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(Stock Exchange Code 5471)
(June 3, 2026)

To Shareholders with Voting Rights:

Tetsuya Shimizu,
President and Representative Executive Director
Daido Steel Co., Ltd.
1-10, Higashisakura 1-chome, Higashi-ku, Nagoya,
Aichi, Japan

NOTICE OF THE 102ND ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

This is to inform you that the 102nd Annual General Meeting of Shareholders of Daido Steel Co., Ltd. (the “Company”) will be held for the purposes as described below.

When convening the General Meeting of Shareholders, the Company takes measures for providing information in electronic format. Items for which measures for providing information in electronic format will be taken, such as the “NOTICE OF THE 102ND ANNUAL GENERAL MEETING OF SHAREHOLDERS” and “Other Items Subject to Measures for Electronic Provision of 102nd Annual General Meeting of Shareholders (Items Excluded from the Delivered Paper-based Documents)” can be found on the following websites.

The Company’s website:

<https://www.daido.co.jp/en/ir/stock/meeting/index.html> (in English)

In addition to the above, the documents can also be found on the following websites.

TSE website (Listed Company Search):

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

On the above TSE website, please input the issue name (Daido Steel) or the securities code (5471) and click “Search.” Then select “Basic information” and navigate to the “Documents for public inspection/PR information” tab.

If you don’t attend the meeting, you may exercise your voting rights in advance by either of the following methods. Please review the Reference Documents for the Annual General Meeting of Shareholders in the items subject to measures for electronic provision and exercise your voting rights by no later than 4:00 p.m. on Wednesday, June 24, 2026 (JST).

[Exercise of voting rights via the Internet, etc.]

Please access the website designated by the Company (<https://www.web54.net>) (in Japanese) and enter your approval or disapproval of each proposal before the above voting deadline by following the instructions provided in the website.

[Exercise of voting rights in writing]

Please indicate your approval or disapproval on the voting rights exercise form and return it so that it arrives by the above-mentioned deadline.

- 1. Date and Time** Thursday, June 25, 2026, at 10:00 a.m. (JST)
(Reception starts at 9:00 a.m.)
- 2. Place** The 2nd Floor Hall at Nagoya Chamber of Commerce and Industry located at
10-19, Sakae 2-chome, Naka-ku, Nagoya, Aichi, Japan

3. Meeting Agenda

Matters to be reported:

1. The Business Report and Consolidated Financial Statements for the Company's 102nd Business Term (from April 1, 2025 to March 31, 2026), as well as the results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 102nd Business Term (from April 1, 2025 to March 31, 2026)

Proposals to be resolved:

- Proposal No. 1** Appropriation of Surplus
- Proposal No. 2** Election of Eight Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal No. 3** Election of Three Directors Who Are Audit & Supervisory Committee Members
- Proposal No. 4** Election of One Substitute Director Who Is an Audit & Supervisory Committee Member
- Proposal No. 5** Payment of Bonuses to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

4. Others

- (1) Of the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and the Articles of Incorporation of the Company, the following matters are not provided in the documents to be delivered to shareholders who have requested written delivery. The Accounting Auditor and the Audit & Supervisory Committee have audited the documents subject to audit, including the following matters.
 - (i) System and Operation Status for Ensuring Proper Business Operations and Basic Policy Regarding Control of the Company in the Business Report
 - (ii) Consolidated Statement of Changes in Equity and Consolidated Notes in the Consolidated Financial Statements
 - (iii) Statement of Changes in Equity and Non-consolidated Notes in the Non-consolidated Financial Statements
- (2) If voting rights are not exercised in writing to indicate either approval or disapproval for each proposal, it will be considered as an indication of approval.
- (3) If voting rights are exercised in duplicate by both mailing the document and via the Internet, etc., the exercise of voting rights via the Internet, etc., will be considered valid.
- (4) For shareholders who wish to have diverse exercise of voting rights, please give notice along with the reason in writing at least three days prior to the date of the Annual General Meeting of Shareholders.

(Notice) Any changes to the items subject to measures for electronic provision will be posted on the Company's website and the TSE website mentioned above.

(Request) When attending on the day of the meeting, please submit your voting rights exercise form to the reception desk at the venue.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The intention of the Company's surplus dividend policy is to ensure stable profit returns. Therefore, the Company carefully considers consolidated business results and dividend payout ratios in order to meet shareholder expectations. Regarding the year-end dividend for the current fiscal year, the Company proposes the following in line with the Company's basic policy and based on a careful consideration of the financial situation and business results for the whole year.

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property to shareholders and their aggregate amount
¥27 per common share of the Company
Total payment: ¥5,406,455,025
- (3) Effective date of dividends of surplus
(June 26, 2026)

Proposal No. 2 Election of Eight Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

As the terms of office of all nine Directors will expire at the end of this Annual General Meeting of Shareholders, the Company proposes the reduction of members by one to improve management efficiency, and the election of eight Directors (excluding Directors who are Audit & Supervisory Committee Members; the same shall apply in this proposal).

The candidates for Director are as follows: These candidates were selected after review by the Nomination and Remuneration Committee of which the majority is composed of independent outside Directors.

(For reference) If Proposals No. 2 and No. 3 are adopted as proposed, the proportion of independent outside Directors will be 45.5% (5 out of 11 Directors), and the proportion of female Directors will be 18.2% (2 out of 11 Directors), representing increases in both ratios compared with the previous composition.

Candidate No.	Name	Current position in the Company	
1	Takeshi Ishiguro	Chairperson of the Board of Directors, Representative Executive Director	
2	Tetsuya Shimizu	President & CEO, Representative Executive Director	
3	Toshiaki Yamashita	Representative Executive Director, Executive Vice President	
4	Tatsushi Iwata	Director, Managing Executive Officer	
5	Tadayuki Kashima	Director, Managing Executive Officer	
6	Noriyuki Hiramitsu	Director	Outside Independent
7	Mutsuko Jinbo	Director	Outside Independent
8	Noriko Kawakami	—	Outside Independent New appointment

Candidate for Director

Candidate No.	Name (Date of birth)	Career summary and positions and responsibilities in the Company	Number of the Company's shares owned
1	Takeshi Ishiguro (January 15, 1957)	<p>Apr. 1980 Joined Daido Steel Co., Ltd.</p> <p>July 2002 General Manager, Sales Department 1, Steel Business Division</p> <p>June 2004 General Manager, Steel Sales Department, Steel Business Division</p> <p>June 2006 General Manager, Steel Planning and Management Department, Steel Business Division</p> <p>June 2008 General Manager, Corporate Planning Department</p> <p>June 2009 Director and General Manager, Corporate Planning Department</p> <p>Apr. 2012 Director</p> <p>June 2012 Managing Director</p> <p>June 2013 Managing Director, General Manager, Specialty Steel Products Division, and General Manager, Specialty Steel Bar & Wire Business Division</p> <p>June 2014 Representative Director and Vice President, General Manager, Tokyo Head Office, and General Manager, Specialty Steel Products Division</p> <p>June 2015 Representative Executive Director, Executive Vice President and General Manager, Tokyo Head Office</p> <p>June 2016 President & CEO, Representative Executive Director</p> <p>June 2023 Chairperson of the Board of Directors, Representative Executive Director (current position)</p> <p>[Significant concurrent positions outside the Company] Outside Director of TYK Corporation</p>	71,350 shares
<p>Reasons for nomination as candidate for Director</p> <p>He has been involved in the management of the Company for many years since his appointment to the Board of Directors in 2009. He led the management of Daido Steel Group (the "Group") as Representative Executive Director and President for seven years from 2016. In order to sustainably improve the Company's corporate value, the Company nominates Takeshi Ishiguro as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and positions and responsibilities in the Company	Number of the Company's shares owned
2	Tetsuya Shimizu (November 7, 1962)	<p>Apr. 1985 Joined Daido Steel Co., Ltd.</p> <p>July 2008 General Manager, Advanced Materials R&D Department, Specialty Steel Research Center, R&D Division</p> <p>June 2010 General Manager, Specialty Steel Research Center, R&D Division</p> <p>Oct. 2014 General Manager, Material Solutions Department, Forged Products Division</p> <p>June 2016 Executive Officer and General Manager, Material Solutions Department</p> <p>Apr. 2017 Executive Officer and General Manager, Corporate Research & Development Center</p> <p>Apr. 2019 Executive Officer and General Manager, Corporate Planning Department</p> <p>Apr. 2020 Managing Executive Officer and General Manager, Corporate Planning Department</p> <p>June 2020 Director, Managing Executive Officer and General Manager, Corporate Planning Department</p> <p>June 2021 Director, Managing Executive Officer and General Manager, Functional Products Business Division</p> <p>Apr. 2022 Representative Executive Director, Executive Vice President, General Manager, Functional Products Business Division, and General Manager, Tokyo Head Office</p> <p>Apr. 2023 Representative Executive Director, Executive Vice President</p> <p>June 2023 President & CEO, Representative Executive Director (current position)</p>	45,680 shares
<p>Reasons for nomination as candidate for Director</p> <p>He was appointed as President and Representative Executive Director in 2023, and has led the management of our Group. Going forward, the Group will need to proceed with product portfolio reforms in order to respond to major changes in the external environment. In order to realize an improvement in the Company and Group's sustainable corporate values through his knowledge and leadership skills, the Company nominates Tetsuya Shimizu as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and positions and responsibilities in the Company	Number of the Company's shares owned
3	Toshiaki Yamashita (January 20, 1964)	<p>Apr. 1986 Joined Daido Steel Co., Ltd.</p> <p>Apr. 2012 General Manager, Automobile Sales Department, Specialty Steel Bar & Wire Division, Specialty Steel Products Division</p> <p>June 2015 General Manager, Tokyo Sales Department, Automobile Business Unit</p> <p>June 2016 General Manager, Automobile Business Unit</p> <p>Apr. 2017 Executive Officer and General Manager, Corporate Planning Department</p> <p>Apr. 2019 Executive Officer and General Manager, Automobile Business Unit</p> <p>Apr. 2020 Managing Executive Officer and General Manager, Automobile Business Unit</p> <p>June 2020 Director, Managing Executive Officer and General Manager, Automobile Business Unit</p> <p>June 2021 Director, Managing Executive Officer and General Manager, Specialty Steel Business Division</p> <p>Apr. 2023 Director, Managing Executive Officer and General Manager, Specialty Steel Business Division, General Manager, Tool Steel Business Division, and General Manager, Tokyo Head Office</p> <p>June 2023 Representative Executive Director, Executive Vice President, and General Manager, Specialty Steel Business Division, General Manager, Tool Steel Business Division, and General Manager, Tokyo Head Office</p> <p>Jan. 2024 Representative Executive Director, Executive Vice President, General Manager, Specialty Steel Business Division, and General Manager, Tokyo Head Office</p> <p>Apr. 2024 Representative Executive Director, Executive Vice President and General Manager, Tokyo Head Office (current position)</p> <p>[Responsibilities] Assistant to the President Supervisor of all marketing & sales departments Sales Management Department</p> <p>[Significant concurrent positions outside the Company] Director of FUJI OOZX Inc.</p>	33,380 shares
<p>Reasons for nomination as candidate for Director</p> <p>He has extensive sales and marketing know-how from being engaged in sales for many years. He also has a wide range of knowledge from his experience as General Manager, Corporate Planning Department. In order to reflect Toshiaki Yamashita's market responsiveness in the midst of major changes in the Company's product strategy, such as our response to vehicle electrification, onto our management, we nominate him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary and positions and responsibilities in the Company	Number of the Company's shares owned	
4	Tatsushi Iwata (October 13, 1964)	Apr. 1987	Joined Daido Steel Co., Ltd.	29,645 shares
		June 2014	General Manager, Global Business Division	
Apr. 2017	General Manager, Automobile Business Unit			
Apr. 2018	Executive Officer and General Manager, Automobile Business Unit			
Apr. 2019	Executive Officer and General Manager, Planning Department for Affiliates			
June 2021	Managing Executive Officer and General Manager, Planning Department for Affiliates			
Apr. 2022	Managing Executive Officer			
Jan. 2023	Managing Executive Officer and General Manager, Corporate Planning Department			
Apr. 2023	Managing Executive Officer			
June 2023	Director, Managing Executive Officer (current position)			
[Responsibilities] Corporate Planning Department, ESG Management Department, Planning Department for Affiliates, Finance & Accounting Department, and Internal Control (Financial Instruments and Exchange Act)				
Reasons for nomination as candidate for Director He has extensive knowledge with regard to global business. In recent years, he has been intimately involved in the management of the Group as the officer in charge of the Corporate Planning Department. The Company nominates Tatsushi Iwata as a candidate for Director to further promote our key focus areas of global business and ESG management.				
5	Tadayuki Kashima (July 22, 1964)	Apr. 1987	Joined Daido Steel Co., Ltd.	28,445 shares
		July 2010	Deputy General Manager, Chita Plant, Specialty Steel Business Division	
June 2014	General Manager, Procurement Department			
June 2015	General Manager, Technical Planning & Administration Department			
Apr. 2018	Executive Officer and General Manager, Chita Plant			
June 2021	Managing Executive Officer and General Manager, Specialty Steel Production Division			
Apr. 2023	Managing Executive Officer and General Manager, Production Division			
June 2023	Director, Managing Executive Officer and General Manager, Production Division (current position)			
[Responsibilities] Supervisor of the Production Department Advanced Manufacturing Department, Procurement Department, Superalloy Manufacturing Process Transformation Project				
Reasons for nomination as candidate for Director He has extensive knowledge of manufacturing technology. Going forward, the Group will need to accelerate its response to carbon neutrality and further strengthen its high-performance products. The Company therefore nominates Tadayuki Kashima as a candidate for Director as we need to further develop our manufacturing technology.				

Candidate No.	Name (Date of birth)	Career summary and positions and responsibilities in the Company	Number of the Company's shares owned
6	<div style="text-align: center;"> Outside Independent Noriyuki Hiramitsu (October 15, 1966) </div>	Apr. 1991 Joined Nippon Steel Corporation Apr. 2016 General Manager, Head of Div., Production & Technical Control Division, Nagoya Works, Nippon Steel & Sumitomo Metal Corporation Apr. 2018 General Manager, Vice Head of Works, Nagoya Works Apr. 2020 Executive Officer, Head of Center, Plant Engineering and Facility Management Center, Nippon Steel Corporation Apr. 2023 Managing Executive Officer, Head of Works, Nagoya Works (current position) June 2023 Director of Daido Steel Co., Ltd. (current position) [Significant concurrent positions outside the Company] Managing Executive Officer of Nippon Steel Corporation [Tenure as Director of the Company] 3 years	0 shares
<p>Reasons for nomination as candidate for outside Director and expected roles Noriyuki Hiramitsu is a candidate for outside Director. Mr. Hiramitsu has abundant experience and insight as an executive of a major company in the steel industry. The Company expects that he will share appropriate advice and ideas on Company management at Board of Directors meetings, Nomination and Remuneration Committee and other such meetings based on his experience, and therefore renominates him as a candidate for outside Director.</p> <p>Independence The Company has designated Noriyuki Hiramitsu as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange. Although the Company has sales transactions with Nippon Steel Corporation, where he is currently an executive, it accounts for less than 1% of the Company's sales, so it is not considered as interfering with his independence.</p>			

Candidate No.	Name (Date of birth)	Career summary and positions and responsibilities in the Company	Number of the Company's shares owned
7	<div style="text-align: center;"> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Outside</div> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Independent</div> Mutsuko Jinbo (August 23, 1953) </div>	Mar. 1992 Received a doctorate in engineering from Nagoya University Apr. 1996 Assistant Professor of Materials Engineering Laboratory, Daido Institute of Technology Apr. 2001 Professor of School of Engineering Apr. 2017 Director of Daido Educational Institutions Apr. 2017 President of Daido University June 2019 Director of Daido Steel Co., Ltd. (current position) Apr. 2023 Adviser of Daido Educational Institutions Apr. 2023 Research Fellow, Graduate School of Engineering, National University Corporation Mie University (current position) Jan. 2025 Executive Trustee and Vice President, National University Corporation Toyohashi University of Technology (current position) [Tenure as Director of the Company] 7 years	0 shares
<p>Reasons for nomination as candidate for outside Director and expected roles Mutsuko Jinbo is a candidate for outside Director. Although Ms. Jinbo has never been involved with company management, she has been involved with management as a director of an educational foundation and president of a university. She has been active as a professor for many years and has a wide range of experience and insight. The Company expects that she will share appropriate advice and ideas on Company management and product development at Board of Directors meetings, Nomination and Remuneration Committee and other such meetings based on her experience, and therefore renominates her as a candidate for outside Director.</p> <p>Independence The Company has designated Mutsuko Jinbo as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange. Mutsuko Jinbo served as a Director of the Daido Educational Institutions, which is a recipient of donations from the Company, but she has resigned from this position in March 2023. Moreover, there is no investment relationship with the said institution, and the amount of the donations is less than 1% of the total income of the institution, and therefore, is not considered as interfering with her independence.</p>			

Candidate No.	Name (Date of birth)	Career summary and positions and responsibilities in the Company	Number of the Company's shares owned
8	<div style="text-align: center;"> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">New appointment</div> Noriko Kawakami (June 17, 1959) </div>	Apr. 1982 Joined Tokyo Shibaura Electric Co., Ltd. (currently Toshiba Corporation) Apr. 2003 Manager, Power Electronics Division, Toshiba Corporation Oct. 2003 Seconded to Toshiba Mitsubishi-Electric Industrial Systems Corporation (currently TMEIC Corporation) Oct. 2005 Transferred to TMEIC Corporation Oct. 2015 Senior Fellow, Power Electronics Systems Division, TMEIC Corporation (current position) Jan. 2018 Fellow, Institute of Electrical and Electronics Engineers (IEEE) June 2024 Outside Director, NGK INSULATORS, LTD. (currently NGK Corporation) Mar. 2026 Part-time Advisor, Daido Steel Co., Ltd. (current position) [Significant concurrent positions outside the Company] Senior Fellow, Power Electronics Systems Division, TMEIC Corporation Outside Director, NGK Corporation [Tenure as Director of the Company] - years	4,000 shares
<p>Reasons for nomination as candidate for outside Director and expected roles</p> <p>Noriko Kawakami is a candidate for outside Director. Ms. Kawakami has been engaged for many years in product development in the field of power electronics and possesses extensive experience and expertise in the energy and digital sectors. She also has experience serving as outside Director at other companies and possesses sound knowledge of corporate management. The Company expects that she will share appropriate advice and ideas on Company management and product development at Board of Directors meetings, Nomination and Remuneration Committee and other such meetings based on her experience, and therefore nominates her as a candidate for outside Director.</p> <p>Independence</p> <p>If the election of Noriko Kawakami is approved, the Company plans to appoint her as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange. Although the Company has transactions involving the purchase of electrical equipment for manufacturing facilities with TMEIC Corporation, where she is currently an executive, it accounts for less than 1% of TMEIC's sales, so it is not considered as interfering with her independence.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The Company has entered into an agreement with Noriyuki Hiramitsu and Mutsuko Jinbo to limit their liability to the minimum amount required by law as stipulated in Article 423, Paragraph 1 of the Companies Act. If the reelection of Noriyuki Hiramitsu and Mutsuko Jinbo are approved, this agreement will be continued.
 3. If the election of Noriko Kawakami is approved, the Company plans to enter into an agreement with her to limit her liability to the minimum amount required by law as stipulated in Article 423, Paragraph 1 of the Companies Act.
 4. The Company has entered into a liability insurance policy for directors and officers, with an insurance company to cover damages that arise when an insured person is liable due to the execution of his or her duties or receives a claim in carrying out such responsibilities. However, there are exemptions. For example, no compensation is made for damages caused by willful misconduct or gross negligence. Each Director will become an insured person under such policy upon his or her election. Moreover, the Company plans to renew such insurance policy in the middle of their terms of office.

[Audit & Supervisory Committee Opinion]

The Audit & Supervisory Committee considered the election of Directors (excluding Directors who are Audit & Supervisory Committee Members) based on the Code of Audit & Supervisory Committee Auditing and Supervising Standards, taking into consideration that appropriate procedures, including deliberations by the Nomination and Remuneration Committee, had been completed. As a result, there were no matters of particular note regarding the election of the Directors (excluding Directors who are Audit & Supervisory Committee Members).

Proposal No. 3 Election of Three Directors Who Are Audit & Supervisory Committee Members

As the terms of office of all three Directors who are Audit & Supervisory Committee Members will expire at the end of this Annual General Meeting of Shareholders, the Company proposes the election of three Directors who are Audit & Supervisory Committee Members.

The Audit & Supervisory Committee has approved this proposal.

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

Candidates for Directors who are Audit & Supervisory Committee Members

Candidate No.	Name (Date of birth)	Career summary and positions and responsibilities in the Company	Number of the Company's shares owned
1	Tetsuya Niwa (July 31, 1966)	Apr. 1989 Joined Daido Steel Co., Ltd. June 2015 General Manager, Finance & Accounting Department Apr. 2020 Executive Officer and General Manager, Finance & Accounting Department June 2021 Executive Officer and General Manager, Corporate Planning Department Jan. 2023 Executive Officer and General Manager, ESG Management Department June 2025 Director, Full-time Audit & Supervisory Committee Member (current position)	13,615 shares
Reasons for nomination as Director who is an Audit & Supervisory Committee Member In addition to corporate planning as well as accounting and finance, he has extensive knowledge in the non-financial field of ESG management. In carrying out appropriate auditing and supervision of the Company's management, Tetsuya Niwa has the knowledge necessary to further strengthen corporate governance. Therefore, the Company nominates him as a candidate for Director who is an Audit & Supervisory Committee Member.			

Candidate No.	Name (Date of birth)	Career summary and positions and responsibilities in the Company	Number of the Company's shares owned
2	<div style="text-align: center;"> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> Ryuichiro Ono (December 25, 1964) </div>	Apr. 1988 Joined The Tokai Bank, Limited May 2013 Managing Director, Head of Corporate Banking Division No.4 of The Bank of Tokyo-Mitsubishi UFJ, Ltd. May 2016 Managing Director, Head of Credit Division June 2016 Executive Officer, Managing Director, Head of Credit Division May 2018 Executive Officer and Senior Superintendent of MUFG Bank, Ltd. June 2018 Advisor of Mitsubishi UFJ Research and Consulting Co., Ltd. June 2018 Director and Senior Managing Executive Officer June 2024 Director, Full-time Audit & Supervisory Committee Member (current position) [Tenure as Director of the Company] 2 years	0 shares
<p>Reasons for nomination as candidate for outside Director and expected roles Ryuichiro Ono is a candidate for outside Director. He has served financial institutions in senior management positions for many years and has broad experience and insight in management. The Company expects that he will perform appropriate auditing and supervision of the Company's management based on his experience, and therefore nominates him as a candidate for outside Director who is an Audit & Supervisory Committee Member.</p> <p>Independence The Company has designated Ryuichiro Ono as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange. Mr. Ono was an executive officer of MUFG Bank, Ltd. (the "Bank"), which is a lender to the Company. However, since it has been eight years since his retirement from that position, and borrowings from the Bank account for about 16% of our total borrowings, the Bank has no influence over the Company. While there are non-recurring transactions such as ad hoc outsourcing with Mitsubishi UFJ Research and Consulting Co., Ltd. for which he served as an executive officer until June 2024, they account for less than 1% of that company's sales. Therefore, we see no issues with his independent status.</p>			

Candidate No.	Name (Date of birth)	Career summary and positions and responsibilities in the Company	Number of the Company's shares owned
3	<div style="text-align: center;"> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> Kenji Matsuo (June 22, 1949) </div>	Apr. 1973 Joined Meiji Life Insurance Company July 2001 Director and General Manager, Real Estate Investment Department Apr. 2005 Managing Director of Meiji Yasuda Life Insurance Company Dec. 2005 President July 2006 President July 2013 Director, Representative Executive Officer July 2013 Representative Executive Officer July 2013 Senior Adviser June 2017 Audit & Supervisory Board Member of Daido Steel Co., Ltd. Apr. 2022 Honorary Advisor of Meiji Yasuda Life Insurance Company (current position) June 2022 Director, Audit & Supervisory Committee Member (current position) [Tenure as Director of the Company] 4 years	0 shares
<p>Reasons for nomination as candidate for outside Director and expected roles Kenji Matsuo is a candidate for outside Director. He has served financial institutions in senior management positions for many years and has broad experience and insight in management. The Company expects that he will perform appropriate auditing and supervision of the Company's management based on his experience, and therefore continue to nominate him as a candidate for outside Director who is an Audit & Supervisory Committee Member.</p> <p>Independence The Company has designated Kenji Matsuo as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange. Mr. Matsuo was an executive officer of Meiji Yasuda Life Insurance Company, which is a lender to the Company. However, since it has been 13 years since his retirement from that position, and borrowings from it account for about 6% of our total borrowings, it does not have influence over the Company.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The Company has entered into an agreement with Ryuichiro Ono and Kenji Matsuo to limit their liability to the minimum amount required by law as stipulated in Article 423, Paragraph 1 of the Companies Act. If Ryuichiro Ono and Kenji Matsuo are reelected, this agreement will be continued.
 3. The Company has entered into a liability insurance policy for directors and officers, with an insurance company to cover damages that arise when an insured person is liable due to the execution of his or her duties or receives a claim in carrying out such responsibilities. However, there are exemptions. For example, no compensation is made for damages caused by willful misconduct or gross negligence. Each Director will become an insured person under such policy upon his or her election. Moreover, the Company plans to renew such insurance policy in the middle of their terms of office.

(Reference) Skills Matrix

If Proposals No. 2 and No. 3 are approved and adopted as proposed, the skills of the Company's Directors will be as follows: Please note that the knowledge and experience of each Director is not limited to the items on the list.

Position	Name	Business Management	ESG Management	Manufacturing Technology / R&D	Sales	Finance / Accounting	IT / DX Strategy	Overseas Business	Legal / Compliance
Directors	Takeshi Ishiguro	○	○		○			○	
	Tetsuya Shimizu	○	○	○				○	
	Toshiaki Yamashita	○			○				
	Tatsushi Iwata	○	○		○	○		○	
	Tadayuki Kashima	○		○					
	Noriyuki Hiramitsu	○		○			○		
	Mutsuko Jinbo			○					○
	Noriko Kawakami			○			○	○	
Audit & Supervisory Committee Members	Tetsuya Niwa		○			○			○
	Ryuichiro Ono	○			○	○			
	Kenji Matsuo	○	○		○	○			

Note: In the above chart, ○ is indicated based on the knowledge and experience held by Directors.

Proposal No. 4 Election of One Substitute Director Who Is an Audit & Supervisory Committee Member

To prepare for a shortage of Directors who are Audit & Supervisory Committee Members according to the legally required amount, we propose the election of one substitute Director who is an Audit & Supervisory Committee Member.

The Audit & Supervisory Committee has approved this proposal.

The candidate for substitute Director who is an Audit & Supervisory Committee Member is as follows:

Candidate for substitute Director who is an Audit & Supervisory Committee Member

Name (Date of birth)	Career summary and positions and responsibilities in the Company	Number of the Company's shares owned
<p style="text-align: center;"> Outside Independent Nobuyasu Kawabe (May 25, 1965) </p>	<p>Apr. 1992 Joined Chuo Audit Corporation July 1995 Registered as an attorney at law and joined Fuji Law Office Apr. 1999 Established Kawabe Law Office (now Kawabe Kato Law Office) (current position) June 2020 Substitute Audit & Supervisory Board Member of Daido Steel Co., Ltd. June 2022 Substitute Director who is an Audit & Supervisory Committee Member (current position)</p>	<p>5,000 shares</p>
<p>Reasons for nomination as candidate for substitute outside Director who is an Audit & Supervisory Committee Member and expected roles Nobuyasu Kawabe is a candidate for substitute outside Director who is an Audit & Supervisory Committee Member. Although Mr. Kawabe has no experience in company management, he does have broad experience and insight in corporate legal affairs gained from his many years as an attorney. The Company expects that he will perform appropriate auditing and supervision of the Company's management based on his experience, and therefore nominates him as a candidate for substitute outside Director who is an Audit & Supervisory Committee Member.</p>		

- Notes:
1. There is no special interest between Nobuyasu Kawabe and the Company.
 2. If Nobuyasu Kawabe is appointed as a Director who is an Audit & Supervisory Committee Member, the Company plans to enter into an agreement with him to limit his liability to the minimum amount required by law as stipulated in Article 423, Paragraph 1 of the Companies Act.
 3. If Nobuyasu Kawabe is appointed as a Director who is an Audit & Supervisory Committee Member, the Company plans to designate him as an independent officer according to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange.
 4. The Company has entered into a liability insurance policy for directors and officers, with an insurance company to cover damages that arise when an insured person is liable due to the execution of his or her duties or receives a claim in carrying out such responsibilities. However, there are exemptions. For example, no compensation is made for damages caused by willful misconduct or gross negligence. If Nobuyasu Kawabe is appointed as a Director who is an Audit & Supervisory Committee Member, he will be covered by this insurance policy.

Proposal No. 5 Payment of Bonuses to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

Considering business results for the current fiscal year among other factors, the Company proposes to pay a total of ¥121.180 million in bonuses to the six Directors (excluding Directors who are Audit & Supervisory Committee Members and outside Directors; the same shall apply in this proposal) incumbent as of the end of the current period.

We believe that this proposal is appropriate regarding the amount of bonuses to be paid to Directors, because it has been decided by the Board of Directors according to the policy for remuneration decided upon at the Board of Directors meeting (as described in Business Report 4. Matters Concerning Company Officers (4) Remuneration, etc. for Directors for the Current Fiscal Year (i) Matters Concerning Policy for Determination of Individual Remuneration of Directors (excluding Directors who are Audit & Supervisory Committee Members)), and with the ratio of performance-linked compensation to total remuneration and other factors taken into consideration, after consulting with the Nomination and Remuneration Committee of which the majority is composed of independent outside Directors.

[Audit & Supervisory Committee Opinion]

The Audit & Supervisory Committee considered the payment of bonuses to Directors (excluding Directors who are Audit & Supervisory Committee Members and outside Directors) based on the Code of Audit & Supervisory Committee Auditing and Supervising Standards, taking into consideration that appropriate procedures, including deliberations by the Nomination and Remuneration Committee, had been completed. As a result, there were no matters of particular note regarding the payment of bonuses of the Directors (excluding Directors who are Audit & Supervisory Committee Members and outside Directors).