

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. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 1972)

June 12, 2024

(Date of Commencement of Measures for Electronic Provision: June 5, 2024)

To Shareholders with Voting Rights:

Eiichi Aoki
Representative Director and President
Sanko Metal Industrial Co., Ltd.
4-13-23 Shibaura, Minato-ku,
Tokyo

NOTICE OF
THE 75TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

We hereby notify you that the 75th Annual General Meeting of Shareholders of Sanko Metal Industrial Co., Ltd. (the “Company”) will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision of information, and posted matters to be provided electronically as “NOTICE OF THE 75TH ANNUAL GENERAL MEETING OF SHAREHOLDERS” on the following Company’s website.

The Company’s website:

<https://www.sankometal.co.jp/ir/business-report.html>

In addition to the above, the matters to be provided electronically are also posted on the Tokyo Stock Exchange’s website. Please access the following Tokyo Stock Exchange’s website (Listed Company Search), and enter and search the issue name (company name) or securities code, and select “Basic information” and then “Documents for public inspection/PR information”.

The Tokyo Stock Exchange’s website (Listed Company Search):

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

If you do not attend the meeting, you may exercise your voting rights in writing (by mail) or by electromagnetic means (via the Internet, etc.). Please review the Reference Documents for the General Meeting of Shareholders contained in this notice or posted as the matters to be provided electronically on the above websites and exercise your voting rights by 5:30 p.m. on Wednesday, June 26, 2024 Japan time. For further details, please see pages 4 and 5 of the Japanese version of this document.

1. **Date and Time:** Thursday, June 27, 2024 at 10:00 a.m. Japan time
2. **Place:** Conference room at the Corporate Headquarters on the 11F of MS Shibaura Building located at 4-13-23 Shibaura, Minato-ku, Tokyo
3. **Meeting Agenda:**
 - Matters to be reported:** The Business Report and Non-consolidated Financial Statements for the Company's 75th Fiscal Year (April 1, 2023 – March 31, 2024)
 - Proposals to be resolved:**
 - Proposal 1:** Election of 8 Directors
 - Proposal 2:** Election of 3 Audit & Supervisory Board Members
 - Proposal 3:** Election of 1 Substitute Audit & Supervisory Board Member
 - Proposal 4:** Presentation of Retirement Benefits Payable to Retiring Director and Retiring Audit & Supervisory Board Member

Notice Concerning Appropriation of Surplus

Based on the Company’s fundamental dividend policy to distribute profits corresponding to business results, the Company plans to implement distribution of year-end dividends from surplus while considering factors such as maintaining funds required for investment, etc., toward improving corporate value, projections of future business results and the financial standing, etc.

As an index for “profit distribution corresponding to business results,” we aim for a dividend payout ratio of 30%.

Based on this policy, the Board of Directors resolved at a meeting held on April 26, 2024 to increase the dividend per share by 15 yen to 200 yen per share from 185 yen per share paid at the end of the previous fiscal year, for the shares registered by the record date of March 31, 2024.

1. Matters concerning the allotment of dividend property to shareholders and the total amount	Per-share common stock of the Company: 200 yen Total amount: 771,128,200 yen
2. Effective date of distribution of surplus:	June 28, 2024

Article 42 of the Company’s Articles of Incorporation defines that the distribution of surplus may be resolved by the Board of Directors.

Request for Shareholders

- When attending the Meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- Should the matters to be provided electronically require any revisions, the revised version will be posted on the websites containing such matters.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Election of 8 Directors

The terms of office of 9 Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 8 Directors is proposed at this General Meeting.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions	Number of shares of the Company held
1	Eiichi Aoki (February 12, 1965)	<p>April 1987 Joined Nippon Steel Corporation</p> <p>May 2012 General Manager, Production Process Department, Nagoya Works of Nippon Steel Corporation</p> <p>October 2012 Integrated into Nippon Steel & Sumitomo Metal Corporation</p> <p>April 2015 General Manager, Flat Products Planning Department, Flat Products Division of Nippon Steel & Sumitomo Metal Corporation</p> <p>April 2019 Nippon Steel & Sumitomo Metal Corporation changed the name to NIPPON STEEL CORPORATION Counsel, General Manager, Nagoya Office</p> <p>April 2023 Consultant of the Company</p> <p>June 2023 Director and Deputy President, commissioned Deputy General Manager, Technology Division of the Company</p> <p>April 2024 Representative Director and President of the Company To the Present</p>	2,000
2	Mitsuhiro Nagano (July 7, 1966)	<p>April 1985 Joined the Company</p> <p>March 2011 General Manager, Chugoku Office of the Company</p> <p>April 2019 Executive Officer, commissioned General Manager, Osaka Office and General Manager, West Japan Molded Products Sales Department, Sales Division of the Company</p> <p>April 2021 Executive Officer, commissioned Deputy General Manager, Technology Division In charge of Construction Administration Department, Construction Management Department, and Technology Development Center of the Company</p> <p>June 2021 Director, Senior Executive Officer, commissioned Deputy General Manager, Technology Division In charge of Construction Administration Department, Construction Management Department, and Technology Development Center of the Company</p> <p>April 2022 Director, Senior Executive Officer, commissioned Deputy General Manager, Technology Division In charge of Technology Department, Construction Administration Department, Construction Management Department, and Technology Development Center of the Company</p> <p>April 2024 Director, Managing Executive Officer, commissioned General Manager, Technology Division of the Company To the Present</p>	500

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions	Number of shares of the Company held
3	Maki Eguchi (March 4, 1961)	<p>April 1985 Joined Nippon Steel Corporation</p> <p>November 2014 General Manager, Design Engineering Department of Nippon Steel & Sumikin Engineering Co., Ltd.</p> <p>February 2015 Works outside Nippon Steel & Sumikin Engineering Co., Ltd. (Lead Dynamic Engineering Co., Ltd.)</p> <p>June 2017 Director, commissioned Deputy General Manager, Technology Division of the Company</p> <p>April 2018 Director, commissioned Deputy General Manager, Technology Division and General Manager, Manufacturing Department of the Company</p> <p>June 2021 Senior Executive Officer, commissioned Deputy General Manager, Technology Division and General Manager, Manufacturing Technology Department Cooperation with Managing Executive Officer Tsutsumi for matters concerning the factories of the Company</p> <p>April 2022 Managing Executive Officer, commissioned Deputy General Manager, Technology Division and General Manager, Manufacturing Technology Department Responsible for matters concerning the factories and Structural Business of the Company</p> <p>June 2022 Director, Managing Executive Officer, commissioned Deputy General Manager, Technology Division and General Manager, Manufacturing Technology Department Responsible for matters concerning the factories and Structural Business of the Company</p> <p>April 2024 Director, Managing Executive Officer, commissioned Deputy General Manager, Technology Division and General Manager, Manufacturing Technology Department Responsible for matters concerning the factories and Structural Business, and cooperation with Managing Executive Officer Nagano for matters concerning Technology Department, Construction Administration Department, Construction Management Department, and Technology Development Center of the Company</p> <p>To the Present</p>	500

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions	Number of shares of the Company held
4	Tetsuya Konno (April 17, 1964)	<p>April 1988 Joined Nippon Steel Corporation</p> <p>October 2012 Integrated into Nippon Steel & Sumitomo Metal Corporation Senior Chief, Institution and System Planning Office, Finance Department of Nippon Steel & Sumitomo Metal Corporation</p> <p>April 2014 Dispatched to OSAKA STEEL CO., LTD. from Nippon Steel & Sumitomo Metal Corporation</p> <p>April 2018 General Manager, Internal Control and Audit Department, Senior Chief, Finance Department of Nippon Steel & Sumitomo Metal Corporation</p> <p>April 2020 Consultant of the Company</p> <p>June 2020 Executive Officer, commissioned General Manager, General Administration Department, Group Manager, Work Style Reform Promotion Group of the Company</p> <p>June 2021 Director, Senior Executive Officer, commissioned General Manager, General Administration Department, Group Manager, Work Style Reform Promotion Group Responsible for matters concerning Internal Control and Audit Department, Personnel Development Department, Accounting Department, and Safety, Health and Environment Department of the Company</p> <p>April 2023 Director, Senior Executive Officer, commissioned General Manager, General Administration Department, General Manager, Personnel Development Department, Group Manager, Work Style Reform Promotion Group Responsible for matters concerning Internal Control and Audit Department, Accounting Department, and Safety, Health and Environment Department of the Company</p> <p>April 2024 Director, Managing Executive Officer, commissioned General Manager, General Administration Department, General Manager, Personnel Development Department Responsible for matters concerning Internal Control and Audit Department, Accounting Department, and Safety, Health and Environment Department of the Company To the Present</p>	—
5	Takayuki Fukuda (September 19, 1963)	<p>April 1988 Joined Nippon Steel Corporation</p> <p>October 2012 Integrated into Nippon Steel & Sumitomo Metal Corporation</p> <p>April 2016 General Manager, Production Process Department, Yawata Works of Nippon Steel & Sumitomo Metal Corporation</p> <p>April 2019 Nippon Steel & Sumitomo Metal Corporation changed the name to NIPPON STEEL CORPORATION General Manager, Shanghai Office</p> <p>September 2022 Senior Executive Officer, commissioned Assistant General Manager, Tokyo Office of the Company</p> <p>April 2023 Senior Executive Officer, commissioned Deputy General Manager, Sales Division, General Manager, Molded Products Sales Department, Assistant General Manager, Tokyo Office of the Company</p> <p>June 2023 Director, Senior Executive Officer, commissioned Deputy General Manager, Sales Division, General Manager, Molded Products Sales Department, Assistant General Manager, Tokyo Office of the Company</p> <p>April 2024 Director, Managing Executive Officer, commissioned General Manager, Sales Division, General Manager, Molded Products Sales Department Responsible for matters concerning the offices of the Company To the Present</p>	—

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions	Number of shares of the Company held
6	Hiroaki Sato (April 25, 1956)	<p>April 1980 Joined Nippon Steel Corporation</p> <p>April 2007 General Manager, Structurals Sales Department, Structurals Division of Nippon Steel Corporation</p> <p>April 2009 General Manager, Titanium Business Division of Nippon Steel Corporation</p> <p>October 2012 Integrated into Nippon Steel & Sumitomo Metal Corporation Dispatched to currently NS-Siam United Steel Co., Ltd. President of currently NS-Siam United Steel Co., Ltd.</p> <p>April 2019 Consultant of the Company</p> <p>June 2019 Representative Director and President of the Company</p> <p>April 2022 Representative Director and President, commissioned General Manager, Technology Division of the Company</p> <p>April 2024 Director, Advisor of the Company To the Present</p>	3,000
7	Hideyuki Takayama (June 29, 1960)	<p>April 1985 Joined Nippon Steel Corporation</p> <p>April 2011 General Manager, Production Operation Department, Kimitsu Works of Nippon Steel Corporation</p> <p>October 2012 Integrated into Nippon Steel & Sumitomo Metal Corporation General Manager, Production Operation Department, Kimitsu Works of Nippon Steel & Sumitomo Metal Corporation</p> <p>April 2014 Consultant of Nihon Teppan Co., Ltd.</p> <p>June 2014 Director of Nihon Teppan Co., Ltd.</p> <p>April 2016 Director, Managing Executive Officer, General Manager, Sales Division of Nihon Teppan Co., Ltd.</p> <p>June 2016 Managing Director, Managing Executive Officer, General Manager, Sales Division of Nihon Teppan Co., Ltd.</p> <p>June 2018 Managing Director, Managing Executive Officer of Nihon Teppan Co., Ltd.</p> <p>April 2019 Representative Director and President of Nihon Teppan Co., Ltd.</p> <p>June 2019 Director of the Company To the Present</p> <p>July 2019 Nihon Teppan Co., Ltd. changed the name to NST NIHONTEPPAN Co., Ltd. Representative Director and President of NST NIHONTEPPAN Co., Ltd.</p> <p>July 2022 NST NIHONTEPPAN Co., Ltd. changed the name to NS Architectural Steel Services Corporation Representative Director and President of NS Architectural Steel Services Corporation To the Present</p>	—

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions	Number of shares of the Company held
8	Motoyuki Miyo (September 8, 1955)	<p>April 1979 Joined The Fuji Bank, Limited</p> <p>April 1995 Deputy General Manager, International Credit Department of The Fuji Bank, Limited</p> <p>October 1998 Deputy General Manager, London Branch of The Fuji Bank, Limited</p> <p>April 2002 Counselor, Singapore Branch of Mizuho Corporate Bank, Ltd.</p> <p>September 2004 Counselor, Asia Business Management Department (stationed in Hong Kong) of Mizuho Corporate Bank, Ltd.</p> <p>March 2007 Counselor, International Management Department of Mizuho Corporate Bank, Ltd.</p> <p>September 2008 Joined DAIDO METAL CO., LTD. Deputy President, Daido Metal Russia LLC</p> <p>July 2011 Executive Officer of DAIDO METAL CO., LTD. Deputy President, Daido Metal Russia LLC</p> <p>April 2019 Director and Managing Executive Officer, Head of Corporate/Financial Planning Division of DAIDO METAL CO., LTD.</p> <p>June 2021 Representative Director and President of DAIDO METAL CO., LTD.</p> <p>March 2023 Retired as Representative Director and President of DAIDO METAL CO., LTD. To the Present</p>	-

(Notes)

1. There is no special interest between the Company and any of the candidates.
2. Mr. Motoyuki Miyo is a new candidate for Director.
3. Messrs. Hideyuki Takayama and Motoyuki Miyo are candidates for Outside Directors.
 - (1) Mr. Hideyuki Takayama, a candidate for Director, concurrently serves as Representative Director and President of NS Architectural Steel Services Corporation. The Company has material trading relationships with NS Architectural Steel Services Corporation.
 - (2) Mr. Motoyuki Miyo, a candidate for Director, has retired as the Representative Director and President of DAIDO METAL CO., LTD. and does not currently hold any concurrent position with other companies. There is no transactional relationship between the Company and DAIDO METAL CO., LTD.
4. The reasons for election and expected roles of these nominees as Outside Directors are as follows:
 - (1) The candidate for Director, Mr. Hideyuki Takayama is expected to utilize his wealth of knowledge and experience, etc., as a Director of NS Architectural Steel Services Corporation in the Company's overall management and fulfill the supervisory role from multiple perspectives mainly concerning the agenda for the Board of Directors meetings and other events related to corporate management from an objective standpoint independent of business executors. His term of office as Director of the Company will be five years at the conclusion of this Annual General Meeting of Shareholders.
Furthermore, he has been designated as an Independent Director/Auditor as defined by the Tokyo Stock Exchange, Inc., and has been submitted as such to said Exchange.
 - (2) The candidate for Director, Mr. Motoyuki Miyo is expected to utilize his wealth of knowledge and experience, etc., including his assignments at financial institutions and overseas, and as a Director of DAIDO METAL CO., LTD. in the Company's overall management and fulfill the supervisory role from multiple perspectives mainly concerning the agenda for the Board of Directors meetings and other events related to corporate management from an objective standpoint independent of business executors. He has been designated as an Independent Director/Auditor as defined by the Tokyo Stock Exchange, Inc., and has been submitted as such to said Exchange.
5. Concerning the liability stipulated in Article 423, Paragraph 1 of the Companies Act, for compensation of damages, the Company has entered into a liability limitation agreement with Mr. Hideyuki Takayama to limit his liability to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, provided that he has performed his duties in good faith and without gross negligence.
If he is reelected as an Outside Director, the Company plans to continue the agreement with him.
6. If Mr. Motoyuki Miyo is elected as an Outside Director, concerning the liability stipulated in Article 423, Paragraph 1 of the Companies Act, for compensation of damages, the Company will enter into a liability limitation agreement with him to limit his liability to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, provided that he has performed his duties in good faith and without gross negligence.

7. Messrs. Hideyuki Takayama and Motoyuki Miyo were not business executors nor officers of the Company or a Company subsidiary.
8. Messrs. Hideyuki Takayama and Motoyuki Miyo are not the parent company, etc., of the Company, and were not the parent company, etc., of the Company within the past 10 years.
9. Messrs. Hideyuki Takayama and Motoyuki Miyo are not business executors nor officers of a designated affiliated business entity of the Company, and were not business executors nor officers of a designated affiliated business entity of the Company within the past 10 years.
10. Messrs. Hideyuki Takayama and Motoyuki Miyo are not scheduled to receive a significant amount of cash or other property from the Company or a designated affiliated business entity of the Company, and have not received such cash or other property within the past two years.
11. Messrs. Hideyuki Takayama and Motoyuki Miyo are not a spouse, relative within the third degree, or equivalent persons of a business executor or officer of the parent company, etc., of the Company, the Company or a designated affiliated business entity of the Company.
12. The Company has entered into a directors and officers liability insurance contract with an insurance company, which covers damages and litigation expenses that the insured party would bear in the event that a claim for damages is filed. If the candidates for Directors are elected, they will become the insured under the insurance policy. In addition, the Company plans to renew the insurance policy with the same details at the next renewal.

Proposal 2: Election of 3 Audit & Supervisory Board Members

Of the four Audit & Supervisory Board Members, Audit & Supervisory Board Member Kiyoshi Yasui will retire by his resignation, and the terms of office of Audit & Supervisory Board Members Masao Wakugawa and Masaya Satomura will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of 3 Audit & Supervisory Board Members.

As candidate for Audit & Supervisory Board Member, Mr. Tsutomu Watanabe will be elected as a substitute for Audit & Supervisory Board Member Kiyoshi Yasui, his term of office shall be until the expiration of the retiring Audit & Supervisory Board Member in line with Article 34 of the Articles of Incorporation.

The Audit & Supervisory Board has previously given its approval to this proposal.

The candidates are as follows:

No.	Name (Date of birth)	Past experience and positions at the Company and significant concurrent positions	Number of shares of the Company held
1	Masao Wakugawa (November 13, 1961)	April 1986 May 2013 April 2015 April 2016 June 2018 April 2019 June 2021 April 2022 June 2022 Joined the Company General Manager, Chugoku Office of the Company General Manager, Kyushu Office of the Company Executive Officer, commissioned General Manager, Kyushu Office of the Company Director, commissioned General Manager, Kyushu Office of the Company Director, commissioned General Manager, Tokyo Office of the Company Senior Executive Officer, commissioned General Manager, Tokyo Office of the Company Senior Executive Officer, Assistant to the President of the Company Audit & Supervisory Board Member of the Company To the Present	500
2	Tsutomu Watanabe (April 9, 1963)	April 1986 April 2012 April 2017 April 2020 April 2024 Joined Nisshin Steel Co., Ltd. General Manager, Flatting Division, Kure Works of Nisshin Steel Co., Ltd. General Manager, Toyo Works of Nisshin Steel Co., Ltd. Integrated into NIPPON STEEL CORPORATION Counsel, Deputy General Manager, Setouchi Works (Kure regional representative) of NIPPON STEEL CORPORATION Consultant of the Company To the Present	—

No.	Name (Date of birth)	Past experience and positions at the Company and significant concurrent positions	Number of shares of the Company held
3	Kyoya Watanabe (December 28, 1970)	<p>April 1994 Joined Sumitomo Metal Industries, Ltd.</p> <p>July 2006 Counselor, Osaka Finance Office, Accounting Department of Sumitomo Metal Industries, Ltd.</p> <p>September 2007 Counselor, Tokyo Finance Office, Accounting Department of Sumitomo Metal Industries, Ltd.</p> <p>April 2011 Counselor, Accounting Office, Planning Department, Steel Sheet & Building Materials Company of Sumitomo Metal Industries, Ltd.</p> <p>October 2012 Integrated into Nippon Steel & Sumitomo Metal Corporation Accounting Office, Operation Department, Kashima Works of Nippon Steel & Sumitomo Metal Corporation</p> <p>June 2016 Chief, Affiliates Department, Head Office of Nippon Steel & Sumitomo Metal Corporation</p> <p>June 2018 Senior Chief, Affiliates Department, Head Office of Nippon Steel & Sumitomo Metal Corporation</p> <p>April 2019 Nippon Steel & Sumitomo Metal Corporation changed the name to NIPPON STEEL CORPORATION Senior Chief, Flat Products Planning Department, Flat Products Division, Head Office of NIPPON STEEL CORPORATION</p> <p>June 2019 Audit & Supervisory Board Member of the Company</p> <p>April 2020 Senior Chief, Flat Products I Office, Flat Products Sales Department, Flat Products Division, Head Office of NIPPON STEEL CORPORATION</p> <p>April 2021 Acting General Manager, Flat Products I Office, Flat Products Sales Department and Manager, Flat Products Sales Affiliates Department, Flat Products Division, Head Office of NIPPON STEEL CORPORATION To the Present</p> <p>June 2023 Retired as Audit & Supervisory Board Member of the Company</p>	—

(Notes)

1. There is no special interest between the Company and any of the candidates.
2. Messrs. Tsutomu Watanabe and Kyoya Watanabe are new candidates for Audit & Supervisory Board Members.
3. Messrs. Tsutomu Watanabe and Kyoya Watanabe are candidates for Outside Audit & Supervisory Board Members.
4. Although Messrs. Tsutomu Watanabe and Kyoya Watanabe have not been directly involved in corporate management, they have advanced knowledge regarding management to allow for appropriate execution of duties. Based on their wealth of experience and broad insights from NIPPON STEEL CORPORATION, the Company has judged that they will appropriately execute the duties of Outside Audit & Supervisory Board Member from an objective standpoint. Furthermore, they have been designated as Independent Directors/Auditors as defined by the Tokyo Stock Exchange, Inc., and have been submitted as such to said Exchange.
5. If Messrs. Tsutomu Watanabe and Kyoya Watanabe are elected as Outside Audit & Supervisory Board Members, concerning the liability stipulated in Article 423, Paragraph 1 of the Companies Act, for compensation of damages, the Company will enter into a liability limitation agreement with them to limit their liability to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, provided that they have performed their duties in good faith and without gross negligence.
6. Mr. Tsutomu Watanabe was not a business executor nor officer of the Company or a Company subsidiary.
7. Mr. Kyoya Watanabe was an Outside Audit & Supervisory Board Member of the Company in the past.
8. Messrs. Tsutomu Watanabe and Kyoya Watanabe are not the parent company, etc., of the Company, and were not the parent company, etc., of the Company within the past 10 years.
9. Messrs. Tsutomu Watanabe and Kyoya Watanabe are not business executors nor officers of a designated affiliated business entity of the Company, and were not business executors nor officers of a designated affiliated business entity of the Company within the past 10 years.
10. Messrs. Tsutomu Watanabe and Kyoya Watanabe are not scheduled to receive a significant amount of cash or other property from the Company or a designated affiliated business entity of the Company, and have not received such cash or other property within the past two years.
11. Messrs. Tsutomu Watanabe and Kyoya Watanabe are not a spouse, relative within the third degree, or equivalent persons of a business executor or officer of the parent company, etc., of the Company, the Company or a designated affiliated business entity of the Company.
12. The Company has entered into a directors and officers liability insurance contract with an insurance company, which

covers damages and litigation expenses that the insured party would bear in the event that a claim for damages is filed. If the candidates for Audit & Supervisory Board Members are elected, they will become the insured under the insurance policy. In addition, the Company plans to renew the insurance policy with the same details at the next renewal.

Proposal 3: Election of 1 Substitute Audit & Supervisory Board Member

To prepare for a contingency in which the Company does not have the number of Audit & Supervisory Board Members required by laws and regulations, the Company proposes the election of 1 Substitute Audit & Supervisory Board Member in advance.

The Audit & Supervisory Board has previously given its approval to this proposal.

The candidate is as follows:

Name (Date of birth)	Past experience and positions at the Company and significant concurrent positions	Number of shares of the Company held
Takeshi Mishima (June 5, 1974)	April 1998	-
	April 2004	
	September 2006	
	September 2007	
	June 2009	
	October 2012	
	January 2015	
	April 2018	
	April 2019	
	June 2020	
	April 2023	
	To the Present	

(Notes)

1. There is no special interest between the Company and Mr. Takeshi Mishima, a candidate for Substitute Audit & Supervisory Board Member.
2. Mr. Takeshi Mishima is a candidate for Outside Audit & Supervisory Board Member.
3. Although Mr. Takeshi Mishima has not been directly involved in corporate management, he has advanced knowledge regarding management to allow for appropriate execution of duties. Based on his wealth of experience and broad insights from NIPPON STEEL CORPORATION, the Company has judged that he will appropriately execute the duties of Outside Audit & Supervisory Board Member from an objective standpoint.
4. If Mr. Takeshi Mishima is appointed as Audit & Supervisory Board Member, he is expected to fulfill the supervisory role from multiple perspectives mainly concerning the agenda for the Board of Directors meetings and other events related to corporate management from an objective standpoint independent of business executors. Therefore, the Company requests his election as Substitute Outside Audit & Supervisory Board Member.
5. The Company defines in its Articles of Incorporation the ability to conclude liability limitation agreements with Outside Audit & Supervisory Board Members to limit their liability to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, concerning the liability stipulated in Article 423, Paragraph 1 of the Companies Act, for compensation of damages provided that they had performed their duties in good faith and without gross negligence. If Mr. Takeshi Mishima is appointed as Audit & Supervisory Board Member, the Company plans to conclude the agreement with him.
6. The Company has entered into a directors and officers liability insurance contract with an insurance company, which covers damages and litigation expenses that the insured party would bear in the event that a claim for damages is filed. If Mr. Takeshi Mishima is appointed as Audit & Supervisory Board Member, he will become the insured under the insurance policy.

Proposal 4: Presentation of Retirement Benefits Payable to Retiring Director and Retiring Audit & Supervisory Board Member

The term of office of Director Koji Tsutsumi will expire, and Audit & Supervisory Board Member Kiyoshi Yasui will retire by his resignation at the conclusion of this Annual General Meeting of Shareholders. In order to reward them for their services during their terms of office, the Company proposes to present retirement benefits within a certain amount in accordance with standards stipulated in the Company’s regulations.

The Company requests that specific amounts, timing and methods, etc., be decided by the Board of Directors for the retiring Director and by deliberation by Audit & Supervisory Board Members for the retiring Audit & Supervisory Board Member.

Retirement benefits for retiring directors are determined by the Representative Director and President, who has been resolved and appointed by the Board of Directors, in accordance with the Company’s bylaws based on the policy to determine the details of compensation set by the Board of Directors, and through the procedures specified in the Company’s rules and guidelines. Therefore, the Company believes that the amount of the benefits is reasonable.

Past experiences of the retiring Director and the retiring Audit & Supervisory Board Member are as follows:

Name	Past experience	
Koji Tsutsumi	June 2014 April 2017 June 2021 April 2022 April 2024	Director Managing Director Director, Managing Executive Officer Director, Senior Managing Executive Officer Director, Assistant to the President To the Present
Kiyoshi Yasui	June 2020	Standing Audit & Supervisory Board Member To the Present