

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

<Code Number 6794>
June 3, 2025

To Our Shareholders with Voting Rights

Kazuhiro Kishi, CEO
Foster Electric Company, Limited
1-1-109, Tsutsujigaoka, Akishima City, Tokyo

NOTICE OF THE 91ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

We hereby inform you of the 91st Ordinary General Meeting of Shareholders of Foster Electric Company, Limited (the “Company”), to be held as follows.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the following websites. Please access either of the following websites by using the internet addresses shown below to review the information.

[The Company’s website]

https://www.foster.co.jp/investors/shareholder_info/meeting.html (in Japanese)

[Tokyo Stock Exchange’s website (Listed Company Search)]

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

Access the TSE website by using the internet address shown above, enter “Foster Electric” in “Issue name (company name)” or the Company’s securities code “6794” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”

[The website for informational materials for the General Meeting of Shareholders]

<https://d.sokai.jp/6794/teiiji/> (in Japanese)

You can exercise your voting rights by using the Internet or in writing; so please read the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights in accordance with the “Guidance on Exercising Voting Rights” (in Japanese only), by no later than the closing time of our daily business hours (5:15 p.m.) on Tuesday, June 24, 2025 (Japan Time).

1. Date and Time: Wednesday, June 25, 2025 at 10:00 a.m. (Japan Time)

2. Place: Main Hall (1st Floor), Foster Electric Company, Limited, 1-1-109, Tsutsujigaoka, Akishima City, Tokyo

3. Agenda of the Meeting

Matters to be reported:

1. The Business Report and Consolidated Financial Statements for the 91st Fiscal Year (from April 1, 2024 to March 31, 2025) and results of audit on the Consolidated Financial Statements by the Financial Auditor and the Board of Corporate Auditors.
2. Standalone Financial Statements for the 91st Fiscal Year (from April 1, 2024 to March 31, 2025)

Matters to be resolved:

Proposal 1:	Dividends of Surplus
Proposal 2:	Amendment to the Articles of Incorporation
Proposal 3:	Election of Eight (8) Directors
Proposal 4:	Election of One (1) Corporate Auditor
Proposal 5:	Partial Revision of the Stock Compensation Plan for Directors and Executive Officers

4. Others

- (1) If you attend the meeting, please show the Exercise Voting Rights Form at the reception of the meeting upon arrival.
- (2) If you exercise your voting rights by proxy, you may nominate one (1) shareholder with a voting right as a proxy to attend the meeting, provided that a document verifying the proxy right of the person representing you must be submitted.
- (3) We send out documents that include items for which measures for providing information in electronic format are to be taken to shareholders who have made a request for delivery of paper-based documents; however, such documents do not include the following matters as provided for by the provisions of laws and regulations and Article 15, paragraph (2) of the Articles of Incorporation of the Company:
 - “Structure and Policy of the Company” in the Business Report
 - “Notes to the Consolidated Financial Statements”
 - “Notes to the Standalone Financial Statements”

The Business Report, the Consolidated Financial Statements and the Standalone Financial Statements in the documents are part of the Business Report and the Consolidated and Standalone Financial Statements that were audited by the Financial Auditor and Corporate Auditors of the Company when preparing the Financial Auditor’s Report and the Corporate Auditors’ Report.
- (4) If you exercised your voting rights in duplicate through the Internet and in writing, the vote by the Internet will be validated. If you exercised your voting rights multiple times, the vote you exercised last will be validated.
- (5) Any voting right exercised without indicating approval or disapproval for a particular proposal will be counted as a vote for approval of the proposal.
- (6) On the day of the meeting, our executives and employees will be dressed casually without neckties (“Cool Biz”).
- (7) If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company’s aforementioned website, the TSE website (Listed Company Search) and the website for informational materials for the General Meeting of Shareholders.
- (8) An English translation of the Notice of the 91st Ordinary General Meeting of Shareholders is posted on the corporate website (<https://www.foster-electric.com/investors/meeting/index.html>).

About the platform for exercising voting rights electronically

In addition to the voting methods of in writing and through the Internet as described above, institutional investors may exercise their voting rights electronically by using the platform operated by ICJ, Inc.

Guidance on Livestreaming

The following livestream of the General Meeting of Shareholders will be available for those shareholders who cannot attend the meeting.

It is not possible to exercise voting rights, ask questions, or submit motions during the livestream.

Please exercise your voting rights in advance using the Internet or in writing.

Please use the following website to watch the meeting:

Date and Time of Livestream:	Wednesday, June 25, 2025, from 10:00 a.m. until the conclusion of the General Meeting of Shareholders
	The livestream page can be accessed from approximately 30 minutes prior to the start of the General Meeting of Shareholders (9:30 a.m.).
Livestream URL	https://www.virtual-sr.jp/users/foster2025/login.aspx (in Japanese)
ID	Shareholder number (indicated on the Exercise Voting Rights Form)
Livestream password	(Omitted)

Notes:

- Only shareholders may view the presentation.
- Depending on your equipment and network environment, it may not be possible to access the livestream.
- Telecommunication charges for accessing the Company's website and the livestream are paid by shareholders themselves.
- To watch the livestream comfortably on smartphones or tablets, use of Wi-Fi is recommended.
- The camera will be set at the back of the venue to avoid showing the faces of shareholders, but some shareholders' faces may inevitably be shown. In addition, please be advised that the voices of shareholders who ask questions or make comments in the meeting will be broadcast live.
- Please refrain from taking pictures, recording, saving, or posting on social media.
- If any change in the meeting plans arises, we will inform you via the corporate website:
URL: <https://www.foster.co.jp/> (in Japanese)
- A part of this Ordinary General Meeting of Shareholders will be delivered after the meeting on the Company's website. The above live stream password is required to view the video.

Contact for inquiries regarding on-screen operation of the livestream, viewing problems, etc.

TEL: +81-42-546-2305

Hours: Weekdays 9:00 a.m. to 12:00 p.m., 1:30 p.m. to 5:00 p.m.

However, on the day of the General Meeting of Shareholders, hours will be from 9:30 a.m. to the conclusion of the General Meeting of Shareholders.

* For inquiries regarding viewing problems, etc., only.

Please note that we are unable to respond to any other inquiries.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Dividends of Surplus

The Company regards the enhancement of corporate value as a major management issue and maintains a basic policy of comprehensively improving shareholders' interest by distributing profits that are commensurate with the Company's business results and enhancing internal reserves from a long-term viewpoint.

We propose a year-end dividend of ¥40 per share for the fiscal year under review, while comprehensively considering our business results for the year as well as the management environment, etc. Accordingly, since the Company paid an interim dividend of ¥20 per share, the annual total of dividend for the fiscal year under review will be ¥60 per share.

Matters related to year-end dividends

(1) Type of dividend property

Cash

(2) Allotment of dividend property to shareholders and the total amount

¥40 per share of common stock of the Company Total amount: ¥896,515,960

(3) Effective date of dividends of surplus

June 26, 2025

Proposal 2: Amendment to the Articles of Incorporation

1. Reason for amendment

The Company proposes to change Directors' terms of office from two (2) years to one (1) year in order to further clarify Directors' management responsibility, establish a management structure that can promptly respond to changes in the business environment, and increase opportunities for shareholder confidence.

2. Details of amendment









Details of the amendment are as follows:

(Underlined parts represent amendments.)	
Current	Proposed amendment
(Term of Office of Directors) Article 20 1 The term of office of a Director shall expire at the conclusion of the ordinary general meeting of shareholders for the last business year out of the business years terminating within <u>two (2) years</u> after his/her election. 2 Directors' terms of office elected to increase the number of Directors or to substitute Directors shall expire at the end of the terms of office of incumbent Directors.	(Term of Office of Directors) Article 20 1 The term of office of a Director shall expire at the conclusion of the ordinary general meeting of shareholders for the last business year out of the business years terminating within <u>one (1) year</u> after his/her election. 2 Directors' terms of office elected to increase the number of Directors or to substitute Directors shall expire at the end of the terms of office of incumbent Directors.

Proposal 3: Election of Eight (8) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. We therefore propose that eight (8) Directors be elected.

The candidates for Director are as follows:

No.	Name	Gender	Attribute	Attendance rate at meetings of the Board of Directors	Number of years in office
1	 Kazuhiro Kishi	[Male]	[Reelection]	100% (12 out of 12 times)	16 years
2	 Akihito Mochizuki	[Male]	[Reelection]	100% (12 out of 12 times)	2 years
3	 Hiroki Miura	[Male]	[Reelection]	100% (12 out of 12 times)	4 years
4	 Yasuhide Takahara	[Male]	[Reelection]	100% (10 out of 10 times)	1 year
5	 Naoki Kanai	[Male]	[Reelection]	100% (10 out of 10 times)	1 year
6	 Minoru Matsumoto	[Male]	[Reelection] [Outside] [Independent]	100% (12 out of 12 times)	10 years
7	 Kaoru Chujo	[Female]	[Reelection] [Outside] [Independent]	100% (12 out of 12 times)	4 years
8	 Yoshito Ezure	[Male]	[New election] [Outside] [Independent]	—	—

New election: Candidate for new Director

Reelection: Candidate for Director to be reelected

Outside: Candidate for Outside Director

Independent: Independent Director as required by stock exchanges and other institutions

Directors Skill Matrix


To establish an effective corporate governance system for sustainable growth, the Company nominates Directors with wide ranging business experience and diverse expertise and knowledge.


The skill matrix of the Company's Directors in case Proposal 3 is approved as proposed is presented below.

Name	Corporate management	International experience/ Global business	Sales/ Marketing	Manufacturing (Production/ Quality)	Technology/ Development	Finance	Legal/Risk management	Sustainability including environment	IT/DX	Industry knowledge
Kazuhiro Kishi	●	●	●					●		●
Akihito Mochizuki	●	●	●			●	●	●	●	
Hiroki Miura	●	●		●	●			●		●
Yasuhide Takahara		●	●					●		●
Naoki Kanai	●	●	●	●				●		●
Minoru Matsumoto		●				●				
Kaoru Chujo	●	●			●			●	●	
Yoshito Ezure	●	●	●							●

Reasons for selection of each item in the Skill Matrix

Skill	Reason for selection
Corporate management	In order to evaluate and judge opportunities and risks across a wide range of businesses and achieve sustainable growth through appropriate investments, skills such as abundant management experience to respond to various changes in the business environment, solid knowledge, experience, and track record in corporate management, and a broad perspective that includes other fields are required.
International experience/ Global business	Such knowledge and experience are necessary to appropriately supervise and implement business operations based on an understanding of diverse values and cultures in order to achieve the sustainable global expansion of business areas.
Sales/Marketing	In order to deliver customer satisfaction and sustainable enhancement of corporate value, knowledge and experience in marketing activities and sales strategies are required to accurately identify changes in the business environment and the diversifying customer needs and to provide added value through proposal-based sales from the customer's perspective.
Manufacturing (Production/Quality)	In addition to value-added product development, to ensure the stable supply of safe and secure products, it is essential to establish a production and quality control system, which requires knowledge and experience in production and quality control.
Technology/Development	The development of high quality products that incorporate advanced technologies and offer safety, security, and comfort requires a track record of implementing various innovations and solid knowledge and experience in the fields of technology, quality, and the environment.
Finance	Solid knowledge and experience in the areas of financial affairs and finance are required for building a strong financial foundation and developing and implementing financial strategies to sustainably increase corporate value.
Legal/Risk management	To establish an appropriate governance system, which is the foundation for sustainably increasing corporate value, and to achieve the stable development, manufacture, and supply of safe and secure products, solid knowledge and experience in the areas of risk management, corporate governance, and legal affairs are required.
Sustainability including environment	To realize a sustainable society, solving social issues through the promotion of sustainability activities based on ESG management and incorporating them into business activities as profit-earning opportunities that lead to sustainable growth requires solid knowledge and experience in the fields of ESG and sustainability.
IT/DX	To respond to changes in the business environment, achieve sustainable growth, and increase corporate value, it is essential to transform business and work styles through company-wide promotion of DX, as well as to utilize advanced information technology to improve the information infrastructure, including cyber attack countermeasures. Therefore, knowledge and experience in the IT and DX fields are required.
Industry knowledge	As the business environment undergoes significant change and uncertainty increases, in order to develop and promote business strategies that anticipate market changes and achieve the sustainable enhancement of corporate value, extensive, in-depth knowledge and experience in the industry are required.


No.	Name (date of birth)	Career summary, position, responsibilities and significant positions concurrently held	Number of Company's shares held
1	 <p>Kazuhiro Kishi (March 7, 1964)</p> <p>[Reelection]</p> <p>[Male]</p> <p>Attendance rate at meetings of the Board of Directors 100% (12 out of 12 times)</p>	<p>Mar. 1986 Joined the Company</p> <p>Oct. 2002 Deputy General Manager of Sales Department, IT Equipment Division of the Company</p> <p>Apr. 2003 General Manager of Sales Department, IT Equipment Division of the Company</p> <p>Apr. 2004 General Manager of Sales Department No. 2, Sales Division of the Company</p> <p>Feb. 2006 Executive Officer, Deputy Head of HP Division of the Company</p> <p>Feb. 2007 Executive Officer, Deputy Head of HP Business Division of the Company</p> <p>Dec. 2008 Executive Officer, Deputy Head of Mobile Audio Business Division of the Company</p> <p>June 2009 Director, Deputy Head of Mobile Audio Business Division of the Company</p> <p>June 2010 Director, Acting Head of Mobile Audio Business Division of the Company</p> <p>Apr. 2011 Director, Head of Sales Division of the Company</p> <p>Apr. 2013 Director, Head of MA Business Division of the Company</p> <p>June 2014 Managing Director, Head of MA Business Division of the Company</p> <p>Apr. 2017 Managing Director, Head of New Business Development Division, and Head of Sales & Marketing of the Company</p> <p>Aug. 2019 Managing Director, Head of Sales Division, and Head of Sales & Marketing of the Company</p> <p>Apr. 2020 Managing Director, Head of Sales Division, Head of Sales & Marketing, and in charge of the Americas of the Company</p> <p>June 2023 CEO of the Company (to the present)</p>	14,000
<p>Reason for election of the candidate for Director</p> <p>Mr. Kazuhiro Kishi has served as the person responsible for sales for many years, leading the Group's sales operations and promoting partner strategies. Striving to build and develop new businesses, in such ways as building the foundations of the current mobile audio business by cultivating large customers over his eight years working in the United States, he has contributed to the improvement of corporate value. He has also contributed to the improvement of the functioning of the Board of Directors with his extensive experience and knowledge in relation primarily to sales. For these reasons, we judge that he is suitable for achieving sustainable growth and improvement of corporate value of the Company and request that Mr. Kazuhiro Kishi continue to serve as Director.</p>			

No.	Name (date of birth)	Career summary, position, responsibilities and significant positions concurrently held	Number of Company's shares held
2	 <p>Akihito Mochizuki (February 19, 1966)</p> <p>[Reelection]</p> <p>[Male]</p> <p>Attendance rate at meetings of the Board of Directors 100% (12 out of 12 times)</p>	<p>Apr. 1988 Joined The Fuji Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p>Mar. 2003 Assistant General Manager, Kanda Branch, Mizuho Bank, Ltd.</p> <p>Jan. 2006 Deputy Manager, Corporate Planning Division, Mizuho Bank, Ltd.</p> <p>Oct. 2010 General Manager, Kofu Branch, Mizuho Bank, Ltd.</p> <p>Apr. 2013 General Manager, e-Business Sales Division, Mizuho Bank, Ltd. and Mizuho Corporate Bank, Ltd.</p> <p>Nov. 2013 General Manager, Compliance Promotion Division No. 1, Mizuho Financial Group, Inc. and Mizuho Bank, Ltd.</p> <p>Apr. 2015 General Manager, Planning Administration Division, Mizuho Financial Group, Inc. and Mizuho Bank, Ltd.</p> <p>Apr. 2017 Executive Officer, General Manager, Planning Administration Division, Mizuho Financial Group, Inc. and Mizuho Bank, Ltd.</p> <p>Apr. 2018 Managing Executive Officer, Mizuho Financial Group, Inc. and Mizuho Bank, Ltd. / Chairman of the Planning Committee, Japanese Bankers Association</p> <p>Apr. 2019 Managing Executive Officer, Mizuho Financial Group, Inc., Mizuho Bank, Ltd., and Mizuho Trust & Banking Co., Ltd. / Head of Internal Audit Group</p> <p>Apr. 2020 Senior General Manager, Mizuho Bank, Ltd.</p> <p>June 2020 Audit & Supervisory Board Member, Mizuho Research Institute Ltd.</p> <p>Apr. 2021 Senior General Manager, Mizuho Bank, Ltd.</p> <p>May 2021 Adviser of the Company</p> <p>July 2021 Senior Executive Officer, Head of Global Corporate Support Division of the Company</p> <p>Oct. 2021 Senior Executive Officer, Head of Global Corporate Support Division, and Head of Corporate Management Division of the Company</p> <p>Apr. 2022 CFO, Senior Executive Officer, and Head of Global Corporate Support Division of the Company</p> <p>June 2023 CFO, Managing Director, and Head of Global Corporate Support Division of the Company</p> <p>Apr. 2024 CFO, Executive Vice President, and Head of Global Corporate Support Division of the Company (to the present)</p>	13,100
<p>Reason for election of the candidate for Director</p> <p>Mr. Akihito Mochizuki, as CFO (Chief Financial Officer), is committed to the improvement of corporate value such as pursuing the sophistication of corporate divisions based on the experience he garnered while he was with financial institutions. As CFO, he also has contributed to the enhancement of the corporate governance system in addition to the abstraction and handling of management issues from a financial point of view, and we judge that he will contribute to the improvement of the functioning of the Board of Directors. For these reasons, we judge that Mr. Akihito Mochizuki is suitable for achieving sustainable growth and improvement of corporate value of the Company and request that Mr. Akihito Mochizuki continue to serve as Director.</p>			


No.	Name (date of birth)	Career summary, position, responsibilities and significant positions concurrently held	Number of Company's shares held
3	 <p>Hiroki Miura (March 17, 1963)</p> <p>[Reelection]</p> <p>[Male]</p> <p>Attendance rate at meetings of the Board of Directors 100% (12 out of 12 times)</p>	<p>Apr. 1985 Joined the Company</p> <p>Apr. 2003 Deputy General Manager of Engineering Department, CAR Equipment Division of the Company</p> <p>Feb. 2006 General Manager of Engineering Department No. 2, SP Division of the Company</p> <p>May 2008 Director, Foster Electric Co., (Hong Kong) Ltd.</p> <p>July 2010 Deputy Head of Mobile Audio Business Division of the Company</p> <p>Apr. 2011 Deputy Head of Engineering Division of the Company</p> <p>Jan. 2013 Deputy Head of Quality Assurance Center, and General Manager of MA Quality Assurance Department of the Company</p> <p>Oct. 2013 General Director, Foster Electric (Vietnam) Co., Ltd.</p> <p>Nov. 2014 Chairman and General Director, Foster Electric (Vietnam) Co., Ltd.</p> <p>June 2018 Deputy Head of SP Business Division of the Company / Meister</p> <p>Oct. 2018 Deputy Head of SP Business Division, and Head of Engineering of the Company</p> <p>Apr. 2019 Executive Officer, Deputy Head of SP Business Division, and Head of Engineering of the Company / Fellow</p> <p>Aug. 2019 Executive Officer, Head of Engineering Division, and Head of Engineering of the Company / Fellow</p> <p>June 2021 Director, Head of Engineering Division, and Head of Engineering of the Company / Fellow</p> <p>June 2023 Managing Director, Head of Engineering Division of the Company / Fellow</p> <p>Apr. 2024 Senior Managing Director, Head of Engineering Division of the Company / Fellow (to the present)</p>	12,900
<p>Reason for election of the candidate for Director</p> <p>Mr. Hiroki Miura has involved in engineering departments for many years and has served as the supervisor for the Group's engineering and development system, and has contributed to the improvement of corporate value. In addition, with his extensive overseas experience in the U.S., China and Vietnam and knowledge, we can expect him to contribute to the improvement of the functioning of the Board of Directors. For these reasons, we judge that Mr. Hiroki Miura is suitable for achieving sustainable growth and improvement of corporate value of the Company and request that Mr. Hiroki Miura continue to serve as Director.</p>			

No.	Name (date of birth)	Career summary, position, responsibilities and significant positions concurrently held	Number of Company's shares held
4	 <p>Yasuhide Takahara (April 6, 1962)</p> <p>[Reelection]</p> <p>[Male]</p> <p>Attendance rate at meetings of the Board of Directors 100% (10 out of 10 times)</p>	<p>Apr. 1985 Joined the Company</p> <p>Feb. 2001 Deputy General Manager of Sales Department, CAR Equipment Division of the Company</p> <p>Apr. 2003 General Manager of Sales Department, CAR Equipment Division of the Company</p> <p>Sept. 2003 General Manager of Sales Department, CAR Equipment Division, and General Manager of Chubu Sales Office of the Company</p> <p>Dec. 2008 Head of AVCBU Business Unit, Speaker Business Division of the Company</p> <p>Oct. 2010 Director, Foster Electric Co., (Hong Kong) Ltd.</p> <p>Apr. 2013 Deputy Head of SP Business Division, and General Manager of SP Production Management Department of the Company</p> <p>Apr. 2016 Deputy Head of SP Business Division, General Manager of SP Sales Department No. 2, and General Manager of Speaker Production Management Department of the Company</p> <p>Apr. 2017 Executive Officer, Deputy Head of SP Business Division, and General Manager of Speaker Production Management Department of the Company</p> <p>Aug. 2019 Executive Officer, Head of Automotive Speaker Business, Sales Division of the Company</p> <p>Apr. 2020 Executive Officer, Head of Automotive Speaker Business, Sales Division, and in charge of Asia of the Company</p> <p>July 2020 Senior Executive Officer, Head of Automotive Business, Sales Division, and in charge of Asia of the Company</p> <p>June 2023 Senior Executive Officer, Head of Sales Division, and Head of Asia of the Company</p> <p>June 2024 Managing Director, Head of Sales Division, and Head of Asian Region of the Company (to the present)</p>	4,300
<p>Reason for election of the candidate for Director</p> <p>Mr. Yasuhide Takahara has been involved in the Sales Department for many years, supervising the Group's sales structure and contributing to the enhancement of corporate value. In addition, he has extensive experience and expertise in sales activities, as well as extensive overseas experience and insight working in Hong Kong. Therefore, we can expect him to contribute to the improvement of the functioning of the Board of Directors. For these reasons, we judge that Mr. Yasuhide Takahara is suitable for achieving sustainable growth and improvement of corporate value of the Company and request that Mr. Yasuhide Takahara continue to serve as Director.</p>			

No.	Name (date of birth)	Career summary, position, responsibilities and significant positions concurrently held	Number of Company's shares held
5	 <p>Naoki Kanai (November 1, 1962)</p> <p>[Reelection]</p> <p>[Male]</p> <p>Attendance rate at meetings of the Board of Directors 100% (10 out of 10 times)</p>	<p>Mar. 1986 Joined the Company</p> <p>Sept. 2002 Manager, Sales Department No. 1, Sales Division, Foster Electric Co., (Hong Kong) Ltd.</p> <p>Nov. 2006 Vietnam Project, Corporate Planning Department, Administration Division of the Company</p> <p>Apr. 2007 Manager, Production Management Department, Foster Electric (Vietnam) Co., Ltd.</p> <p>Apr. 2008 Director and Manager, Factory, Foster Electric (Vietnam) Co., Ltd.</p> <p>Jan. 2011 President, Foster Electric (Vietnam) Co., Ltd.</p> <p>Apr. 2012 Chairman and President, Foster Electric (Vietnam) Co., Ltd.</p> <p>Nov. 2014 Deputy Head of Manufacturing Division of the Company</p> <p>Mar. 2015 Deputy Head of Manufacturing Division, and General Manager of Manufacturing Engineering Department of the Company</p> <p>Apr. 2017 Executive Officer, Deputy Head of Manufacturing Division, and General Manager of Manufacturing Management Department of the Company</p> <p>Apr. 2018 Executive Officer, Head of Manufacturing Division of the Company</p> <p>Oct. 2018 Executive Officer, Head of Manufacturing Division, and Deputy Head of Manufacturing of the Company</p> <p>Apr. 2022 Senior Executive Officer, Head of Manufacturing Division, and Head of Manufacturing of the Company</p> <p>June 2023 Senior Executive Officer, Head of Manufacturing Division of the Company</p> <p>June 2024 Director, Head of Manufacturing Division of the Company (to the present)</p>	15,300
<p>Reason for election of the candidate for Director</p> <p>Mr. Naoki Kanai has been involved in manufacturing departments for many years, supervising the Group's manufacturing structure and contributing to the enhancement of corporate value. In addition, with his extensive overseas experience and knowledge from working in Hong Kong and Vietnam, we can expect him to contribute to the improvement of the functioning of the Board of Directors. For these reasons, we judge that Mr. Naoki Kanai is suitable for achieving sustainable growth and improvement of corporate value of the Company and request that Mr. Naoki Kanai continue to serve as Director.</p>			

No.	Name (date of birth)	Career summary, position, responsibilities and significant positions concurrently held	Number of Company's shares held
6	 <p>Minoru Matsumoto (February 16, 1957)</p> <p>[Reelection] [Outside] [Independent]</p> <p>[Male]</p> <p>Attendance rate at meetings of the Board of Directors 100% (12 out of 12 times)</p>	<p>Oct. 1983 Joined Tohmatsu Aoki Audit Firm (currently Deloitte Touche Tohmatsu LLC)</p> <p>Mar. 1987 Registered as Certified Public Accountant</p> <p>Sept. 2012 Resigned from Deloitte Touche Tohmatsu LLC</p> <p>Oct. 2013 Set up Minoru Matsumoto CPA Office (to the present)</p> <p>June 2014 Outside Corporate Auditor, Sanshin Electronics Co., Ltd.</p> <p>Feb. 2015 Outside Corporate Auditor, JASTEC Co., Ltd.</p> <p>June 2015 Outside Director of the Company (to the present)</p> <p>Feb. 2016 Outside Director (Audit and Supervisory Committee Member), JASTEC Co., Ltd.</p> <p>Mar. 2021 Outside Audit & Supervisory Board Member, Toyo Ink SC Holdings Co., Ltd. (currently under the new name artience Co., Ltd.)</p> <p>Mar. 2022 Outside Director (Audit & Supervisory Committee Member), Toyo Ink SC Holdings Co., Ltd. (currently artience Co., Ltd.) (to the present)</p> <p>Oct. 2022 Representative Partner of Terada Accounting Tax Corporation (to the present)</p> <p>(Significant positions concurrently held)</p> <p>Head, Minoru Matsumoto CPA Office</p> <p>Representative Partner of Terada Accounting Tax Corporation</p> <p>Outside Director (Audit & Supervisory Committee Member), artience Co., Ltd.</p>	0
<p>Reason for election of the candidate for Outside Director and roles expected to play</p> <p>Mr. Minoru Matsumoto draws on the professional knowledge and expertise he has garnered throughout his many years of experience as an accounting auditor at listed companies and as a certified public accountant to contribute to improving the oversight of management and checking function in the Board of Directors. For these reasons, we judge that he is suitable for achieving sustainable growth and improvement of corporate value of the Company and request that Mr. Minoru Matsumoto continue to serve as Outside Director. We also expect him, when appointed as Outside Director, to provide oversight and recommendations on business execution by the Company drawing on his expertise as stated above, while serving to maintain and enhance the proper governance of the Company as a chair of the Nominating Advisory Committee and the Remuneration Advisory Committee. Mr. Minoru Matsumoto does not have previous experience in corporate management other than as Outside Director/Outside Corporate Auditor; however, we judge that he can perform his duties appropriately as Outside Director based on the above reasons and request that Mr. Minoru Matsumoto continue to serve as Outside Director.</p>			

No.	Name (date of birth)	Career summary, position, responsibilities and significant positions concurrently held	Number of Company's shares held
7	 <p>Kaoru Chujo (November 15, 1960)</p> <p>[Reelection] [Outside] [Independent]</p> <p>[Female]</p> <p>Attendance rate at meetings of the Board of Directors 100% (12 out of 12 times)</p>	<p>Apr. 1983 Joined Fujitsu Limited</p> <p>Mar. 2000 IP Networking Research Senior Researcher, Fujitsu Laboratories of America, Inc.</p> <p>Dec. 2009 General Manager, Advanced Technologies Division, Mobile Phone Business Unit of Fujitsu Limited</p> <p>June 2013 General Manager, Advanced Technologies Division, Ubiquitous Business Strategy Unit of Fujitsu Limited.</p> <p>Feb. 2016 General Manager, Ubiquitous IoT Business Unit of Fujitsu Limited</p> <p>Apr. 2017 General Manager, AI Service Business Unit of Fujitsu Limited</p> <p>Jul. 2019 Executive Director in charge of AI alliance, Software Business Unit of Fujitsu Limited</p> <p>Dec. 2020 Founded SoW Insight, Inc., President and CEO (to the present)</p> <p>June 2021 Outside Director, ITOCHU-SHOKUHIN Co., Ltd. (to the present)</p> <p>June 2021 Outside Director of the Company (to the present)</p> <p>Apr. 2022 Outside Director, Mitsubishi UBE Cement Corporation (to the present)</p> <p>(Significant positions concurrently held)</p> <p>President and CEO, SoW Insight, Inc.</p> <p>Outside Director, ITOCHU-SHOKUHIN Co., Ltd.</p> <p>Outside Director, Mitsubishi UBE Cement Corporation</p>	0
<p>Reason for election of the candidate for Outside Director and roles expected to play</p> <p>Ms. Kaoru Chujo facilitated DX as General Manager of the AI Business Unit at her previous company, and she has profound knowledge in areas the Company should strengthen going forward, such as the DE&I consulting that she provides at her current company, contributing to improving the oversight of management and checking function in the Board of Directors. For these reasons, we believe that Ms. Kaoru Chujo is suitable for achieving sustainable growth and improvement of corporate value of the Company and request Ms. Kaoru Chujo continue to serve as Outside Director. We also expect her, when appointed as Outside Director, to provide oversight and recommendations on business execution by the Company drawing on her expertise as stated above, while serving to maintain and enhance the proper governance of the Company as a member of the Nominating Advisory Committee and the Remuneration Advisory Committee. For these reasons, we judge that Ms. Kaoru Chujo will perform her duties appropriately as Outside Director and request that Ms. Kaoru Chujo continue to serve as Outside Director.</p>			

No.	Name (date of birth)	Career summary, position, responsibilities and significant positions concurrently held	Number of Company's shares held
8	 <p>Yoshito Ezure (July 11, 1959)</p> <p>[New election] [Outside] [Independent]</p> <p>[Male]</p>	<p>Apr. 1982 Joined Sony Corporation</p> <p>Apr. 1992 Managing Director, Sony Hellas S.A.</p> <p>Apr. 2000 Senior General Manager, Lithium-Ion Battery Division, CNC Network Company, Sony Corporation</p> <p>Mar. 2004 President, Sony Logistics of America</p> <p>Jan. 2007 President, Sony Latin America, Inc.</p> <p>June 2010 Representative Director and President, Sony Supply Chain Solutions, Inc.</p> <p>June 2012 Corporate Executive, SVP, and President of Logistics Group, Sony Corporation</p> <p>Jan. 2014 Business Executive, SVP, and Senior General Manager of Energy Division, Device Solutions Business Group, Sony Corporation</p> <p>Jan. 2015 Representative Director and President, Sony Energy Devices Corporation</p> <p>Sep. 2017 Vice President, Director of Energy Device Division, Module Business Unit, Murata Manufacturing Co., Ltd.</p> <p>Apr. 2019 Executive Officer, Deputy Executive General Manager of International Business Division, METAWATER Co., Ltd.</p> <p>Apr. 2024 Executive Advisor, METAWATER Co., Ltd. (to the present)</p> <p>June 2024 Trustee, International Christian University (to the present)</p> <p>(Significant positions concurrently held)</p> <p>Executive Advisor, METAWATER Co., Ltd.</p> <p>Trustee, International Christian University</p>	1,000
<p>Reason for election of the candidate for Outside Director and roles expected to play</p> <p>Mr. Yoshito Ezure possesses management experience at a global acoustics company and extensive industry expertise and knowledge as a corporate manager based on his experience overseas. We thus believe that Mr. Yoshito Ezure is suitable for achieving sustainable growth and improvement of corporate value of the Company and request his election as Outside Director. We also expect him, when appointed as Outside Director, to provide oversight and recommendations on business execution by the Company drawing on his expertise as stated above, while serving to maintain and enhance the proper governance of the Company as a member of the Nominating Advisory Committee and the Remuneration Advisory Committee.</p>			

- Notes:
1. No conflict of interest exists between the Company and the above candidates for Director.
 2. Mr. Minoru Matsumoto, Ms. Kaoru Chujo, and Mr. Yoshito Ezure are candidates for Outside Director.
 3. Mr. Minoru Matsumoto and Ms. Kaoru Chujo will have served as Outside Director for ten (10) years and four (4) years respectively, at the conclusion of this General Meeting of Shareholders.
 4. Regarding the liability limitation agreement, the Company has concluded an agreement with Mr. Minoru Matsumoto and Ms. Kaoru Chujo to limit their liability for damages as stipulated in Article 423, paragraph (1) of the Companies Act, in accordance with Article 427, paragraph (1) of the Act and the provisions of the Company's Articles of Incorporation. The Company will renew the agreement with them upon approval of their reelection. The Company also intends to enter into the agreement with Mr. Yoshito Ezure, upon approval of his election.
The amount of damages under the agreement will be limited within an amount prescribed by laws and regulations.
 5. The Company has entered into an indemnity agreement as stipulated in Article 430-2, paragraph (1) of the Companies Act, with Mr. Kazuhiro Kishi, Mr. Akihito Mochizuki, Mr. Hiroki Miura, Mr. Yasuhide Takahara, Mr. Naoki Kanai, Mr. Minoru Matsumoto, and Ms. Kaoru Chujo, respectively. The indemnity agreement provides that expenses as set forth in item 1 and losses as set forth in item 2 of Article 430-2, paragraph (1) shall be compensated by the Company to the extent provided by laws and regulations. The Company will renew the same agreement with them upon approval of their reelection. The Company also intends to enter into a similar indemnity agreement with Mr. Yoshito Ezure, upon approval of his election.
 6. The Company has purchased a liability insurance policy for directors and officers (D&O insurance) as set forth in Article 430-3, paragraph (1) of the Companies Act, which covers all the directors as the insured parties. Subject to

approval of this Proposal as originally proposed and when the candidates assume the position of Director, each of them will become an insured party covered by this policy. With this insurance policy, potential losses resulting from directors, the insured, being held responsible for the execution of their duties or from claims/charges brought against them for such responsibility shall be covered. However, certain cases are excused from the coverage such as losses resulting from acts while the violation of laws is recognized. The premiums for the policy including riders are fully borne by the Company, with no substantial insurance cost to be borne by the insured. The policy will be renewed on July 1, 2025, during their term of office.

7. The Company has designated Mr. Minoru Matsumoto and Ms. Kaoru Chujo as Independent Directors who will not have any conflicts of interest with the general shareholders as stipulated by provisions of the Tokyo Stock Exchange. If their reelection is approved, the Company will continue to designate them as Independent Directors. Mr. Yoshito Ezure also meets the requirements for being independent as stipulated by provisions of the Tokyo Stock Exchange, and the Company is scheduled to register him as an Independent Director with the Tokyo Stock Exchange.
8. The Company's Criteria for Determining Independence


The Company determines the independence of Independent Outside Directors/Outside Corporate Auditors based on both the requirements of the Companies Act and the criteria of the Tokyo Stock Exchange. Additionally, the Company emphasizes high-level expertise and rich experience enabling constructive advice for the improvement of corporate value as qualities of Outside Directors/Outside Corporate Auditors.

Proposal 4: Election of One (1) Corporate Auditor

The Company proposes the election of one (1) Corporate Auditor, increasing the number of Corporate Auditors by one to strengthen the audit system.

The Board of Corporate Auditors has previously given its approval for this proposition.

The candidate for Corporate Auditor is as follows:

Name (date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of Company's shares held
 <p>Yukiko Nomura (December 24, 1969)</p> <p>[New election] [Outside] [Independent]</p> <p>[Female]</p>	<p>Apr. 1994 Joined Hyatt Regency Osaka Corporation</p> <p>Oct. 2002 Joined Asahi & Co. (currently KPMG AZSA LLC)</p> <p>Apr. 2006 Registered as Certified Public Accountant</p> <p>Oct. 2008 Seconded to KPMG LLP Hong Kong Office</p> <p>Oct. 2013 Joined Philip Morris Japan Limited</p> <p>June 2014 Outside Corporate Auditor, MONEY SQUARE HOLDINGS, INC.</p> <p>Apr. 2021 Joined Nagase & Co., Ltd.</p> <p>Mar. 2022 Outside Director and Audit and Supervisory Committee Member, ONE CAREER Inc. (to the present)</p> <p>Nov. 2023 External Director, UPR Corporation (to the present)</p> <p>(Significant positions concurrently held)</p> <p>Outside Director and Audit and Supervisory Committee Member, ONE CAREER Inc.</p> <p>External Director, UPR Corporation</p>	0
<p>Reason for election of the candidate for Outside Corporate Auditor</p> <p>Ms. Yukiko Nomura has been involved in audit services and overseas business as a certified public accountant, and has extensive experience and specialized knowledge as an outside officer. She also has experience in accounting, auditing, and legal affairs at several companies. For these reasons, we judge that she will contribute to a more effective auditing function, and request that she be elected as Outside Corporate Auditor. Ms. Yukiko Nomura does not have previous experience in corporate management other than as Outside Officer; however, we judge that she can perform her duties appropriately as Outside Corporate Auditor based on the above reasons.</p>		

- Notes:
1. No conflict of interest exists between the Company and the above candidate for Corporate Auditor.
 2. The above candidate for Corporate Auditor is a candidate for Outside Corporate Auditor.
 3. The name of Yukiko Nomura in the family register is Yukiko Baba.
 4. Liability Limitation Agreement
Upon approval of the election of Ms. Yukiko Nomura, the Company intends to enter into an agreement with her to limit her liability as stipulated in Article 423, paragraph (1) of the Companies Act, in accordance with Article 427, paragraph (1) of the Act and the provisions of the Company's Articles of Incorporation. The amount of damages under the agreement will be limited within an amount prescribed by laws and regulations.
 5. The Company intends to enter into an indemnity agreement as stipulated in Article 430-2, paragraph (1) of the Companies Act with Ms. Yukiko Nomura upon approval of her election. The indemnity agreement provides that expenses as set forth in item 1 and losses as set forth in item 2 of Article 430-2, paragraph (1) shall be compensated by the Company to the extent provided by laws and regulations.
 6. The Company has purchased a liability insurance policy for directors and officers (D&O insurance) as set forth in Article 430-3, paragraph (1) of the Companies Act, which covers the directors, corporate auditors and executive officers as the insured parties. Subject to approval of this Proposal as originally proposed and when the above candidate for Corporate Auditor assumes the position of Corporate Auditor, she will become an insured party covered by this policy. With this insurance policy, potential losses resulting from the insured being held responsible for the execution of their duties or from claims/charges brought against them for such responsibility shall be covered. However, certain cases are excused from the coverage such as losses resulting from acts while the violation of laws is recognized. The premiums for the policy including riders are fully borne by the Company, with no substantial insurance cost to be borne by the insured. The policy will be renewed on July 1, 2025, during her term of office.
 7. Ms. Yukiko Nomura meets the requirements of an Independent Corporate Auditor who will not have any conflicts of interest with the general shareholders, as stipulated by provisions of the Tokyo Stock Exchange. The Company will register her as an Independent Corporate Auditor with the Tokyo Stock Exchange.

8. The Company's Criteria for Determining Independence

The Company determines the independence of Independent Outside Directors/Outside Corporate Auditors based on both the requirements of the Companies Act and the criteria of the Tokyo Stock Exchange. Additionally, the Company emphasizes high-level expertise and rich experience enabling constructive advice for the improvement of corporate value as qualities of Outside Directors/Outside Corporate Auditors.

<<Reference 1>> Nominating Advisory Committee

The Company established the Nominating Advisory Committee chaired by an Outside Director as an advisory organ of the Board of Directors.

Regarding the nomination of Directors, Corporate Auditors, and Executive Officers, the committee contributes to ensuring the appropriateness of such elections and transparency of the decision-making process by recommending candidates after deliberating on the expectations. The committee also deliberates on the independence of Outside Directors/Outside Corporate Auditors.

The candidates for Proposal No. 3 and Proposal No. 4 have passed through the deliberation process of the same Committee.

<<Reference 2>> Independence Criteria for Outside Directors/Outside Corporate Auditors

The Company determines the independence of Independent Outside Directors/Outside Corporate Auditors based on both the requirements of the Companies Act and the criteria of the Tokyo Stock Exchange. Additionally, the Company emphasizes high-level expertise and rich experience enabling constructive advice for the improvement of corporate value as qualities of Outside Directors/Outside Corporate Auditors.

Proposal 5: Partial Revision of the Stock Compensation Plan for Directors and Executive Officers

1. Reason for the proposal and justification

The Company received at the 83rd Ordinary General Meeting of Shareholders held on June 22, 2017 approval to introduce a stock compensation plan, the “Board Benefit Trust (BBT)” (hereinafter referred to as the “current BBT plan”), for the Company’s Directors and Executive Officers (excluding Outside Directors, hereinafter referred to as the “Directors, etc.”), and this plan remains in effect to this day (hereinafter, the resolution at the aforementioned General Meeting of Shareholders is referred to as the “original resolution”).

This Proposal seeks approval to change the upper limit of points granted to Directors, etc. for the fiscal year ended March 31, 2025 under current BBT plan in light of the achievement status of the targets of the five-year the medium-term business plan that ended March 31, 2025, and taking into account that remuneration for the final year of the medium-term business plan would be allocated as points. Consequently, this Proposal also seeks approval for additional monetary trust to be placed into the trust established under the current BBT plan (hereinafter referred to as “the Trust”) to provide shares of the Company and monetary equivalents of the shares of the Company at market value (hereinafter referred to as “the Company’s shares, etc.”) to Directors, etc. (hereinafter, this is collectively referred to as “expansion of the current BBT plan”).

In addition, the Company requests approval to partially revise the current BBT plan to transition to a “Board Benefit Trust-Restricted Stock (BBT-RS)” (hereinafter referred to as the “Plan”), which includes implementing transfer restrictions on the provided shares until retirement, revising the remuneration limit associated with both the current BBT plan and the Plan, and making other necessary changes (hereinafter referred to as “revisions to the Plan”), in order to make the Plan function as an appropriate incentive to enhance the Company’s corporate value over the medium to long term and further promote value sharing with shareholders.

As with the original resolution, this Proposal aims to further clarify the link between the remuneration of Directors, etc. and the stock value of the Company, and to raise awareness among Directors, etc. about contributing to improved medium- to long-term performance and enhanced corporate value by ensuring that they share not only the benefits of rising stock prices but also the risk of falling stock prices with shareholders. The Company’s Remuneration Advisory Committee has reported that this Proposal is reasonable, taking into account the purpose of the current BBT plan and this Plan, and the effect of granting incentives to improve medium- to long-term performance. Regarding the expansion of the current BBT plan, please refer to the current Policy on the Determination of Remuneration, etc. for Individual Directors (see 3. Matters Regarding Corporate Officers, (5) Remuneration, etc., of Directors and Corporate Auditors, ■ Matters Regarding the Determination of the Content of Remuneration, etc. for Individual Directors of the Business Report (in Japanese only)). As for the revisions to the Plan, this Proposal is consistent with the content of the Policy on the Determination of Remuneration, etc. for Individual Directors (Draft) (described later), which is scheduled for resolution at the Board of Directors following this Ordinary General Meeting of Shareholders if this Proposal is approved as originally proposed; therefore, we believe that the content of this Proposal is appropriate.

The revisions to the Plan, in addition to the remuneration amount for Directors approved at the 72nd Ordinary General Meeting of Shareholders held on June 22, 2006 (up to ¥300 million per year; however, this does not include remuneration for employees), seeks approval for the specific calculation method and specific details of the amount of remuneration, etc. to be paid to the Company’s Directors based on this Plan. The details of this Plan are entrusted to the Board of Directors within the framework of 3. below.

The number of Directors eligible for the current BBT plan is five (5). If Proposal 3 is approved as originally proposed, the number of Directors eligible for this Plan will be five (5).

2. Regarding the expansion of the current BBT plan

(1) Change in the upper limit of points granted to Directors, etc.

In the original resolution, the total number of points granted per fiscal year to Directors, etc. was capped at 37,000 points (of which 29,000 points were granted to Directors). However, in light of the achievement status of the targets of the five-year medium-term business plan that ended March 31, 2025, and taking into account that remuneration for the final year of the medium-term business plan would be

allocated as points, we propose that the total number of points granted to Directors, etc. for the fiscal year ended March 31, 2025 under the current BBT plan be set at a maximum of 94,000 points (of which 88,000 points will be granted to Directors).

(2) Additional monetary trust to be added to the Trust (amount of remuneration, etc.)

In conjunction with the change to the upper limit of points mentioned above in (1), we propose the addition of a trust of up to ¥50 million into the Trust. This additional trust is planned to be carried out together with the additional trust to be implemented after the revisions to the Plan as described in section 3 below (see section 3. (4) below).

3. Regarding revisions to the Plan (specific calculation method and specific details of the amount of remuneration, etc. related to the Plan)

(1) Summary of the Plan

This Plan is a stock compensation plan in which the Company's shares are acquired through the Trust using the money contributed by the Company, and the Company's shares, etc. are provided to Directors, etc. in accordance with the Stock Benefit Regulations for Directors, etc. established by the Company. The timing for Directors, etc. to receive the benefits of Company shares is, in principle, at a certain time every year, and the timing for Directors, etc. to receive monetary benefits equivalent to the market price of Company shares is, in principle, upon their retirement. If Directors, etc. receive benefits of the Company's shares while in office, they shall enter into a transfer restriction agreement with the Company prior to the provision of the Company's shares as described in 4. below. As a result, the Company's shares that Directors, etc. receive while in office will be restricted from being disposed of by transfer, etc. until the Director, etc. retires.

In conjunction with the revision to this Plan, points already granted under the current BBT plan to Directors, etc. in office at the conclusion of this meeting will be transferred to points under this Plan, conditional on the approval of this proposal. Such Directors, etc. will receive the provision of the Company's shares based on the transferred points at a time designated by the Company after the conclusion of this meeting. The shares to be provided to such Directors, etc. will also be restricted from being disposed of by transfer, etc., based on the above transfer restriction agreement.

(2) Eligible for this Plan

Directors (outside Directors are excluded from this Plan) and Executive Officers (those selected by the Remuneration Advisory Committee) of the Company

(3) Trust period

From August 2017 until the end of the Trust (The trust will continue as long as the Plan continues, without setting a specific expiration date for the trust period. The Plan will terminate due to events such as the delisting of the Company's shares or the abolition of the Stock Benefit Regulations for Directors, etc.)

(4) Trust amount

Pursuant to the current BBT plan, the Company has established the Trust by contributing the funds necessary for the Trust to acquire a certain number of shares that are reasonably expected to be required to provide stock benefits in advance. The Company has contributed ¥218,892,000 to the Trust as a source for the acquisition of Company shares by the Trust to provide stock benefits to the Company's Directors, etc. for the three fiscal years from the fiscal year ended on March 31, 2018 to the fiscal year ended on March 31, 2020 at the commencement of the trust period (August 2017) to the extent approved by the original resolution. Since then, the Company has contributed an additional ¥50,000,000 to the Trust in February 2022 and ¥68,922,000 to the Trust in February 2024. The Company's shares and monies remaining in the trust property of the Trust shall be used as the source of benefits under the current BBT plan and the Plan after the Plan is revised with the approval of this Proposal.

Subject to the approval of this Proposal, the current BBT plan shall be revised to the Plan so that the three fiscal years from the fiscal year ending on March 31, 2026 to the fiscal year ending on March 31, 2028 (hereinafter, the three fiscal years period and the period every three fiscal years commencing after the expiration of the three fiscal years are collectively referred to as the "eligible periods") and each subsequent eligible period are eligible. In principle, the Company shall reasonably expect the number of

shares necessary to provide benefits to Directors, etc. under the Plan for each eligible period, and shall additionally contribute funds deemed necessary for the Trust to acquire them in advance. However, when making such additional contributions, if the trust property contains any remaining shares of the Company (excluding shares of the Company equivalent to the number of points granted to Directors, etc. during each eligible period up to immediately before and for which benefits have not yet been provided to Directors, etc.) and monies (hereinafter referred to as the “remaining shares, etc.”), the remaining shares, etc. shall be used as the source of benefits under the Plan for subsequent eligible periods, and the additional contribution amount shall be calculated by taking the remaining shares, etc. into consideration. If the Company decides to make an additional contribution, the Company will disclose this promptly and appropriately.

(5) Method and number of the Company’s shares to be acquired by the Trust

Acquisition of the Company’s shares by the Trust shall be carried out through the exchange market or by way of underwriting the Company’s treasury share disposition using the funds contributed to by the above (4).

Since the maximum number of points granted to Directors, etc. is 80,000 points per fiscal year as described in (6) below, the maximum number of Company shares the Trust will acquire for each eligible period is 240,000 shares. Details of the Trust’s acquisition of the Company’s shares will be disclosed promptly and appropriately.

(6) Maximum number of the Company’s shares, etc. to be provided to Directors, etc.

Directors, etc. are granted a number of points for each fiscal year based on the Stock Benefit Regulations for Directors, etc. that are determined by taking their position into consideration. The total number of points granted to Directors, etc. per fiscal year shall be limited to 80,000 points (of which 60,000 points for Directors). This was determined after comprehensively considering the current level of officer remuneration, trends in the number of Directors, etc., and future projections, etc., and the Company therefore deems it appropriate.

Points granted to Directors, etc. are converted to one (1) share of common stock per point when paying the Company’s shares, etc. as described in (7) below (however, in the event of a stock split, gratis allotment of shares, or reverse stock split of the Company’s shares after this Proposal is approved, the maximum number of points and the number of granted points or the conversion ratio will be adjusted reasonably according to the ratio, etc.).

The proportion of voting rights corresponding to 600 shares, which is the upper limit of points granted per business year to Directors, in relation to the total number of issued shares with voting rights 223,975 (as of March 31, 2025), is approximately 0.27%.

In principle, the number of points for Directors, etc. used as the basis for the provision of the Company’s shares, etc. in the following (7) shall be the number of points granted to such Directors, etc. by the time the beneficial interest is determined in the following (7) (hereinafter, the points calculated in this way are referred to as the “determined number of points”).

(7) Specific calculation method of the amount of payment and remuneration, etc. of the Company’s shares, etc.

Directors, etc. who meet the beneficiary requirements will receive benefits from the Trust at a certain time every year for a number of the Company’s shares according to the “determined number of points” which is determined, in principle, in (6) above, by performing the prescribed beneficiary determination procedures. However, if the Directors, etc. meet the requirements prescribed in the Stock Benefit Regulations for Directors, etc., they will, for a certain proportion, receive a monetary benefit equivalent to the market value of the Company’s shares, in principle, upon retirement, in lieu of receiving the Company’s shares. The Company’s shares may be sold under the Trust to provide monetary benefits.

In addition, if Directors, etc. receive benefits of the Company’s shares while in office, they shall enter into a transfer restriction agreement with the Company prior to the provision of the Company’s shares as described in 4. below. As a result, the Company’s shares that Directors, etc. receive while in office will be restricted from being disposed of by transfer, etc. until the Director, etc. retires.

Even Directors, etc. who have been granted points will not be able to acquire the right to receive benefits if the Remuneration Advisory Committee finds that they neglect their duties as Directors, etc. or commit

other acts in violation of laws and regulations (not limited to those in the course of the performance of duties).

The amount of remuneration, etc. to be received by Directors shall be based on the total number of points to be granted to Directors multiplied by the book value per share of the Company's shares held by the Trust at the time of the points grant (however, in the event of a stock split, gratis allotment of shares, or reverse stock split, etc., reasonable adjustments will be made according to the ratio, etc. of the Company's shares). In addition, in cases where monies are paid in exceptional circumstances in accordance with the provisions of the Stock Benefit Regulations for Directors, etc., if deemed appropriate, the total amount shall be calculated by adding the aforementioned amounts.

(8) Exercise of voting rights

Voting rights related to the Company's shares in the Trust account shall not be exercised uniformly based on instructions from the trust administrator. Through this method, the Company intends to ensure neutrality regarding the Company's management in the exercise of voting rights related to the Company's shares in the Trust account.

(9) Handling of dividends

Dividends on the Company's shares within the Trust account are received by the Trust and allocated towards the acquisition cost of the Company's shares, as well as the trustee's trust fees and other related expenses. Upon termination of the Trust, the dividends, etc. remaining in the Trust will be allocated and provided to Directors, etc. who are in office at the time in accordance with the provisions of Stock Benefit Regulations for Directors, etc. according to the number of points held by each of them.

(10) Handling upon termination of the Trust

The Trust will terminate if an event occurs such as the delisting of the Company's shares or the discontinuation of the Stock Benefit Regulations for Directors, etc.

Of the residual assets of the Trust at the termination of the Trust, the Company plans to acquire all of the Company's shares without contribution and cancel them by resolution of the Board of Directors. Of the residual assets of the Trust at the termination of the Trust, the amount of monies to be paid to the Company shall be calculated by subtracting monies to be paid to the Directors, etc. pursuant to (9) above.

4. Summary of transfer restriction agreements for the Company's shares to be provided to Directors, etc.

If Directors, etc. receive benefits from the Company's shares under the Plan while in office, prior to the provision of the Company's shares, they shall enter into a transfer restriction agreement with the Company (hereinafter referred to as the "Transfer Restriction Agreement"), the contents of which are summarized below (Directors, etc. shall receive benefits from the Company's shares on the condition that they enter into the Transfer Restriction Agreement). However, in cases where Directors, etc. have already retired at the time of the stock provision, the Company may provide the Company's shares without entering into this Transfer Restriction Agreement.

(i) Details of transfer restrictions

Directors, etc. must not transfer, establish a security interest in, or otherwise dispose of the Company's shares they receive during the period from the date they receive the provision of the Company's shares to the date they retire from all positions as officers of the Company.

(ii) Acquisition without contribution by the Company

In cases where certain violations or similar actions occur, or if the conditions for lifting the transfer restrictions explained in (iii) below are not met, the Company will acquire such shares without contribution.

(iii) Lifting of transfer restrictions

If a Director, etc. retires all of his/her positions as an officer of the Company on justifiable grounds or retires due to death, the Company shall lift the transfer restrictions at that time.

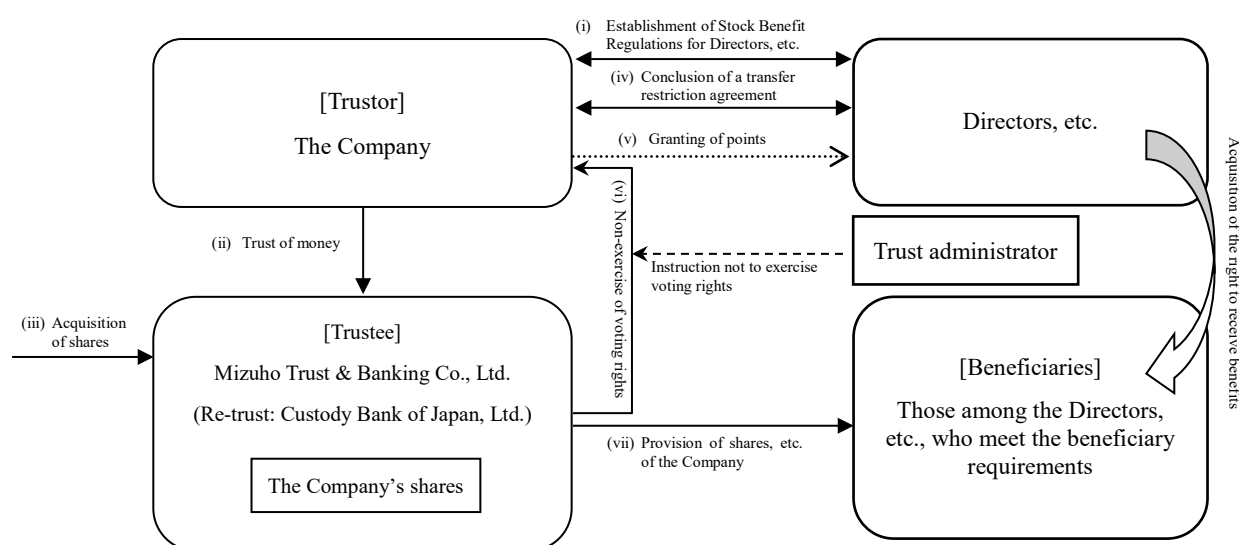
(iv) Handling in the event of organizational restructuring, etc.

If, during the transfer restriction period, a merger agreement in which the Company becomes the dissolving company or any other matter related to organizational restructuring, etc. is approved at the Company's General Meeting of Shareholders, etc., the Board of Directors shall lift the transfer restrictions immediately before the business day preceding the effective date of such organizational restructuring, etc.

During the transfer restriction period, the Company's shares eligible for the transfer restrictions under this Transfer Restriction Agreement will be managed in dedicated accounts established by the eligible Directors, etc., at a securities company designated by the Company, to ensure that no transfer, establishment of a security interest, or other disposition can occur.

In addition to the above, the Transfer Restriction Agreement shall contain a manifestation of intent, the notification method for the Restriction Agreement, the amendment method for the Restriction Agreement, and other matters to be determined by the Board of Directors.

<Reference: Mechanism of the Plan>



- (i) The Company will establish the “Stock Benefit Regulations for Directors, etc.” within the framework approved in this Proposal.
- (ii) The Company will entrust funds within the scope approved in this Proposal.
- (iii) This Trust will acquire the Company's shares using the entrusted funds mentioned in (ii), either through the stock exchange market or by subscribing to the disposition of the Company's treasury stock.
- (iv) Directors, etc. will enter into a transfer restriction agreement with the Company, stating that any Company shares received during their office cannot be disposed of through transfer, etc., until their retirement. This agreement will include clauses on the acquisition of shares by the Company without contribution under certain conditions.
- (v) The Company will grant points to Directors, etc. in accordance with the Stock Benefit Regulations for Directors, etc.
- (vi) The Trust shall not exercise voting rights related to the Company's shares in the Trust account in accordance with instructions from a trust administrator independent of the Company.
- (vii) The Trust will provide Company shares according to the number of points granted to Directors, etc. who meet the beneficiary requirements prescribed in the Stock Benefit Regulations for Directors, etc. at a certain time every year (hereinafter referred to as the “beneficiaries”). However, if the Directors, etc. meet the requirements prescribed in the Stock Benefit Regulations for Directors, etc., the Trust will provide a monetary benefit equivalent to the market value of the Company's shares for a certain rate of the points upon retirement.

1. Basic Policy

The Company's basic policy is to establish a remuneration system for Directors that is linked to shareholder interests, ensuring it effectively functions as an incentive for the sustainable enhancement of corporate value, and to determine the remuneration of individual Directors at an appropriate level based on their responsibilities. Specifically, remuneration for executive directors shall consist of basic remuneration as fixed remuneration, performance-linked remuneration (hereinafter referred to as "performance remuneration"), and stock compensation based on position (hereinafter referred to as "position-based stock compensation"). Outside Directors, who are responsible for supervisory functions, shall receive basic remuneration only, in consideration of their responsibilities.

2. Policy on the Determination of the Amount of Basic Remuneration (Monetary Remuneration) for Individual Directors (including the Policy on the Timing or Conditions for Granting Remuneration, etc.)

Basic remuneration shall be cash remuneration paid in a fixed amount every month, and the amount for each position shall be determined in the Internal Remuneration Regulations. Basic remuneration prescribed in the Internal Remuneration Regulations shall be determined by periodically conducting benchmark surveys and examining the appropriateness of remuneration levels for each position, taking into account industry, company size, etc.

3. Policy on the Determination of the Content and Calculation Method of the Amount or Number of Performance-Linked Remuneration, etc., and Non-Monetary Remuneration, etc. (including the Policy on the Timing or Conditions for Granting Remuneration, etc.)

<<Performance-linked remuneration (performance remuneration)>>

Performance remuneration shall be cash remuneration with an amount that varies according to the achievement level of annual performance. The total annual amount of performance remuneration for each Director, determined based on the method outlined below, shall be paid in monthly installments. To clearly define the responsibility for performance, consolidated operating profit will be used as the fundamental indicator.

The method for determining the amount of performance remuneration begins by multiplying the Company's consolidated operating profit by a profit distribution ratio for each officer category determined in advance to calculate the base amount of performance remuneration as a company-wide performance contribution.

In addition, with the exception of the Representative Director, the final performance remuneration amount shall be calculated by conducting an individual qualitative evaluation of the non-financial contributions, compliance initiatives, etc. of all internal Directors and adjusting the performance remuneration by adding or subtracting amounts.

The amount of addition and subtraction based on individual qualitative evaluations shall be determined by the Remuneration Advisory Committee after the CEO reviews the self-evaluation form submitted by each internal Director and proposes to the committee the amount of addition and subtraction for each internal Director.

<<Stock compensation based on position (position-based compensation)>>

Position-based stock compensation shall be a trust-type stock compensation where the number of shares to be delivered is determined according to one's position. By providing stock compensation, it aims to enhance value sharing with shareholders and function as an incentive to enhance corporate value in the medium to long term.

The method for determining the number of shares to be delivered through position-based stock compensation involves assigning points to each Director based on their position every year.

The actual delivery of stock compensation will occur at a certain time every year, and disposal by transfer, etc. will be restricted until a Director, etc. retires all of his/her positions as an officer of the Company.

4. Policy on the Determination of the Ratios of Individual Director Remuneration Amounts for Monetary Remuneration, Performance-Linked Remuneration, and Non-Monetary Remuneration, etc.

The remuneration for executive directors shall consist of basic remuneration (monetary remuneration), performance-linked remuneration (monetary remuneration), and stock compensation (non-monetary remuneration), and the Remuneration Advisory Committee will review the ratios of these types of remuneration as well as the ratios of remuneration for individual Directors. The Board of Directors shall respect the details of the report by the Remuneration Advisory Committee and decide on the content of remuneration, etc. indicated in the report.

5. Matters Regarding the Determination of the Content of Remuneration, etc. for Individual Directors

To ensure fair and transparent remuneration determination and treatment of Directors, the Remuneration Advisory Committee, delegated by the Board of Directors, shall determine the remuneration system, standards, policies, and individual remuneration content for Directors within the maximum remuneration amounts resolved at the General Meeting of Shareholders and the range set by the Internal Remuneration Regulations.

The Remuneration Advisory Committee shall consist of members designated from among the Directors and Outside Directors, etc., with the number of members limited to seven (7).

To ensure that the committee's authority is appropriately exercised, the chair is elected from among the Independent Outside Directors, and the chair appoints the vice chair. Additionally, to ensure the appropriate functioning of the committee, a Corporate Auditor shall attend as an observer.

6. Remuneration of Outside Directors

Outside directors, who are responsible for supervisory functions, shall receive only basic remuneration in consideration of their responsibilities. The annual amount of this basic remuneration for each Outside Director shall be determined by the Remuneration Advisory Committee and paid in monthly installments.