appointed Director and Senior Managing Executive Officer (current position)</p> <p data-bbox="501 577 1378 640">In charge of Tokyo HQ Steel Plates &amp; Sheets Division, Niigata Branch Office and Lumber &amp; Plywood Division</p>
<p data-bbox="245 710 963 736">[Reason for the election of a candidate for the position of Director]</p> <p data-bbox="245 743 1394 1008">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 had been serving as Director and Managing Executive Officer since 2017, and he has been serving as Director and Senior Managing Executive Officer since April 2021. 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, Niigata Branch Office and Lumber &amp; Plywood Division 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)
7	<p style="text-align: center;"> <span style="border: 1px solid black; padding: 2px;">Male</span>  <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 1,814 shares</p> <p>■ Attended 17 out of 17 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) 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 and overview of expected roles] 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 expects that he can provide advice on the Company's management decisions and supervision towards the Company's 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;">Male</span>  <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 3,851 shares</p> <p>■ Attended 17 out of 17 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 and overview of expected roles] 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 expects that with his noble character and deep insight, he can provide advice on the Company's management decisions and supervision towards the Company's 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 0.4% 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;">Male</span>  <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 3,169 shares</p> <p>■ Attended 17 out of 17 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. (Retired from the position in September 2020) Appointed Outside Director of DSB Co., Ltd. (Retired from the position in March 2021)</p> <p>November 2018 Appointed Outside Director of BIC CAMERA INC. (Retired from the position in November 2020)</p> <p>June 2019    Appointed Director of the Company (current position)</p> <p>December 2020 Appointed Representative Director of Kinmiraisekkei Co., Ltd. (Retired from the position in May 2023)</p> <p>April 2021    Appointed Advisor of DSB Co., Ltd. (Retired from the position in March 2022)</p> <p>June 2022    Appointed Outside Director of TAIHEI Engineering Co., Ltd. (current position)</p> <p>(Significant concurrent positions) Outside Director of TAIHEI Engineering Co., Ltd.</p>
<p>[Reason for the election of a candidate for the position of Outside Director and overview of expected roles] 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 expects that he can provide advice on the Company's management decisions and supervision towards the Company's 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. There are no special interests between Mr. Kamezo Nakai 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)	
10	<p data-bbox="261 266 485 398"> <span style="border: 1px solid black; padding: 2px;">Female</span>  <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 data-bbox="261 432 485 495">Reiko Furukawa (February 12, 1959)</p> <p data-bbox="261 521 485 618"> <span style="display: inline-block; width: 1em; height: 1em; background-color: black; margin-right: 0.5em;"></span>           Number of shares of the Company held            125 shares         </p> <p data-bbox="261 680 485 801"> <span style="display: inline-block; width: 1em; height: 1em; background-color: black; margin-right: 0.5em;"></span>           Attended 14 out of 14 meetings of Board of Directors (100%)         </p>	<p data-bbox="517 266 632 293">April 1981</p> <p data-bbox="517 300 632 327">April 2007</p> <p data-bbox="517 392 632 418">April 2009</p> <p data-bbox="517 425 632 452">April 2011</p> <p data-bbox="517 495 632 521">April 2014</p> <p data-bbox="517 564 632 591">July 2017</p> <p data-bbox="517 633 632 660">June 2022</p>	<p data-bbox="719 266 1380 293">Joined Nippon Univac Kaisha, Ltd. (currently BIPROGY Inc.)</p> <p data-bbox="719 300 1380 392">Appointed General Manager of Industries Development Department of Nihon Unisys Excelutions, Ltd. (currently UEL Corporation)</p> <p data-bbox="719 398 1380 425">Appointed Executive Officer of Nihon Unisys Excelutions, Ltd.</p> <p data-bbox="719 432 1380 488">Appointed General Manager of Outsourcing Planning Department of UNIADEX, Ltd.</p> <p data-bbox="719 495 1380 551">Appointed General Manager of Quality Assurance Department of UNIADEX, Ltd.</p> <p data-bbox="719 557 1380 613">Appointed Full-time Auditor of UNIADEX, Ltd. (Retired from the position in June 2021)</p> <p data-bbox="719 620 1380 712">Appointed Director of the Company (current position) Appointed External Audit &amp; Supervisory Board Member of NHK Spring Co., Ltd. (current position)</p> <p data-bbox="517 712 1380 768">(Significant concurrent positions) External Audit &amp; Supervisory Board Member of NHK Spring Co., Ltd.</p>
<p data-bbox="245 808 1380 987">           [Reason for the election of a candidate for the position of Outside Director and overview of expected roles]            Ms. Reiko Furukawa has profound insight supported by her many years of varied experience in business, management, audits, etc., at a large corporate group for information systems. She has been nominated for the position of Outside Director because the Company expects that she can provide advice on the Company's management decisions and supervision towards the Company's business execution from a practical and objective perspective, especially in the areas of information systems and internal control.         </p> <p data-bbox="245 994 1380 1164">           [Matters concerning Independence]            Ms. Reiko Furukawa satisfies the "Independence Standards for Outside Officers" (stated on page 20) stipulated by the Company, and the Company has registered her as Independent Officer pursuant to the provisions of the Tokyo Stock Exchange, Inc. There are no special interests between Ms. Furukawa and the Company and the Company judges that there is no factor affecting her independence as Outside Director.         </p>			

No.	Name (Date of birth)	Brief career summary, positions and job responsibilities at the Company (Significant concurrent positions)
11	<p data-bbox="261 266 485 333"> <input type="checkbox"/> Male  <input checked="" type="checkbox"/> Reelection </p> <p data-bbox="261 367 485 434">Keiji Matsubara (November 9, 1960)</p> <p data-bbox="261 456 485 568"> <input checked="" type="checkbox"/> Number of shares of the Company held  7,651 shares </p> <p data-bbox="261 591 485 703"> <input checked="" type="checkbox"/> Attended 17 out of 17 meetings of Board of Directors (100%) </p>	<p data-bbox="517 266 1385 333"> April 1983    Joined the Company  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 data-bbox="517 456 1385 568"> April 2015    Appointed Executive Officer  April 2018    Appointed Managing Executive Officer  June 2020    Appointed Director and Managing Executive Officer (current position) </p> <p data-bbox="517 591 1385 703"> [Current responsibilities]  In charge of Tokyo HQ Steel Plates Dept., Machinery Division, Wire Products &amp; Special Steel Division of all offices and East Asia </p>
<p data-bbox="245 714 1385 947"> [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 six years since 2013, he has been serving as Director and Managing Executive Officer since 2020. 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 Dept., Machinery Division, Wire Products &amp; Special Steel Division of all offices and East Asia 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>Male New candidate</p> <p>Hisashi Honda (November 30, 1968)</p> <p>■ Number of shares of the Company held 1,429 shares</p>	<p>March 1991    Joined the Company</p> <p>April 2021    Appointed Corporate Officer In charge of Information System Dept., Sales Accounting Dept., Trade Administration Dept., General Manager of Sales Accounting Dept. and Trade Administration Dept.</p> <p>April 2022    Appointed Executive Officer (current position)</p> <p>[Current responsibilities] In charge of administration divisions</p>
	<p>[Reason for the election of a candidate for the position of Director] Since joining the Company, Mr. Hisashi Honda has been mainly involved in steel structure marketing business under Steel Division. After being Corporate Officer and Executive Officer in charge of multiple administration divisions, such as information system, accounting, and finance, he has been serving as Executive Officer in charge of the administration divisions since April 2023. He has been nominated for the position of Director because the Company believes that he can appropriately fulfill his duties as Director by utilizing not only his extensive business experience cultivated over operating divisions but also broad perspective and experience over both operating and administration divisions.</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. Reiko Furukawa 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 nine 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 five 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 four years.
  6. Ms. Reiko Furukawa is currently an Outside Director of the Company. At the conclusion of this General Shareholders Meeting, she will have served for one year.
  7. Messrs. Ryuji Hori, Tatsuya Tejima and Kamezo Nakai and Ms. Reiko Furukawa 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 them if they are reelected.
  8. The Company has concluded a Directors and Officers liability insurance agreement with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. This insurance agreement covers damages arising from liability borne by the insured in the course of execution of their duties or claims pertaining to the pursuit of such liability, as well as expenses incurred in dealing with suspected violations of laws and regulations, or claims pertaining to the pursuit of such liability. The candidates will be included as the insured in said insurance agreement.
  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 Two (2) Corporate Auditors

The terms of office of Corporate Auditor Katsunori Okubo will expire at the conclusion of this General Shareholders Meeting, and Corporate Auditor Akihiko Ogasawara will resign at the conclusion of this General Shareholders Meeting. Consequently, shareholders are requested to elect two (2) 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	Yoshimasa Ikeda	Executive Officer	Male New candidate
2	Katsunori Okubo	Corporate Auditor	Male Reelection Outside Corporate Auditor Independent Auditor

No.	Name (Date of birth)	Brief career summary and positions at the Company (Significant concurrent positions)
1	<p>Male New candidate</p> <p>Yoshimasa Ikeda (December 18, 1961)</p> <p>■ Number of shares of the Company held 5,357 shares</p>	<p>April 1984    Joined the Company</p> <p>April 2015    Appointed Corporate Officer In charge of Legal &amp; Credit Dept. and General Manager of Osaka HQ Legal &amp; Credit Dept.</p> <p>April 2016    Appointed Executive Officer (current position)</p>
		<p>[Reason for the election of a candidate for the position of Corporate Auditor]</p> <p>Since joining the Company, Mr. Yoshimasa Ikeda has been mainly involved in Legal Credit Dept. and served as Executive Officer from 2016. He has been nominated for the position of Corporate Auditor because the Company believes that he can contribute to ensuring the soundness of the Company's management as Corporate Auditor utilizing extensive knowledge in the business of the Company's administration divisions, mainly risk management, such as Legal and Credit, cultivated through his many years of experience.</p>

No.	Name (Date of birth)	Brief career summary and positions at the Company (Significant concurrent positions)
2	<p style="text-align: center;">Male Reelection Outside Director Independent Officer</p> <p style="text-align: center;">Katsunori Okubo (August 5, 1954)</p> <p>■ Number of shares of the Company held 4,809 shares</p> <p>■ Attended 17 out of 17 meetings of Board of Directors (100%)</p> <p>■ Attended 12 out of 12 meetings of Board of Corporate Auditors (100%)</p>	<p>April 1978    Joined Sumitomo Bank (currently Sumitomo Mitsui Banking Corporation)</p> <p>April 2006    Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>April 2010    Managing Executive Officer, Sumitomo Mitsui Banking Corporation (Retired from the position in April 2013)</p> <p>May 2013     Advisor, Sumitomo Mitsui Banking Corporation (Retired from the position in August 2018)</p> <p>June 2014    Appointed Corporate Auditor (current position)</p>
<p>[Reason for the election of a candidate for the position of Outside Corporate Auditor] Mr. Katsunori Okubo has expertise and extensive knowledge cultivated through his many years of business experience at a financial institution, along with his considerable international experience. He has been nominated for the position of Outside Corporate Auditor because the Company expects that he can audit the Company's management from a global perspective.</p> <p>[Matters concerning Independence] Mr. Katsunori Okubo 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. Katsunori Okubo 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 candidates and the Company.
  2. Mr. Katsunori Okubo is a candidate for the position of Outside Corporate Auditor.
  3. Mr. Katsunori Okubo is currently an Outside Corporate Auditor of the Company. At the conclusion of this General Shareholders Meeting he will have served for nine years.
  4. Mr. Yoshimasa Ikeda will be elected as a substitute for Corporate Auditor Akihiko Ogasawara. Therefore, his term of office will be the period until the conclusion of the 77th Ordinary General Shareholders Meeting to be held in June 2024 in accordance with the provisions of the Company's Articles of Incorporation.
  5. Mr. Katsunori Okubo has entered into an agreement with the Company limiting his 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 Mr. Katsunori Okubo if he is reelected. If Mr. Yoshimasa Ikeda is elected, the Company plans to enter into the same agreement with him and the maximum amount of liability under the agreement follows the provisions of laws and regulations.
  6. The Company has concluded a Directors and Officers liability insurance agreement with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. This insurance agreement covers damages arising from liability borne by the insured in the course of execution of their duties or claims pertaining to the pursuit of such liability, as well as expenses incurred in dealing with suspected violations of laws and regulations, or claims pertaining to the pursuit of such liability. The candidates will be included as the insured in said insurance agreement.
  7. The number of shares of the Company held includes the number of shares held through the Hanwa Directors Stock Ownership Plan.

[Reference (1)]

If Proposal No. 2 and Proposal No. 3 are approved as originally proposed, skills of the Directors and Corporate Auditors after the General Shareholders Meeting will be as follows.

Name	Position	Corporate management	Sales/ Business strategy	Overseas experience	Finance/ Accounting	Legal affairs/Risk management	Human resources/ Labor affairs	IT/Digital
Yasumichi Kato	Representative Director and Chairman	●	●					
Yoichi Nakagawa	Representative Director and President	●		●	●	●	●	
Hidemi Nagashima	Director and Senior Managing Executive Officer	●	●					
Yasuharu Kurata	Director and Senior Managing Executive Officer	●	●	●				
Yasushi Hatanaka	Director and Senior Managing Executive Officer	●	●	●				
Yoichi Sasayama	Director and Senior Managing Executive Officer	●	●	●				
Ryuji Hori	Outside Director	●	●			●	●	
Tatsuya Tejima	Outside Director	●	●		●	●	●	
Kamezo Nakai	Outside Director	●	●		●	●	●	●
Reiko Furukawa	Outside Director	●				●		●
Keiji Matsubara	Director and Managing Executive Officer	●	●	●				
Hisashi Honda	Director and Executive Officer	●	●		●		●	●
Hideo Kawanishi	Corporate Auditor (Full-time)	●	●					
Yoshimasa Ikeda	Corporate Auditor (Full-time)	●				●		●
Yasuo Naide	Outside Corporate Auditor	●	●	●				
Katsunori Okubo	Outside Corporate Auditor	●	●	●	●			
Hideyuki Takahashi	Outside Corporate Auditor	●			●	●		●

Note: "Sales/Business Strategy" means the skills or experiences related to the Company's business.

[Reference (2)]

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.

#### **Proposal No. 4: Determination of Remuneration for Granting Restricted Stock to Executive Directors**

The amount of remuneration, etc. for Directors of the Company was approved at the 59th Ordinary General Shareholders Meeting held on June 29, 2006, at an amount not exceeding 860 million yen per year. For the purpose of providing Directors, including Directors to be appointed in the future with incentives to continuously improve the Company's corporate value and to further promote value sharing with shareholders, the Company proposes to newly provide remuneration for granting restricted stock to Directors of the Company (hereinafter referred to as the "Eligible Directors"), separately from the above remuneration framework.

The remuneration to be provided for granting restricted stock under this proposal shall be monetary remuneration claims, and the total amount shall be within 150 million yen per year as an amount considered to be appropriate based on the above purpose.

The details of the allocation to each Director shall be decided by the Board of Directors after deliberation by the Remuneration Advisory Committee, whose majority of the members are outside directors and outside corporate auditors who are Independent Officers.

Currently, there are twelve (12) Directors of the Company (including four (4) Outside Directors), and if Proposal No. 2 is approved as originally proposed, the number and breakdown of Directors will remain the same, and the number of the Eligible Directors will be eight (8).

Based on the resolution of the Board of Directors, the Eligible Directors deliver all such monetary remuneration claims provided by this proposal as property contributed in kind for the issuance or disposal of shares of common stock of the Company. The total number of shares of common stock of the Company to be issued or disposed pursuant to this proposal shall not exceed 50,000 shares per year. (However, after the date on which this proposal is approved, if a reverse stock split or stock split (including gratis allotment of common stock of the Company) of the common stock of the Company is implemented and the adjustment of the total number of common stock of the Company issued or disposed as restricted stock is required, the above maximum number shall be adjusted within a reasonable range). The amount to be paid per share shall be determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board of Directors resolution (or the closing price of the immediately preceding business day if no transactions were made on that date), to the extent not particularly favorable to the Eligible Directors. For the issuance or disposal of shares of common stock of the Company by this proposal, the Company and the Eligible Directors shall enter into a restricted stock allotment agreement (hereinafter the "Allotment Agreement") that includes the following details.

- (1) With respect to the shares of common stock of the Company allotted under the Allotment Agreement (hereinafter the "Allotted Shares"), the Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of the Allotted Shares (hereinafter the "Transfer Restriction") for a period from the date of delivery of the restricted stock to the date on which the Eligible Director forfeits his or her position as Director of the Company or other position determined by the Board of Directors of the Company (hereinafter the "Transfer Restriction Period").
- (2) If the Eligible Director forfeits any of the positions specified in (1) above before the expiration of the period specified by the Board of Directors of the Company (hereinafter the "Service Provision Period"), the Company shall naturally acquire the Allotted Shares without consideration unless there is a reason deemed justifiable by the Board of Directors of the Company.
- (3) The Company shall lift the Transfer Restriction of all the Allotted Shares upon the expiration of the Transfer Restriction Period, provided that the Eligible Director has continuously held the position of Director of the Company or other position determined by the Board of Directors of the Company during the Service Provision Period. However, if the Eligible Director forfeits any of the positions specified in (1) above before the expiration of the Service Provision Period, the number of the Allotted Shares and the timing for which the Transfer Restriction shall be lifted shall be reasonably adjusted as necessary.
- (4) The Company shall naturally acquire without consideration any of the Allotted Shares for which the Transfer Restriction has not been lifted pursuant to the provisions of (3) above at the time of the expiration of the Transfer Restriction Period.
- (5) In the event that a merger agreement under which the Company becomes a dissolving company, a share

exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary, or other matters relating to organizational restructuring, etc., are approved by the General Shareholders Meeting of the Company (or the Board Directors of the Company in cases where approval by the General Shareholders Meeting of the Company is not required for the organizational restructuring, etc.) during the Transfer Restriction Period, the Company shall, by a resolution of its Board of Directors, lift the Transfer Restriction of a reasonably determined number of the Allocated Shares prior to the effective date of such organizational restructuring, etc.

- (6) In the case stipulated in (5) above, the Company shall naturally acquire without consideration the Allotted Shares for which the Transfer Restriction has not yet been lifted as of the time immediately after the lifting of the Transfer Restriction in accordance with the provisions of (5) above.
- (7) The Allotment Agreement shall include the methods of indicating intention and notification under the Allotment Agreement, the procedures to revise the Allotment Agreement, and any other matters to be determined by the Board of Directors of the Company.

The Company defined the policy for determination of remuneration, etc., for Directors at the Board of Directors held on February 22, 2021, and the summary is posted on page 40 of the Business Report in the Japanese version of this document. If this proposal is approved, the Company plans to revise the policy and the contents will be as described in [Reference (2)]. As the above, the amount to be paid for the restricted stock shall be an amount to the extent not particularly favorable and thus the extent of the dilution with regards to voting rights of issued shares is immaterial. Therefore, the Company believes that the contents of this proposal are appropriate.

[Reference (1)]

The Company plans to implement the system to grant restricted stock to Executive Officers who are not concurrently Directors of the Company on condition that the proposal is approved at this General Shareholders Meeting, as same as this proposal.

[Reference (2)]

Overview of revision of policies for determining the amounts of the individual Directors' remuneration, etc.

1. Basic Policy

The basic policy of the Company's remuneration system for Directors is to ensure that it functions sufficiently as an incentive for the sustainable enhancement of corporate value and that it is at an appropriate level based on the responsibilities of each position when remuneration of each Director is determined. Specifically, the remuneration of Executive Directors consists of monetary basic remuneration and performance-linked remuneration, as well as non-monetary remuneration provided by shares. Outside Directors, who are responsible for supervisory functions, are paid only the basic remuneration in consideration of their duties.

2. Policy for determining the amount of the individual remuneration, etc., of the basic remuneration (including the policies regarding the period of providing the remuneration, etc., and the decision of conditions)

Basic remuneration for Directors shall be a monthly fixed amount of money. The amount of Basic remuneration for Executive Directors shall be determined taking into consideration the comprehensive evaluation of Directors made by the Officers Evaluation Committee based on the standard amount of remuneration for each position determined by consideration of other companies' standard, our business performance, employee's salary range, etc. The amount of remuneration for Outside Directors shall be determined considering other companies' standard, etc.

3. Details of the performance indicators related to performance-linked remuneration, etc., and policy of determining the amount and calculation method of the number for this performance-linked remuneration (including the policies regarding the period of providing the remuneration, etc., and the decision of conditions)

Performance-linked remuneration for Executive Directors shall be deemed as remuneration for the responsibility of the result of the performance for each fiscal year that the management team has accomplished as a whole, as each Director will receive monetary remuneration that reflects the

performance indicators (KPI) of a single fiscal year. The officers' bonuses will be paid at a certain period each year by the amount calculated according to the amount of Ordinary income in the Consolidated Statements of Income and Comprehensive Income for each fiscal year. The Board of Directors approves performance-linked remuneration calculation method based on the review by the Remuneration Advisory Committee.

4. Details of the non-monetary remuneration and policy of determining the amount and number for this non-monetary remuneration (including the policies regarding the period of providing the remuneration, etc., and the decision of conditions)

The purpose of non-monetary remuneration for Executive Directors is to grant an incentive for the sustainable enhancement of corporate value in the medium- to long-term, and this remuneration shall be paid at a certain period each year in principle, within the scope approved by the General Shareholders Meeting. Non-monetary remuneration shall be paid in a fixed amount or number for each position of Executive Directors, and the amount or number shall be decided every year by the Remuneration Advisory Committee in consideration of other companies' standard, our business performance, stock price levels, etc., and based on the report from the Committee.

5. Policy for determining the ratio of the basic remuneration and performance-linked remuneration amounts against the individual remuneration amount of Directors

In determining the ratio of remuneration for Executive Directors by type, the Remuneration Advisory Committee reviews the ratio of basic monetary remuneration, performance-linked remuneration, and non-monetary remuneration, referring to the values in the table below, and also considering the level of remuneration based on the benchmarks of companies in the same scale of business, related industries and business categories as the Company. The Board of Directors shall approve the individual remuneration of Directors taking into consideration the report of the Remuneration Advisory Committee.

Position	Basic remuneration	Performance-linked remuneration (upper limit)	Non-monetary remuneration
Director and Chairman/Director and President	8	6	2
Director and Vice Chairman	8	6	2
Director and Executive Vice President	9	7	2
Director and Senior Managing Executive Officer	9	8	2
Director and Managing Executive Officer	10	10	2
Director and Executive Officer	14	14	2

\*The above table presents the approximate ratio of individual remuneration for directors of each position, and does not present the ratio of remuneration among directors in different positions.

6. Matters determining details of the individual remuneration of Directors.

With regard to details of the individual remuneration of Directors, with an emphasis on their attitude toward medium- and long-term issues aimed at sustainable growth and the results of their efforts, the Officers Evaluation Committee chaired by the President performs a comprehensive evaluation of each officer based on an assessment of the level of commitment from each officer and a peer review process by all directors and executive officers. The results of the evaluation provided by the Officers Evaluation Committee are used by the Remuneration Advisory Committee, whose majority of the members are outside directors and outside corporate auditors, to draft and submit a regular salary plan as basic remuneration to the Board of Directors to approve it. In terms of the officers' bonuses, it shall be determined based on the calculation method of performance-linked remuneration described in 3. above. In terms of non-monetary remuneration, it shall be determined based on the method of determining the number of each position or the number as described in 4. above, respectively.

### **Proposal No. 5: Revisions to Remuneration for Corporate Auditors**

The amount of remuneration for Corporate Auditors of the Company was approved at the 62nd Ordinary General Shareholders Meeting held on June 26, 2009, at an amount not exceeding 80 million yen per year. As our business has expanded, the duties of Corporate Auditors who audit the execution of duties by Directors have also expanded. Furthermore, as the Company enhances its corporate governance, the roles expected of Corporate Auditors are becoming more complex and essential, such as Corporate Auditors stating appropriate and detailed opinions at meetings of the Board of Directors and performing audit functions proactively. In light of these circumstances and the change of environment around the Company, the Company proposes to revise the upper limit of remuneration for Corporate Auditors to within 120 million yen per year. Currently, there are five (5) Corporate Auditors (including three (3) Outside Corporate Auditors), and if Proposal No. 3 is approved as originally proposed, the number of the Eligible Corporate Auditors will be five (5) (including three (3) Outside Corporate Auditors).