

This document has been translated from 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: 5461

June 6, 2024

(Start date of electronic provisioning measures: May 31, 2024)

NOTICE OF THE 100th ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

We hereby inform you that the 100th Annual General Meeting of Shareholders of Chubu Steel Plate Co., Ltd. (the “Company”) will be held as described below.

In convening this Meeting, the Company has adopted an electronic method of providing the Notice of Convocation of the Annual General Meeting of Shareholders. The Reference Documents for the General Meeting of Shareholders, etc. (Electronic Provision Measures Matters) are posted on the following websites as “Notice of the 100th General Meeting of Shareholders 2024 and Meeting Materials.”

The Company’s website: <https://www.chubukohan.co.jp/ir/library/meeting/>

In addition to the above, the reference documents are posted on the following website.

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

Please access the website above, enter the Company’s name or stock exchange code to search, and select “Basic information” and “Documents for public inspection/PR information” in this order. 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]” to confirm the information.

Please note that you can exercise your voting rights via the internet or by mailing the Voting Rights Exercise Form in place of attending the meeting on the day. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:15 p.m. (JST) (close of our business hours) on Monday, June 24, 2024.

Kumio Shigematsu
Representative Director and President
Chubu Steel Plate Co., Ltd.
5-1 Kousudori, Nakagawa-ku, Nagoya, Aichi

- 1. Date and Time:** Tuesday, June 25, 2024 at 10:00 a.m. (JST)
- 2. Place:** The welfare hall of the Company located at 5-1 Kousudori, Nakagawa-ku, Nagoya, Aichi
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company's 100th Fiscal Year (April 1, 2023 - March 31, 2024) and results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 100th Fiscal Year (April 1, 2023 - March 31, 2024)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of 10 Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal 3:** Election of 2 Directors Who Are Audit & Supervisory Committee Members
- Proposal 4:** Continuation of Policy for Responding to Large-Scale Purchase of the Company's Shares (Takeover Response Policy)

-
- © Should the Electronic Provision Measures Matters require revisions, the revised versions will be posted on each website where these matters are posted.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company's basic policy regarding the distribution of profits is to pay out dividends flexibly in line with its financial performance while aiming to make steady dividend payments. As a specific dividend policy, the Company pays out dividends with the aim of paying the higher of dividends of "60 yen per share annually" as steady dividend payment, or the "dividend payout ratio at 35%" as flexible dividend payment in line with the financial performance.

The Company proposes that a year-end dividend of 61 yen per share will be paid for the fiscal year.

As a result, the total cash dividends for the full year including the interim dividend of 30 yen will be 91 yen per share.

1. Matters concerning year-end dividends

(1) Type of dividend

Cash

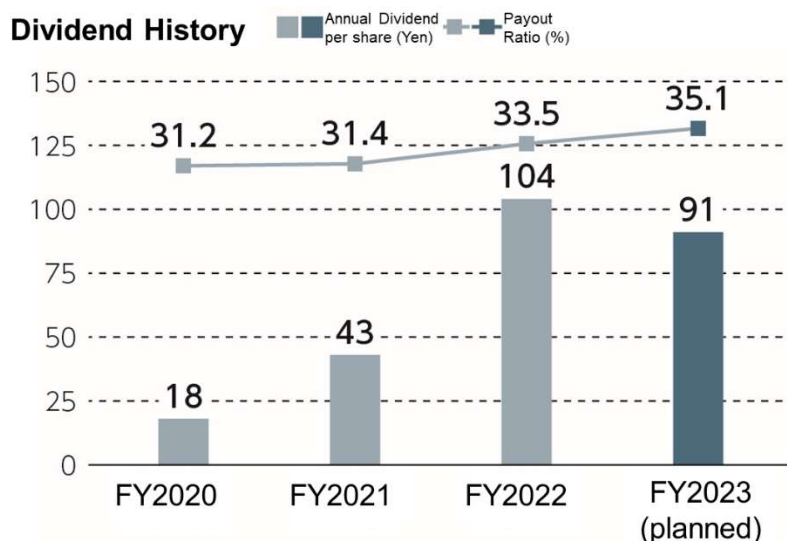
(2) Allotment of dividend assets to shareholders and the total amount

Per share of common stock of the Company: 61 yen

Total: 1,651,610,319 yen

(3) Effective date of the dividends of surplus

June 26, 2024



Proposal 2: Election of 10 Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The terms of office of all 9 Directors (excluding Directors who are Audit & Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of 10 Directors (excluding Directors who are Audit & Supervisory Committee Members) with the addition of 1 Director to further strengthen its management structure.

The candidates for Directors are as follows.

[Reference] List of candidates

No.	Name	Gender	Positions and responsibilities at the Company	Years served as Director (at the conclusion of this General Meeting of Shareholders)	Attendance at the Board of Directors meetings	
1	Kumio Shigematsu	Male	Representative Director and President	14 years	14/14 (100%)	[Reappointment]
2	Daigou Kaneko	Male	—	—	—	[New appointment]
3	Shinji Komura	Male	Director and Group Manager of Equipment Planning Division	6 years	14/14 (100%)	[Reappointment]
4	Susumu Matsuda	Male	Director and General Manager of General Affairs Department	4 years	14/14 (100%)	[Reappointment]
5	Shuji Muramatsu	Male	Director and General Manager of Marketing Department	2 years	14/14 (100%)	[Reappointment]
6	Takayuki Niimi	Male	Director and General Superintendent of Steel Works	1 year	11/11 (100%)*	[Reappointment]
7	Satoshi Nakao	Male	Director and General Manager of Management Planning Department	1 year	11/11 (100%)*	[Reappointment]
8	Hideki Miyahana	Male	Director	4 years	14/14 (100%)	[Reappointment] [Outside] [Independent]
9	Takahiro Hirano	Male	Director	4 years	14/14 (100%)	[Reappointment] [Outside] [Independent]
10	Nobutaka Ushigome	Male	Director	2 years	14/14 (100%)	[Reappointment] [Outside] [Independent]

* Since Mr. Takayuki Niimi and Mr. Satoshi Nakao assumed office as Director on June 22, 2023, the number of the Board of Directors meetings attended on and after that day was 11.

Candidate No.	Kumio Shigematsu	Number of shares of the Company held	66,941 shares
1	(June 7, 1956) [Reappointment]	Status of attendance at the Board of Directors meetings in FY2023	14/14 (100%)
		Years served as Director	14 years

Career summary

April 1981	Joined the Company
June 2004	General Manager of Manufacturing Department
April 2007	General Manager of Production Planning & Scheduling Department
June 2008	Executive Counselor and General Manager of Production Planning & Scheduling Department
January 2010	Executive Counselor and General Manager of Management Planning Department
June 2010	Director and General Manager of Management Planning Department
June 2013	Director and General Superintendent of Steel Works
June 2014	Managing Director and General Superintendent of Steel Works
June 2016	Managing Director
June 2017	Representative Director and President (current position)

Reason for nomination as candidate for Director

Mr. Kumio Shigematsu has worked in steelmaking and technical departments in the Company and has led the Company's technology for many years. Having also been in charge of management planning and responsible for sales and purchasing, he has a wealth of knowledge about all aspects of the Company's business, including manufacturing control and production engineering. Furthermore, since assuming the position of Representative Director and President in June 2017, he has demonstrated strong leadership aiming to strengthen the Company's group's business foundation and increase its corporate value. The Company therefore believes that he can leverage his experiences and renominates him as a candidate for Director.

Candidate No.	Daigou Kaneko	Number of shares of the Company held	0 shares
2	(June 27, 1961) [New appointment]		

Career summary

April 1984	Joined Godo Steel, Ltd.
June 2010	General Manager of Production Division, Osaka Works
January 2012	General Manager of Production Division, Osaka Works
June 2012	Executive Officer and General Manager of Production Division, Mitsuboshi Metal Industry Co., Ltd.
June 2014	Director and General Manager of Production Division
June 2015	Executive Counselor and Deputy General Superintendent of Funabashi Works, Godo Steel, Ltd.
June 2016	Executive Officer and General Superintendent of Funabashi Works
June 2020	Managing Executive Officer and General Superintendent of Funabashi Works, Godo Steel, Ltd. Representative Director and President, Mitsuboshi Metal Industry Co., Ltd.
June 2022	Representative Director and President, Mitsuboshi Metal Industry Co., Ltd. (current position) (scheduled to retire in June 2024)

Significant concurrent positions

Representative Director and President, Mitsuboshi Metal Industry Co., Ltd. (scheduled to retire in June 2024)

Reason for nomination as candidate for Director

Mr. Daigou Kaneko has accumulated experience as the production division head at a major electric furnace manufacturer for many years, and served as Representative Director and President of its important subsidiary. He also possesses a wealth of knowledge and experience in overall corporate management. The Company therefore nominates him as a candidate for Director. After being elected as Director, he will be appointed as Managing Director.

Candidate No.

3

Shinji Komura

(September 1, 1961)

[Reappointment]

Number of shares of the Company held

21,497 shares

Status of attendance at the Board of Directors meetings in FY2023

14/14 (100%)

Years served as Director

6 years

Career summary

April 1984	Joined the Company
June 2008	General Manager of Manufacturing Department
June 2010	Director, MEITOKU ENGINEERING CO., LTD.
April 2015	General Manager of Production Engineering Department, the Company
June 2015	Executive Counselor and General Manager of Production Engineering Department
June 2015	Director, CK-LOGISTICS CO., LTD. (current position)
June 2016	Executive Counselor and Deputy General Superintendent of Steel Works, the Company
June 2018	Director and General Superintendent of Steel Works
June 2023	Director and Group Manager of Equipment Planning Division (current position)

Significant concurrent positions

Director, CK-LOGISTICS CO., LTD.

Reason for nomination as candidate for Director

Mr. Shinji Komura has worked in steelmaking and technical departments of the Company for many years and is well versed in the Company's technology. He has also participated in the management of group companies and has a wealth of experience and knowledge about manufacturing control and production engineering. The Company therefore renominates him as a candidate for Director.

Candidate No.

4

Susumu Matsuda

(December 29, 1966)

[Reappointment]

Number of shares of the Company held

8,688 shares

Status of attendance at the Board of Directors meetings in FY2023

14/14 (100%)

Years served as Director

4 years

Career summary

April 1989	Joined The Tokai Bank, Ltd. (currently MUFG Bank, Ltd.)
October 2009	General Manager of Nerimaheiwadai Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)
May 2011	General Manager of Tama Branch
April 2013	General Manager of Ichinomiya Branch and Area Director
December 2015	General Manager of Kashiwa Branch and Area Director
May 2019	General Manager in charge of Finance Department, the Company
June 2019	Executive Counselor and General Manager of Finance Department
June 2020	Director and General Manager of General Affairs Department (current position)
June 2021	Auditor, MEITOKU ENGINEERING CO., LTD. (current position)
June 2021	Auditor, CK-LOGISTICS CO., LTD. (current position)

Significant concurrent positions

Auditor, MEITOKU ENGINEERING CO., LTD.

Auditor, CK-LOGISTICS CO., LTD.

Reason for nomination as candidate for Director

Mr. Susumu Matsuda has been making decisions on important business operations as the head of the finance and accounting, general affairs, and personnel departments since joining the Company, and also has many years of experience at financial institutions and a wealth of knowledge about finance and other areas. The Company therefore renominates him as a candidate for Director.

Candidate No.

5

Shuji Muramatsu

(April 10, 1962)
[Reappointment]

Number of shares of the Company held

3,158 shares

Status of attendance at the Board of Directors meetings in FY2023

14/14 (100%)

Years served as Director

2 years

Career summary

April 1985 Joined MITSUI & CO., LTD.
October 1991 Detroit Office Manager (Customer Service), Steel & Metal Dept., North-Central Headquarters (Chicago), Mitsui & Co. (U.S.A), Inc.
October 1996 Detroit Office Assistant General Manager of Steel Dept., Mitsui & Co. (U.S.A), Inc.
October 2007 Group Manager of First Sales Department, Automotive Division, Iron & Steel Products Business Unit, MITSUI & CO., LTD.
April 2013 Director and Senior Managing Executive Officer, NSM Coil Center Co., Ltd.
April 2015 Executive Managing Officer, Mitsui & Co. Steel Ltd.
April 2020 Executive Counselor and Head of Tokyo Marketing Office, the Company
June 2022 Director and General Manager of Marketing Department (current position)
June 2022 Director, CK CORPORATION LTD. (current position)

Significant concurrent positions

Director, CK CORPORATION LTD.

Reason for nomination as candidate for Director

Mr. Shuji Muramatsu has been engaged in the Company's management as the head of the Company's marketing since joining the Company, and has fulfilled his roles and responsibilities effectively. In addition, he worked successfully in the steel-related divisions of trading companies for many years and has a wealth of experience in and knowledge about the steel industry. The Company therefore renominates him as a candidate for Director.

Candidate No.	Takayuki Niimi	Number of shares of the Company held	8,989 shares
6	(February 1, 1965) [Reappointment]	Status of attendance at the Board of Directors meetings in FY2023	11/11 (100%)
		(since assuming the office of Director of the Company)	
		Years served as Director	1 year

Career summary

April 1988	Joined the Company
January 2010	General Manager of Production Planning & Scheduling Department
June 2010	Director, CK-LOGISTICS CO., LTD.
April 2011	General Manager of Manufacturing Department, the Company
June 2011	Director, MEITOKU ENGINEERING CO., LTD.
June 2013	General Manager of Management Planning Department, the Company
June 2014	General Manager of Purchasing Department
June 2016	Representative Director and President, CK Clean Ad Co., Ltd.
June 2021	Assistant to the General Superintendent, the Company
June 2021	Director, CK Clean Ad Co., Ltd.
June 2022	Executive Counselor and Assistant to the General Superintendent, the Company
June 2023	Director and General Superintendent of Steel Works (current position)
June 2023	Director of Meitoku Engineering Co., Ltd. (current position)

Significant concurrent positions

Director of Meitoku Engineering Co., Ltd.

Reason for nomination as candidate for Director

Mr. Takayuki Niimi has worked in manufacturing division of the Company for many years and has held positions such as General Manager of Management Planning Department and General Manager of Purchasing Department. In addition, he has served as a Representative Director and President of a group company and has a wealth of experience and knowledge. The Company therefore renominates him as a candidate for Director.

Candidate No.	Satoshi Nakao	Number of shares of the Company held	6,455 shares
7	(May 24, 1968)	Status of attendance at the Board of Directors meetings in FY2023	11/11 (100%)
	[Reappointment]	(since assuming the office of Director of the Company)	
		Years served as Director	1 year

Career summary

April 1992	Joined the Industrial Bank of Japan (currently Mizuho Bank, Ltd.)
April 2015	Deputy Manager, International Fund Securities Department, Mizuho Bank, Ltd.
April 2016	Deputy Manager, Fund Securities Department
October 2018	Group Manager, Audit & Supervisory Committee Office, Mizuho Securities Co., Ltd.
April 2019	General Manager, Human Resource Management Department
July 2020	General Manager in charge of Management Planning Department, the Company
January 2021	General Manager of Management Planning Department
April 2021	Executive Counselor and General Manager of Management Planning Department
June 2021	Auditor, CK CORPORATION LTD. (current position)
June 2021	Auditor, CK Clean Ad Co., Ltd. (current position)
June 2023	Director and General Manager of Management Planning Department, the Company (current position)

Significant concurrent positions

Auditor, CK CORPORATION LTD.

Auditor, CK Clean Ad Co., Ltd.

Reason for nomination as candidate for Director

Mr. Satoshi Nakao has held key positions in departments such as securities and administration at financial institutions for many years. Since joining the Company, he has participated in important decisions as General Manager of Management Planning Department, and has a wealth of experience and knowledge in corporate management operations in general. The Company therefore renominates him as a candidate for Director.

Candidate No.	Hideki Miyahana	Number of shares of the Company held	0 shares
8	(December 12, 1967)	Status of attendance at the Board of Directors meetings in FY2023	14/14 (100%)
	[Reappointment] [Outside] [Independent]	Years served as Director	4 years

Career summary

April 1990	Joined Mitsui Engineering & Shipbuilding Co., Ltd.
April 2008	General Manager of Construction & Steel Structure Division, 1st Business Division, Mitsui & Co. Steel Ltd.
May 2009	General Manager of Plate & Pipe Division, 1st Business Division
September 2015	General Manager in charge of Stainless Steel, Steel Wire Rods, Products & Special Steel Division, Osaka Office
April 2017	General Manager of Stainless Steel, Steel Wire Rods, Products & Special Steel Sales Division, Osaka Office
April 2018	General Manager of West-Japan Sales Division, West-Japan Business Unit
December 2019	Deputy General Manager of West-Japan Business Unit
April 2020	Executive managing Officer and General Manager of West-Japan Business Unit
June 2020	Outside Director, the Company (current position)
June 2020	Outside Director, Kishiwada Steel Co., Ltd.
April 2022	Executive managing Officer and General Manager of Infrastructure Second Unit, Mitsui & Co. Steel Ltd. (current position)

Significant concurrent positions

Executive managing Officer and General Manager of Infrastructure Second Unit, Mitsui & Co. Steel Ltd.

Information on independence

Mr. Hideki Miyahana satisfies the Company's criteria for independence of Outside Directors. The Company has designated him as independent director under the rules of the stock exchanges on which the Company's stock is listed. Although Mitsui & Co. Steel Ltd. is a business partner in sales of the Company, the amount of transactions between the said company and the Company is at a lower level than the criteria for independence of outside directors and officers set by the Company. In addition, the said company is a shareholder who holds shares of the Company, but does not fall under major shareholders based on the Company's criteria.

Reason for nomination as candidate for Outside Director and summary of expected roles

Mr. Hideki Miyahana has held key positions at a trading company and has a wealth of experience in and knowledge about the steel industry and steel distribution. In his work for the Company, he has contributed to increasing the corporate value by willingly expressing his views on the overall management of the Company as needed drawing on his insight. In view of his experiences and achievements mentioned above, the Company expects that he will continue to appropriately carry out his duties, including oversight of business execution as an Outside Director and therefore nominates him as a candidate for Outside Director.

Candidate No.	Takahiro Hirano	Number of shares of the Company held	0 shares
9	(June 4, 1960) [Reappointment] [Outside] [Independent]	Status of attendance at the Board of Directors meetings in FY2023	14/14 (100%)
		Years served as Director (*including the term of office as Outside Auditor)	4 years

Career summary

April 1984	Joined OKAYA & CO., LTD.
March 2004	President, OKAYA INTERNATIONAL (H.K.) LTD.
September 2009	General Manager of Second Department, International Trade Division, Tokyo Head Office, OKAYA & CO., LTD.
May 2011	Senior General Manager of Electric & Electronics Division, Tokyo Head Office
May 2012	Member of the Board and Senior General Manager of Electric & Electronics Division, Tokyo Head Office
May 2013	Member of the Board, Head of Information & Electronics Segment, and Senior General Manager of Electric & Electronics Division, Tokyo Head Office
March 2014	Member of the Board, Head of Information & Electronics Segment, Deputy Senior General Manager of Tokyo Head Office, and Senior General Manager of Electric & Electronics Division, Tokyo Head Office
May 2016	President, OKAYA (U.S.A.), Inc.
May 2018	Member of the Board, Managing Director, Head of Information & Electronics Segment, and Senior General Manager of Tokyo Head Office, OKAYA & CO., LTD.
May 2020	Member of the Board, Managing Director, Head of Information & Electronics Segment, and Senior General Manager of Nagoya Head Office
June 2020	Outside Auditor, the Company
June 2021	Outside Director (current position)
May 2022	Member of the Board, Senior Managing Director and Senior General Manager of Nagoya Head Office, OKAYA & CO., LTD. (current position)

Significant concurrent positions

Member of the Board, Senior Managing Director and Senior General Manager of Nagoya Head Office, OKAYA & CO., LTD.

Information on independence

Mr. Takahiro Hirano satisfies the Company's criteria for independence of Outside Directors. The Company has designated him as independent director under the rules of the stock exchanges on which the Company's stock is listed. Although OKAYA & CO., LTD. is a business partner in sales and purchase of the Company, the amount of transactions between the said company and the Company is at a lower level than the criteria for independence of outside directors and officers set by the Company. In addition, the said company is a shareholder who holds shares of the Company, but does not fall under major shareholders based on the Company's criteria.

Reason for nomination as candidate for Outside Director and summary of expected roles

Mr. Takahiro Hirano has held key positions in Japan and overseas at a trading company. He also has experiences and broad insight as a corporate manager. In his work for the Company, he has contributed to increasing the corporate value by willingly expressing his views on the overall management of the Company as needed drawing on his experiences. In view of his experiences and achievements mentioned above, the Company expects that he will continue to appropriately carry out his duties, including oversight of business execution as an Outside Director and therefore nominates him as a candidate for Outside Director.

Candidate No.	Nobutaka Ushigome	Number of shares of the Company held	0 shares
10	(September 4, 1964)	Status of attendance at the Board of Directors meetings in FY2023	14/14 (100%)
	[Reappointment] [Outside]	Years served as Director	2 years
	[Independent]		

Career summary

April 1989	Joined the Ministry of Home Affairs (currently Ministry of Internal Affairs and Communications)
July 1995	Professor of Local Autonomy College
April 1996	Joined TYK Corporation
April 1996	Head of Sales & Development Division
June 1997	Director and Head of Sales & Development Division
October 1998	Director and Deputy Head of Sales Division
June 2001	Managing Director and Head of Sales Division
June 2004	Senior Managing Director and Head of Sales Division
June 2005	President and Representative Director (current position)
January 2019	Director (outside), Amvis Holdings, Inc. (current position)
June 2022	Outside Director, the Company (current position)

Significant concurrent positions

President and Representative Director, TYK Corporation
 Director (outside), Amvis Holdings, Inc.

Information on independence

Mr. Nobutaka Ushigome satisfies the Company's criteria for independence of Outside Directors. The Company has designated him as independent director under the rules of the stock exchanges on which the Company's stock is listed. TYK Corporation, where Mr. Nobutaka Ushigome serves as President and Representative Director, is a shareholder who holds shares of the Company, but does not fall under major shareholders based on the Company's criteria. Furthermore, although TYK Corporation is a business partner in sales and purchasing of CK CORPORATION LTD., a subsidiary of the Company, it does not have a direct transactional relationship with the Company. Furthermore, there is no particular relationship between Amvis Holdings, Inc. and the Company.

Reason for nomination as candidate for Outside Director and summary of expected roles

Mr. Nobutaka Ushigome has worked successfully at manufacturing companies as director and representative director for many years, and has a wealth of experience and knowledge concerning the general management of a manufacturing company. In his work for the Company, he has contributed to increasing the corporate value by willingly expressing his views on the overall management of the Company as needed drawing on his insight. In view of his experiences and achievements mentioned above, the Company expects that he will continue to appropriately carry out his duties, including oversight of business execution as an Outside Director and therefore nominates him as a candidate for Outside Director.

Notes regarding candidates for Directors

1. Special interests with the Company
There are no special interests between the candidates and the Company.
2. Description regarding candidates for Outside Directors
Mr. Hideki Miyahana, Mr. Takahiro Hirano and Mr. Nobutaka Ushigome are candidates for Outside Directors.
3. Overview of content of limited liability agreement with candidates for Directors
Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Hideki Miyahana, Mr. Takahiro Hirano and Mr. Nobutaka Ushigome to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act to the amount prescribed by laws and regulations. If the reappointment of Mr. Hideki Miyahana, Mr. Takahiro Hirano and Mr. Nobutaka Ushigome is approved, the Company intends to continue those agreements with them.
4. Overview of content of directors and officers liability insurance contract that insures candidates for Directors
Pursuant to Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance contract that insures all directors and officers of the Company and its subsidiaries. The insurance covers any damages that may result from the directors and officers being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. However, there are certain exemptions and no coverage is available, for example, for liability arising from actions as a result of intention or gross negligence. The insurance premiums are all paid by the Company. If the candidates assume the office of Directors, they will be insured under the insurance contract. The Company intends to renew the insurance policy with the same contents during their terms of office.

Proposal 3: Election of 2 Directors Who Are Audit & Supervisory Committee Members

Mr. Hiroya Kobayashi and Mr. Yasuhiro Nomura, 2 Directors who are Audit & Supervisory Committee Members, will retire from office by resignation at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of 2 Directors who are Audit & Supervisory Committee Members as their substitutes.

The Audit & Supervisory Committee has given its consent to this proposal.

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

[Reference] List of candidates

No.	Name	Gender	Positions and responsibilities at the Company	Years served as Director (at the conclusion of this General Meeting of Shareholders)	Attendance at the Board of Directors meetings	
1	Kazuaki Hata	Male	—	—	—	[New appointment] [Outside]
2	Miyuki Watanabe	Female	—	—	—	[New appointment] [Outside] [Independent]

Candidate No.

1

Kazuaki Hata

(August 8, 1965)

[New appointment] [Outside]

Number of shares of the Company held

0 shares

Career summary

April 1989	Joined Nittetsu Shoji Co., Ltd. (currently NIPPON STEEL TRADING CORPORATION)
April 2012	General Manager of Automotive Flat Products Department
October 2013	General Manager of Automotive Flat Products Sales Department, NIPPON STEEL & SUMIKIN BUSSAN CORPORATION (currently NIPPON STEEL TRADING CORPORATION)
April 2015	President, Bangkok Eastern Coil Center Co., Ltd.
April 2019	General Manager of Steel Planning Department, NIPPON STEEL TRADING CORPORATION
October 2020	Counsellor (Executive Assistant)
January 2022	Counsellor (Executive Assistant) and General Manager of General Affairs & Corporate Communications Department
April 2022	Executive Officer and General Manager of Human Resource Development Department
April 2024	Executive Officer and General Manager of Nagoya Branch Office (current position)

Significant concurrent positions

Executive Officer and General Manager of Nagoya Branch Office, NIPPON STEEL TRADING CORPORATION

Reason for nomination as candidate for Outside Director and summary of expected roles

Mr. Kazuaki Hata has held key positions in Japan and overseas at steel trading companies, and has a wealth of experience and knowledge about steel industry and steel distribution. The Company expects that he will contribute to enhancing the Board of Directors' decision-making function and supervision and audit functions, drawing on his insight, and therefore nominates him as a candidate for Outside Director who is an Audit & Supervisory Committee Member.

Candidate No.

Miyuki Watanabe

2

(January 3, 1973)
[New appointment] [Outside]
[Independent]

Number of shares of the Company held

0 shares

Career summary

April 2000	Assistant Professor, faculty of law, Hosei University
April 2004	Associate Professor, Nagoya University Graduate School of law
October 2008	Research Associate, University of Konstanz (in Germany)
April 2011	Professor, Nagoya University Graduate School of law (current position)
April 2012	Advisor to the President, Nagoya University
April 2020	Advisor to the Vice President, Nagoya University
April 2023	Advisor to the Chancellor, Tokai National Higher Education and Research System (current position) Vice President, Nagoya University (current position)
May 2024	External Corporate Auditor, OKAYA & CO., LTD. (current position)

Significant concurrent positions

Advisor to the Chancellor, Tokai National Higher Education and Research System
Vice President, Nagoya University
External Corporate Auditor, OKAYA & CO., LTD.

Information on independence

Ms. Miyuki Watanabe satisfies the Company's criteria for independence of Outside Directors. The Company has designated her as independent director under the rules of the stock exchanges on which the Company's stock is listed. There is no business relationship between the Company and Tokai National Higher Education and Research System or Nagoya University where she holds concurrent positions. Although OKAYA & CO., LTD. is a business partner in sales and purchase of the Company, the amount of transactions between the said company and the Company is at a lower level than the criteria for independence of outside directors and officers set by the Company. In addition, the said company is a shareholder who holds shares of the Company, but does not fall under major shareholders based on the Company's criteria.

Reason for nomination as candidate for Outside Director and summary of expected roles

Ms. Miyuki Watanabe has a high level of knowledge in the field of the Code of Civil Procedure as a professor at Nagoya University Graduate School of law as well as a wealth of experience in organizations and personnel management as Vice President in charge of human rights of the said university. The Company expects that she will contribute to enhancing the Board of Directors' decision-making function and supervision and audit functions from a perspective independent of the management team, drawing on her insight, and therefore nominates her as a candidate for Outside Director who is an Audit & Supervisory Committee Member. Although she has not been previously involved in corporate management, the Company has judged that she can appropriately carry out her duties as an Outside Director who is an Audit & Supervisory Committee Member.

Notes regarding candidates for Directors

1. Special interests with the Company
There are no special interests between the candidates and the Company.
2. Description regarding candidates for Outside Directors
Mr. Kazuaki Hata and Ms. Miyuki Watanabe are candidates for Outside Directors.
3. Overview of content of limited liability agreement with candidates for Directors
If the election of Mr. Kazuaki Hata and Ms. Miyuki Watanabe is approved, pursuant to Article 427, Paragraph 1 of the Companies Act, the Company intends to enter into agreements with them to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act to the amount prescribed by laws and regulations.
4. Overview of content of directors and officers liability insurance contract that insures candidates for Directors
Pursuant to Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance contract that insures all directors and officers of the Company and its subsidiaries. The insurance covers any damages that may result from the directors and officers being liable for the performance of their duties or being subject to a claim for the pursuit of such liability. However, there are certain exemptions and no coverage is available, for example, for liability arising from actions as a result of intention or gross negligence. The insurance premiums are all paid by the Company. If the candidates assume the office of Directors, they will be insured under the insurance contract. The Company intends to renew the insurance policy with the same contents during their terms of office.

(Reference) Composition of the Board of Directors after the approval of Proposal 2 and Proposal 3

Skills and areas of expertise particularly expected of each Director are listed below, in order to achieve the Mid-term Business Plan and other medium- and long-term management strategies aiming for sustainable growth and increase in corporate value.

Name	Positions and responsibilities	Gender	Corporate management	Sales & business strategy	R&D / new business	Manufacturing technology & quality control	Finance & accounting	Legal affairs & risk management	ESG & sustainability
Kumio Shigematsu	Representative Director and President	Male	●	●	●	●			●
Daigou Kaneko	Managing Director	Male	●	●	●	●			
Shinji Komura	Director and Group Manager of Equipment Planning Division	Male			●	●			●
Susumu Matsuda	Director and General Manager of General Affairs Department	Male					●	●	●
Shuji Muramatsu	Director and General Manager of Marketing Department	Male	●	●	●				
Takayuki Niimi	Director and General Superintendent of Steel Works	Male	●		●	●			
Satoshi Nakao	Director and General Manager of Management Planning Department	Male					●	●	●
Hideki Miyahana	Outside Director	Male	●	●	●				
Takahiro Hirano	Outside Director	Male	●	●			●	●	●
Nobutaka Ushigome	Outside Director	Male	●	●	●	●			●
Makoto Nishigaki	Outside Director (Audit & Supervisory Committee Member)	Male					●	●	
Hiroko Iwata	Outside Director (Audit & Supervisory Committee Member)	Female					●	●	
Kazuaki Hata	Outside Director (Audit & Supervisory Committee Member)	Male	●	●					●
Miyuki Watanabe	Outside Director (Audit & Supervisory Committee Member)	Female						●	●

- Notes: 1. The table above does not cover all knowledge the Directors have.
2. These positions and responsibilities are to be officially determined at the Board of Directors meeting to be held after Proposal 2 and Proposal 3 are approved as originally proposed.

Details of skills and areas of expertise expected of Directors

Corporate management	Have experience of serving as an executive with representation rights or as a head of business department of a listed company, etc.
Sales & business strategy	Familiar with the steel industry and able to formulate and promote business strategies based on in-depth knowledge in sales and marketing
R&D / new business	Familiar with R&D related to steel and have in-depth knowledge and experience in development of new business, including non-steel fields
Manufacturing technology & quality control	Familiar with steel manufacturing technology and have in-depth knowledge in quality control and safety measures
Finance & accounting	Have abundant knowledge and experience in finance and accounting and in-depth knowledge in IR and capital strategy
Legal affairs & risk management	Have expertise in corporate legal affairs and in-depth knowledge in compliance and risk management
ESG & sustainability	Have in-depth knowledge in environment, governance, human resource development and interaction with stakeholders

(Reference) Independence Standards for Outside Directors

In the case where an Outside Director of the Company does not fall under any of the following items, the Company shall determine that the Director is independent.

1. A person who is a person who executes business (executive director, any other officer who executes business, employee who executes business, and employee) of the Company and the Company's group, or a person who had been a person who executes business in the 10 years before assuming the position
2. A person whose major business partner is the Company (person whose amount of transactions with the Company in the latest fiscal year exceeds 2% of such person's consolidated annual net sales), or if such person is a corporate body, a person who executes business of the corporate body
3. A person who is a major business partner of the Company (person whose amount of transactions with the Company in the latest fiscal year exceeds 7% of consolidated annual net sales of the Company), or if such person is a corporate body, a person who executes business of the corporate body
4. A person who hold shares with 10% or more of the voting rights of the Company, or if such person is a corporate body, a person who executes business of the corporate body
5. A person who executes business of a company of which shares with 10 % or more of voting rights are held by the Company and the Company's group
6. A certified public accountant who is the Accounting Auditor of the Company, or a member, partner or staff/employee of the audit firm which is the Accounting Auditor of the Company
7. A person who executes business of a financial institution of the Company and the Company's group (financial institution that is essential for financing and cannot be replaced with another party)
8. A person who is a consultant, accounting professional or legal professional that has received money or other economic benefits in the amount of 10 million yen or more per year on average for the last 3 fiscal years, other than compensation for directors and officers, from the Company and the Company's group, or if the person who has received such economic benefits is an organization such as a corporate body and association, a person who belongs to the organization
9. A person who has received a donation or subsidy in the amount of 10 million yen or more per year on average for the last 3 fiscal years from the Company and the Company's group, or if the person who has received such economic benefits is an organization such as a corporate body and association, a person who belongs to the organization
10. If an internal Director of the Company and the Company's group holds a concurrent position of the outside officer of any other company, a person who executes business of this other company
11. A person who fell under any of the above items 2 to 9 in any of the last 3 fiscal years of the Company
12. If a person who falls under any of the above items 1 to 11 is an important person (a Director and employee who is in the division head position; excluding an Outside Director), such person's close relative (a spouse, relative within the second degree of kinship, or relative residing in the same household)

Proposal 4: Continuation of Policy for Responding to Large-Scale Purchase of the Company’s Shares (Takeover Response Policy)

Although the Company received approval at the 97th Annual General Meeting of Shareholders held on June 25, 2021, to continue the Policy for Responding to Large-Scale Purchase of the Company’s Shares (Takeover Response Policy) (hereinafter the “Response Policy”), its effective period will expire at the conclusion of this General Meeting of Shareholders.

After repeated consideration of the contents and continuation of the Policy, the Board of Directors of the Company resolved at its meeting held on May 21, 2024, to continue the Response Policy subject to the approval of shareholders at this General Meeting of Shareholders.

All three members of the Company’s Independent Committee have approved the continuation of the Response Policy. In addition, all of the Company’s Directors, including the Directors who are Audit & Supervisory Committee Members, have endorsed the Response Policy, provided that the specific details of the Response Policy are properly implemented.

Since the introduction of the takeover response policy in June 2008, the Company has been reviewing it every year, taking into account various trends in the takeover response policy. However, taking into comprehensive consideration the fact that the details of the takeover response policy have been largely established and that the Response Policy may be abolished by a resolution of the General Meeting of Shareholders or the Board of Directors even before the expiration of the effective period, the effective period of the Response Policy has been set at three years since its introduction in June 2012.

In order to continue to ensure and enhance the corporate value of the Group and the common interests of its shareholders, the Company requests that its shareholders deliberate and approve the continued introduction of the Response Policy in accordance with the provisions of the Company’s Articles of Incorporation.

Aside from revisions such as the organization of language based on trends in real operations, the following revisions have been made in this renewal

- Addition of provision that a Shareholders’ Intent Confirmation Meeting (defined below) shall be convened in the event that countermeasures are exercised against the large-scale purchaser that has complied with the Large-Scale Purchase Rules.
- Addition of provision that in the event that a Shareholders’ Intent Confirmation Meeting is to be convened, a period of not more than 60 days shall be set as a period for shareholders to fully consider whether or not to exercise the countermeasures, and that the Shareholders’ Intent Confirmation Meeting shall be convened.
- Additions and revisions to Rationality of the Response Policy.

I. Basic Policy on Persons Who Control Decisions on Financial and Business Policies of the Company

As a listed company, which means that free trading of the Company’s shares is permitted, the Board of Directors of the Company does not categorically reject so-called “hostile acquisitions,” which are conducted without the approval of the Board of Directors of the Company, as long as they contribute to the corporate value of the Group and the common interests of its shareholders. The Company also believes that the final decision on whether or not to accept a takeover bid involving a transfer of control of a stock company should be made based on the intentions of the shareholders.

However, in the management of the Company and the Group, it is essential to have sufficient understanding of and consideration for the high level of technology, wide-ranging know-how, and extensive experience related to the manufacture of electric furnace thick steel plates, as well as the close relationships that have been built over many years with stakeholders including customers, business partners, and employees. Without a sufficient understanding of these factors, the Company believes that it is impossible to make an appropriate judgment of shareholder value that can be achieved in the future.

In order to secure and enhance the corporate brand and corporate value the Group has built up, and ultimately, the common interests of its shareholders, it is essential to maintain the source of its corporate value (Note) and to implement its management plans, and unless these are secured and enhanced over the medium to long term by the party making the large-scale purchase of the Company’s shares, the corporate value of the Group and ultimately, the common interests of its shareholders will be damaged. Furthermore, upon receiving a proposal for a large-scale purchase from a purchaser who is an outsider, it is necessary to appropriately understand various matters, including the source of the Group’s corporate

value, tangible and intangible management resources, potential effects of future-oriented measures, and other matters that constitute the Group's corporate value, and to consider the degree to which such a purchase will contribute to the Group's corporate value and ultimately the common interests of its shareholders.

In the event that a large-scale purchase of the Company's shares is about to take place, the Company believes that it is in the best interests of the corporate value of the Group and ultimately the common interests of its shareholders to ensure that a system is in place that allows shareholders to make a considered judgment based on the provision of necessary and sufficient information from the party who intends to make the purchase and a period of time for the Board of Directors to evaluate the proposal, in order for shareholders to decide whether or not to accept the proposed large-scale purchase.

In the event that a large-scale purchase of the Company's shares is about to take place, the Company believes that having a framework that enables the Board of Directors of the Company to obtain necessary information, to secure time for evaluation thereof, and eventually to negotiate with the party who intends to conduct a takeover for the benefit of the shareholders, in order for the shareholders to decide whether or not to accept such large-scale purchase and, if necessary, to enable the Board of Directors of the Company to propose an alternative plan to the shareholders is essential to deter large-scale purchases that are contrary to the corporate value of the Group and ultimately the common interests of its shareholders, and that it is necessary to ensure the corporate value of the Group and ultimately the common interests of its shareholders by taking necessary and reasonable countermeasures against any large-scale purchase that would seriously damage the Group's corporate value and ultimately the common interests of its shareholders. (Basic Policy on Persons Who Control Decisions on Financial and Business Policies of the Company is hereinafter the "Basic Policy.")

Note: Source of corporate value

The source of the Group's corporate value lies in being the only dedicated manufacturer of electric furnace thick steel plates in Japan, using steel scrap, a rare resource strategically stockpiled in Japan, as the main raw material, and contributing to reducing environmental impacts and developing a sound material-cycle society through its advanced operational techniques that make the production of thick steel plates, which are generally blast-furnace products, possible with electric furnace operations. In addition, by leveraging the characteristics of the electric furnace that enable short delivery times, small lot sizes, and a variety of production types, the Company continues to meet market demand in a way that complements blast furnaces, and its original products, such as Steel Plate with Improved Machinability and Steel Plate for Laser-Cutting, are highly valued in the market. Furthermore, in terms of sales and marketing, the Company is able to produce and ship products in a timely manner by focusing on a make-to-order production system, have built a strong relationship of trust with its customers, and maintain a stable order flow.

The relationship between the management and employees is extremely good, supported by the management philosophy of "practicing people-oriented management," and this relationship forms the source of the Group's corporate value.

II. Measures to Prevent Decisions on Financial and Business Policies of the Company from Being Controlled by Inappropriate Parties in the Context of Its Basic Policy (Policy for Responding to Large-Scale Purchase of the Company's Shares (Takeover Response Policy))

1. Purpose of Setting Policy for Responding to Large-Scale Purchase of the Company's Shares (Takeover Response Policy)

It cannot be denied that there may be future takeover proposals that could significantly impact the Company's basic management policy given the current situation of corporate acquisitions in Japan's capital markets. As a company listed on the Tokyo Stock Exchange and the Nagoya Stock Exchange, the Company recognizes that the decision to accept a large-scale share purchase by a specific entity should ultimately be left to the judgment of its shareholders, should such a takeover proposal be made.

However, among such large-scale share purchases, there are purchases that would damage the corporate value of the Group and ultimately the common interests of the Company's shareholders. There are purchases that aim to temporarily control the management to transfer the Company's important tangible and intangible assets to the purchaser or their group companies, despite having no real intention to participate in management, but merely aiming to have the Company or its stakeholders buy back its shares at a high price, and purchases whose goal is to realize temporary high dividends at the expense of the investments necessary for the Company's future sustainable development.

Under such circumstances, the Company believes that it is important to ensure that a system is in place that allows shareholders to make a considered judgment based on the provision of necessary information from the large-scale purchaser and a period of time for the Board of Directors to evaluate the proposal, in order for shareholders to decide whether or not to accept the proposed large-scale purchase. For large-scale purchases that significantly harm the corporate value of the Group and ultimately the common interests of its shareholders, the Company has determined it necessary to set a takeover response policy in advance and have it approved by its shareholders in order to take appropriate and necessary countermeasures at that time.

As a measure to prevent decisions on financial and business policies of the Company from being controlled by inappropriate parties in the context of its Basic Policy, the Company will establish the following reasonable rules (hereinafter, the "Large-Scale Purchase Rules").

The Policy for Responding to Large-Scale Purchase of the Company's Shares (Takeover Response Policy) described in II. is hereinafter referred to as the "Response Policy."

2. Scope of the Response Policy

The Response Policy applies to the purchase of the Company's shares etc. (Note 3), aimed at or resulting in a specific shareholder group (Note 1) holding a voting rights percentage (Note 2) of 20% or more (regardless of the specific method of purchase such as market transactions or public tender offers).

However, purchases approved by the Company's Board of Directors in advance will be excluded from the application of the Response Policy.

Purchases with the scope of the Response Policy are hereinafter referred to as "large-scale purchases," and those who conduct such actions are hereinafter referred to as "large-scale purchasers."

Note 1: A "specific shareholder group" refers to

- (i) holders (including those who are included in the holders pursuant to Article 27-23, Paragraph 3 of the Financial Instruments and Exchange Act (hereinafter the "Act"); the same shall apply hereinafter) of the Company's shares, etc. (meaning "share certificates, etc." as defined in Paragraph 1 of the same Article). and their joint holders (This refers to "joint holders" as defined in Paragraph 5 of the same Article, and includes persons deemed to be joint holders pursuant to Paragraph 6 of the same Article; the same shall apply hereinafter.), and persons who have certain relationships with such holders or with joint holders of such holders that are similar to the relationships between the holders and joint holders (hereinafter, referred to as "quasi-joint holders"),

or,

- (ii) persons who purchase, etc. (The term “purchase, etc.” as defined in Article 27-2, Paragraph 1 of the Act includes purchases made in a securities market of a financial instruments exchange, whether by means of an auction purchase or otherwise.) of the Company’s shares, etc. (meaning “share certificates, etc.” as defined in the same Paragraph) and their specially related parties (meaning “specially related parties” as defined in Paragraph 7 of the same Article).

Note 2: “Voting rights percentage” refers to

- (i) the ratio of (1) share certificates, etc. held by the holder (This refers to the holding ratio of share certificates, etc. as defined in Article 27-23, Paragraph 4 of the Act. In this case, the number of shares, etc. held by a joint holder of such holder (the number of share certificates, etc. held by such holder as defined in the same Paragraph; the same shall apply hereinafter.) shall be taken into account in the calculation.) and (2) share certificates, etc. held by the quasi-joint holders of such holder combined (In adding (1) and (2) together, any overlap in the number of shares, etc. held between (1) and (2) shall be deducted.) if the specific shareholder group is as described in Note 1 (i).
- (ii) the ratio of the total of the percentages of shares, etc. owned by the relevant large-scale purchaser and the relevant specially related parties (This refers to the ownership ratio of share certificates, etc. as provided in Article 27-2, Paragraph 8 of the Act.) if the specific shareholder group is as described in Note 1 (ii). In calculating each percentage of share certificates, etc. held and each ownership ratio of share certificates, etc., the total number of voting rights (as defined in Article 27-2, Paragraph 8 of the Act) and the total number of issued shares (as defined in Article 27-23, Paragraph 4 of the Act) may be referred to the most recently submitted annual securities report, quarterly securities report, and report on repurchase of treasury stock.

Note 3: “Shares, etc.” refers to “share certificates, etc.” as defined in Article 27-23, Paragraph 1 of the Act.

3. Establishment of an Independent Committee

The Company will continue to establish an Independent Committee to properly implement the Response Policy and prevent arbitrary decisions by the Company’s Board of Directors, ensuring the rationality and fairness of such decisions. An outline of the Independent Committee for the continuation of the Response Policy is described in Appendix 2. The names and career summaries of the members of the Independent Committee are described in Appendix 3.

In making important decisions related to the Response Policy, such as judging whether large-scale purchasers have complied with the Large-Scale Purchase Rules (refer to 5. “Response Policy in the Event of a Large-Scale Purchase” below), and in deciding on countermeasures, the Company’s Board of Directors will always consult the Independent Committee and will respect its recommendations to the maximum extent possible.

4. Content of the Large-Scale Purchase Rules

(1) Provision of information

The Large-Scale Purchase Rules established by the Company require that (1) large-scale purchasers provide necessary and sufficient information about large-scale purchases to the Company’s Board of Directors in advance, and (2) only after the evaluation period by the Company’s Board of Directors has passed can they start the said large-scale purchase.

Specifically, large-scale purchasers must submit a Letter of Intent to comply with the Large-Scale Purchase Rules, which includes the purchaser’s name, address, law governing its formation or organization, representative’s name, contact information in Japan, and a summary of the intended large-scale purchase, addressed to the Company’s Representative Director. Upon receipt of the Letter of Intent, the Company will disclose this fact promptly and appropriately.

After submitting the Letter of Intent, the purchaser is required to submit to the Company information that is necessary and sufficient (hereinafter, the “necessary information”) for shareholders to make a decision and for the Company’s Board of Directors to form an opinion. The language used in the Letter of Intent and the necessary information must be Japanese.

Within ten business days after receiving the Letter of Intent, the Company’s Board of Directors will provide the large-scale purchaser with a list of the initial necessary information that should be provided.

If the Company’s Board of Directors reasonably determines that the information initially provided by the large-scale purchaser in accordance with the list of specifics of the above necessary information described below is insufficient for shareholders to make a decision and for the evaluation, examination, etc., by the Board of Director, in light of the content and manner, etc., of the large-scale purchase, the Board of Directors will consult the Independent Committee on whether it is appropriate to request additional information regarding the large-scale purchase and on the type and scope of such additional information to be provided, and respecting the recommendations of the committee to the maximum extent possible, the Board of Directors will separately request the provision of additional information from the large-scale purchaser.

Although the specific content of the necessary information varies depending on the characteristics of the large-scale purchaser and the purpose and content of the large-scale purchase, some general items include the following.

- (a) Details of the large-scale purchaser and its group (including joint holders, quasi-joint holders, and specially related parties) (including information on the large-scale purchaser’s business, capital structure, financial position, and experience in the same type of business as that of the Company and the Group)
- (b) Purpose, method, and details of the large-scale purchase (including the price and type of consideration for the purchase, the timing of the purchase, the structure of related transactions, the legality of the purchase method, and the feasibility of the purchase and related transactions, etc.)
- (c) Basis of calculation of the consideration for the acquisition of the Company’s shares (including the facts underlying the calculation, calculation method, numerical information used in the calculation, and details of synergies expected to arise from the series of transactions related to the large-scale purchase) and supporting documents explaining the source of funds (including the specific name of the provider of the funds (including substantial providers of funds), funding methods, and the details of any related transactions)
- (d) Information on each management candidate expected after participation in the management of the Company and the Group (including information on each management candidate’s experience in the same type of business as that of the Company and the Group) and basic information such as management policies, business plans, financial plans, capital policies, dividend policies, and asset utilization policies after participating in the management
- (e) Existence or nonexistence and details of any changes planned after the completion of the large-scale purchase with respect to the relationship between the Company and the Group’s stakeholders, such as business partners, customers, employees, and community stakeholders, and the Company and the Group
- (f) Other information that the Board of Directors of the Company or external experts (including financial advisors, certified public accountants, lawyers, consultants, and other experts; hereinafter, “external experts, etc.”) commissioned by the Company with respect to the large-scale purchase deem reasonably necessary and request

If the fact that a large-scale purchase has been proposed and the necessary information provided to the Board of Directors of the Company are deemed necessary for the shareholders to make a decision, the Board of Directors of the Company shall disclose all or part of such information to the shareholders at a time deemed appropriate by the Board of Directors of the Company.

- (2) Evaluation period by the Board of Directors

Next, the Company's Board of Directors will set a period not exceeding 60 days, in principle, as the evaluation period by the Board of Directors (hereinafter, the "Board of Directors evaluation period") after the large-scale purchaser completes provision of the necessary information to the Company's Board of Directors for assessment, consideration, negotiation, opinion formation, and planning of alternative plans by the Board of Directors, and shall notify the large-scale purchaser thereof. The Board of Directors evaluation period will be set in accordance with the difficulty of assessing the large-scale purchase, including the purpose of the purchase, the type of consideration, the method of purchase, etc., and the Board of Directors evaluation period may be extended as necessary by notifying the large-scale purchaser to this effect until the Board of Directors evaluation period reaches 90 days maximum. The large-scale purchase shall be commenced after the expiration of the Board of Directors evaluation period. Upon completion of the provision of the necessary information, the Board of Directors shall promptly notify the large-scale purchaser to that effect and the date on which the Board of Directors evaluation period expires, and shall promptly disclose such fact. In the event that the Board of Directors evaluation period is extended, the Board of Directors will promptly disclose the extended period and the reason for such extension.

During the Board of Directors evaluation period, the Board of Directors will seek advice from external experts, etc., as necessary, as well as the opinion of the Independent Committee, respect the recommendations of the Independent Committee to the maximum extent possible, fully evaluate and examine the necessary information provided, carefully compile the opinion of the Board of Directors, and disclose its opinion in a timely and appropriate manner. The Board of Directors of the Company will also negotiate to improve the terms and conditions of the large-scale purchase with the large-scale purchaser as necessary and may present an alternative proposal to its shareholders.

5. Response Policy in the Event of a Large-Scale Purchase

(1) In the event that the large-scale purchaser does not comply with the Large-scale Purchase Rules

In the event that a large-scale purchaser does not comply with the Large-Scale Purchase Rules, regardless of the specific purchase method, the Board of Directors of the Company may, after respecting the recommendation of the Independent Committee to the maximum extent possible, take measures to oppose the large-scale purchase as permitted under the Companies Act, other laws and regulations, or the Articles of Incorporation of the Company, such as issuing share acquisition rights, for the purpose of protecting the corporate value of the Group and ultimately the common interests of shareholders. An outline of the allotment of the share acquisition rights without contribution as one of the specific countermeasures is shown in Appendix 1.

(2) In the event that the large-scale purchaser complies with the Large-scale Purchase Rules

In the event that a large-scale purchaser complies with the Large-scale Purchase Rules, even if the Company's Board of Directors opposes the large-scale purchase, the Company will not, in principle, take any countermeasures against the large-scale purchase, although the Company will not exclude the possibility of expressing an opposition opinion, presenting an alternative proposal, or explaining to its shareholders, etc. Whether or not to accept the proposal of a large-scale purchase shall be determined by the shareholders after considering the large-scale purchase information regarding such large-scale purchase, the opinion of the Company's Board of Directors with respect to the proposal, alternative proposals, etc.

However, even if the large-scale purchaser adheres to the Large-scale Purchase Rules, if the Company's Board of Directors determines that the purchase will significantly damage the corporate value of the Group, as well as the common interests of its shareholders, which includes situations such as the Large-scale Purchase being one of the situations set forth in (a)-(g) below, and as a result will cause the Group damage that would be difficult to recover from, the Company's Board of Directors may convene a General Meeting of Shareholders to confirm the intentions of the shareholders of whether or not to exercise the countermeasures (hereinafter "Shareholders' Intent Confirmation Meeting").

In determining whether or not to take countermeasures, in order to ensure objectivity and reasonableness, the Board of Directors of the Company shall, based on the necessary information provided by the large-scale purchaser, including the management policy, etc. after the purchase, and with advice from external experts, etc. as necessary, consider the large-scale purchaser and the specific details of the large-scale purchase and the impact of the large-scale purchase on the corporate value of the Group and the common interests of its shareholders, and shall respect the recommendation of the Independent Committee to the maximum extent possible.

Types of Large-Scale Purchase Proposals That Are Considered to Significantly Undermine the Corporate Value of the Group and Ultimately the Common Interest of Shareholders

- (a) Cases where the purchaser is found to be a party who does not have any intention to participate in corporate management and intends to acquire the Company's shares for the purpose of selling the Company's shares to a related party of the Company at a high price after driving the share price higher
 - (b) Cases where the purchaser intends to purchase the Company's shares for the purpose of so-called scorched-earth management, such as temporarily controlling the Company's management and having the Company's intellectual property rights, know-how, trade secret information, major business partners, customers, etc. necessary for the Company's business management transferred to the large-scale purchaser or its group companies, etc.
 - (c) Cases where the purchaser intends to purchase the Company's shares with the intention of diverting the Company's assets that are not being used by the Company for a reasonable reason as collateral or source of repayment of debts of the large-scale purchaser or its group companies, etc., after gaining control of the Company's management
 - (d) Cases where the purchaser intends to purchase the Company's shares for the purpose of temporarily acquiring control over the corporate management of the Company and disposing high-value assets, etc. such as real estate, securities, etc., that are not currently related to the business of the Company by sale, etc. and temporarily paying higher dividends from the disposition proceeds or deliberately selling the Company's shares at a high price as the share price surges during the period of the said temporarily higher dividends
 - (e) Cases where the large-scale purchaser's proposed method of purchase of the Company's shares is an attempt to conduct a tender offer or other purchase of the Company's shares without soliciting the purchase of all shares in the initial purchase and setting unfavorable or unclear conditions for the second stage of purchase (so-called coercive two-tier acquisition)
 - (f) Cases where the large-scale purchaser is judged on reasonable grounds to be inappropriate as the controlling shareholder of the Company from the viewpoint of public order and morals, such as cases in which the management, major shareholders, or investors of the large-scale purchaser include persons who have relationships with antisocial forces
 - (g) Other cases that are equivalent to (1) through (6) above and are found to be significantly detrimental to the Company's and the Group's corporate value and ultimately the common interests of shareholders
- (3) Confirmation of shareholders' intentions
- For the Shareholders' Intent Confirmation Meeting, a period of up to 60 days shall be set as a period for shareholders to fully consider whether or not to exercise the countermeasures under the Plan (hereinafter, the "Shareholder Consideration Period"), and a Shareholders' Intention Confirmation Meeting shall be convened during such Shareholder Consideration Period. When convening the Shareholders' Intent Confirmation Meeting, the Company's Board of Directors shall send shareholders written material that includes necessary information provided by the large-scale purchaser and the Board of Director's opinion of the necessary information, the Board of Director's alternative plan and other information that the Board of Directors judges appropriate along with the notice of convocation of the General Shareholders' Meeting and disclose that it will do so in a timely and appropriate manner.

However, if the large-scale purchaser attempts to conduct the Large-scale Purchase without complying with the procedures established in the Response Policy, because there is no time to convene a General Meeting of Shareholders, and it is not possible for the shareholders to secure the necessary information by which to judge whether or not to accept the purchase, the Company's Board of Directors shall exercise the countermeasures without convening a Shareholders' Intent Confirmation Meeting after respecting the Independent Committee's recommendation to the maximum extent possible.

6. Impact on shareholders and investors, etc.

(1) Impact of the establishment of the Large-scale Purchase Rules on shareholders and investors, etc.

The purpose of the Large-Scale Purchase Rules is to provide shareholders with the information necessary for them to decide whether or not to accept a large-scale purchase and the opinion of the Company's Board of Directors, which is currently in charge of the management of the Company, as well as to ensure that shareholders have an opportunity to be presented with an alternative proposal. The Company believes that this will make it possible for shareholders to make an appropriate decision as to whether or not to accept the large-scale purchase based on sufficient information, which will lead to the protection of the common interests of its shareholders. Accordingly, the Company believes that the establishment of the Large-scale Purchase Rules is a prerequisite for its shareholders and investors to make appropriate investment decisions and contributes to the interests of its shareholders and investors.

As stated in II. 5. above, because the Company's Response Policy to a large-scale purchase will differ depending on whether or not the large-scale purchaser complies with the Large-Scale Purchase Rules, shareholders and investors are advised to pay attention to any action that the large-scale purchaser may or may not take. (The Company's major shareholders (top 10 shareholders) as of March 31, 2024, are as shown in Appendix 4.)

(2) Impact on shareholders at the time of allotment of the share acquisition rights without contribution under the Basic Policy

If a large-scale purchaser does not comply with the Large-Scale Purchase Rules, the Board of Directors of the Company shall take countermeasures as permitted under the Companies Act, other laws and regulations, or the Articles of Incorporation of the Company for the purpose of protecting the common interests of shareholders. In the event of the allotment of the share acquisition rights without contribution as a countermeasure, while the allotment of the share acquisition rights without contribution causes dilution of the value per share of the Company's stock held by each shareholder, it does not cause dilution of the total value of the shares of the Company held by each shareholder. As such, it is not expected to directly have a specific impact on the legal rights and economic benefits pertaining to shares of the Company held by shareholders and investors. Furthermore, in such cases, the Company may not conduct an allotment of the share acquisition rights without contribution to the large-scale purchaser, or may not allow the large-scale purchaser to exercise the stock acquisition rights allotted to it even if it does so. However, in either case, because share acquisition rights are allotted to shareholders other than the large-scale purchaser without contribution and their exercise is permitted, as described above, the exercise of such share acquisition rights will cause a dilution of the value per share of the Company's stock held by the Company's shareholders, but will not cause a dilution of the value of all the Company's shares held by the shareholders.

Even after the Company has passed a resolution for the allotment of the share acquisition rights without contribution as a countermeasure, the Company may cancel the allotment of the share acquisition rights without contribution by the day before the exercise period of the share acquisition rights due to, for example, the withdrawal of the purchase by the large-scale purchaser. In this case, because no dilution of the value per share of the Company's stock will occur, investors who bought and sold the Company's stock on the assumption that a dilution of the value per share of the Company's stock will occur may suffer a commensurate loss due to fluctuations in the stock price.

In the event that the Company's Board of Directors decides to take a specific countermeasure, timely and appropriate disclosure will be made in accordance with laws and regulations and the rules of the financial instruments exchanges.

- (3) Procedures to be followed by shareholders in conjunction with the allotment of the share acquisition rights without contribution

In the event that the Company's Board of Directors resolves to implement an allotment of the share acquisition rights without contribution for the Company's shares, which is one of the countermeasures, the Company's Board of Directors shall set a record date and give public notice thereof. Share acquisition rights will be allotted to shareholders recorded in the final shareholders register as of the relevant record date at a ratio of one share acquisition right per one share of the Company's common stock (however, excluding the Company's common shares held by the Company) held by the shareholder without contribution, and the shareholder must be recorded in the final shareholders' register as of the relevant record date in order to receive the allotment.

Shareholders may need to exercise the share acquisition rights within a prescribed period for the acquisition of new shares (in which case they will be required to pay a certain amount of money). In that event, the Company will make timely and appropriate disclosure in accordance with laws and regulations and the rules of the financial instruments exchanges.

7. Effective period, abolition, revision, etc. of the Response Policy

The Response Policy shall be continued subject to the approval of shareholders at the Company's 100th Annual General Meeting of Shareholders in 2024, and shall remain in effect until the conclusion of the annual general meeting of shareholders relating to the last fiscal year ending within three years of the conclusion of the Company's 100th Annual General Meeting of Shareholders.

Even during the effective period of the Response Policy, if a resolution to abolish the Response Policy is passed at a General Meeting of Shareholders or if a resolution to abolish the Response Policy is passed by the Company's Board of Directors, the Response Policy shall be abolished at that time.

Even if the continuation of the Response Policy is approved, from the viewpoint of protecting the common interests of shareholders, the Company may review the Response Policy from time to time in light of the development of related laws and regulations, the listing system established by financial instruments exchanges, and other changes in court precedents in Japan, etc., and may revise the Response Policy with the approval of the General Meeting of Shareholders. In such cases, the Company will disclose the details of such revisions in a timely and appropriate manner.

An outline diagram of the Response Policy is described in Appendix 5.

8. Rationality of the Response Policy

- (1) To secure and enhance the Company's corporate value and the common interests of shareholders

While the basic principle of the Response Policy is that the decision of whether or not to accept a large-scale purchase should ultimately be left to the judgment of the Company's shareholders, to protect the common interests of its shareholders, the Response Policy aims to ensure a system is in place that allows its shareholders to make a decision based on careful consideration after having received the necessary information from the Large-Scale Purchaser and after the Company's Board of Directors has been provided sufficient time for their evaluation.

- (2) Conformity with the intent of the Guidelines Regarding Takeover Defense

The Response Policy complies with the three principles established in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" announced by Japan's Ministry of Economy, Trade and Industry and Ministry of Justice on May 27, 2005: 1) the principle of protecting and enhancing corporate value and shareholders' common interests, 2) the principle of prior

disclosure and shareholders' will, and 3) the principle of ensuring the necessity and reasonableness of defensive measures. The Response Policy is also based on the Guidelines for Corporate Takeovers released by METI on August 31, 2023.

(3) Respecting the intentions of the Company's shareholders

The continuation of the Response Policy is contingent on the approval of the Company's shareholders, and the Company's Board of Directors may not independently issue or extend the Response Policy. Furthermore, even during the period of validity of the Response Policy, if a resolution is passed to abolish the Response Policy at the General Meeting of Shareholders, or if a resolution is passed by the Board of Directors to abolish the Response Policy, it shall be abolished at that time.

Furthermore, when countermeasures are exercised against the large-scale purchaser that has complied with the Large-Scale Purchase Rules, a Shareholders' Intent Confirmation Meeting will be held and a mechanism will be put in place that reflects the intention of the shareholders.

(4) Valuing the assessments of highly independent outside parties

In operating the Response Policy, to prevent arbitrary decisions by the Company's Board of Directors and to ensure the validity and fairness of those decisions, the Company shall establish an Independent Committee that is independent from its upper management. When making important decisions regarding the Response Policy, the Company's Board of Directors shall respect the recommendations of the Independent Committee to the maximum extent possible. Moreover, the Independent Committee may obtain advice from external experts as necessary with related costs borne by the Company. This structure strongly ensures the fairness and objectivity of the decisions made by the Independent Committee.

(5) Establishing rational and objective conditions

As stated in 5. above, the Response Policy establishes details in the case that the Company's Board of Directors exercises countermeasures, ensuring a structure that prevents the Company's Board of Directors from arbitrarily exercising such countermeasures.

Appendix 1

Outline of the allotment of the share acquisition rights without contribution as one of the specific countermeasures

Outline of share acquisition rights to be issued

1. Shareholders to whom share acquisition rights are to be granted and conditions of issuance
Share acquisition rights shall be allotted without contribution to all shareholders other than the Company recorded in the final shareholders' register as of the record date separately determined by the Company's Board of Directors at a ratio of one share acquisition right for every one share of common stock of the Company held by such shareholders.
2. Class and number of shares that are the subject of the share acquisition rights
The class of shares to be issued upon exercise of share acquisition rights shall be common stock of the Company, and the total number of shares to be issued upon exercise of share acquisition rights shall be up to the number of shares obtained by subtracting the total number of outstanding shares of common stock of the Company (excluding the shares of common stock of the Company held by the Company) from the total number of authorized shares of the Company as of the record date separately determined by the Company's Board of Directors. The number of shares to be issued upon exercise of one share acquisition right shall be determined separately by the Company's Board of Directors. However, in cases where the Company carries out a share split or share consolidation, the number of shares shall be subject to required adjustment.
3. Total number of share acquisition rights to be issued
The total number of share acquisition rights to be allotted shall be determined separately by the Company's Board of Directors. The Company's Board of Directors may allot share acquisition rights more than once.
4. Amount of assets to be contributed upon exercise of the share acquisition rights
The amount of assets to be contributed upon exercise of the share acquisition rights shall be money and the amount of assets to be contributed upon exercise of the share acquisition rights per common share of the Company (the amount to be paid in) shall be the amount separately specified by the Company's Board of Directors provided that this amount shall not be less than 1 yen.
5. Restrictions on the transfer of the share acquisition rights
Acquisition of share acquisition rights by transfer of share acquisition rights shall require the approval of the Company's Board of Directors.
6. Exercise conditions of the share acquisition rights
Exercise conditions for the share acquisition rights shall be stipulated, such as not allowing persons belonging to a specific shareholder group who hold 20% or more of the voting rights to exercise the share acquisition rights. The details shall be separately determined by the Company's Board of Directors.
7. Exercise period, etc. of the share acquisition rights
The exercise period of the share acquisition rights, reasons for acquisition, and other necessary matters shall be separately specified by the Company's Board of Directors.

Appendix 2

Outline of the Independent Committee

1. Structure

The Independent Committee shall consist of outside officers or external experts commissioned by the Board of Directors, and to be a member of the Independent Committee, the member must have a position independent from the Company's management. The Independent Committee shall have at least three members, who shall be appointed by a resolution of the Board of Directors.

2. Resolutions

A resolution of the Independent Committee shall be passed by a majority of the votes of the Independent Committee members present at the meeting, provided that all Independent Committee members are present. However, in the case of an accident or any other unavoidable circumstances that prevent a committee member from voting on a resolution, a resolution shall be passed by a majority of the votes of the members present at meetings at which a majority of the members are present.

3. Recommendations

- (1) The Independent Committee shall always be consulted by the Board of Directors on the matters stated in the items below, and when consulted, the Independent Committee shall request the submission of all relevant information held by the Board of Directors, examine and deliberate on each of the matters concerned, make a decision, and recommend its decision, together with the reasons therefor, to the Board of Directors. Each member of the Independent Committee shall make these decisions solely from the perspective of whether or not they contribute to the corporate value of the Group and ultimately the common interests of its shareholders, and shall not exclusively seek to benefit themselves or the Company's management.
 - (i) Whether or not it is appropriate to request the large-scale purchaser to provide additional large-scale purchase information, and the type and scope of the additional large-scale purchase information to be requested
 - (ii) Recommendations regarding the evaluation of the necessary information provided by the large-scale purchaser
 - (iii) Whether or not the large-scale purchaser complies with the Large-Scale Purchase Rules
 - (iv) Whether or not it is appropriate to trigger the countermeasures
 - (v) Contents of the countermeasure
 - (vi) In addition to the matters listed in each of the preceding items, matters for which the Board of Directors determines that the recommendation of the Independent Committee should be obtained.
- (2) The Board of Directors shall respect the recommendations of the Independent Committee to the maximum extent possible.

4. Other matters

- (1) The Independent Committee may, at the cost of the Company, obtain advice of independent third parties (including financial advisors, certified public accountants, lawyers, consultants, and other experts).
- (2) In order to collect necessary information, the Independent Committee may request explanations from the large-scale purchaser, the Company's management, employees of the Company's business partners, and other persons whom the Independent Committee deems necessary.

Appendix 3

Career summary of the Independent Committee Members

Name	Hiroya Kobayashi	
Date of birth	November 1, 1954	
Career summary	April 1978	Joined Mitsubishi Trust and Banking Corporation (currently Mitsubishi UFJ Trust and Banking Corporation)
	October 1980	Joined Toyoda Machine Works, Ltd. (currently JTEKT CORPORATION)
	April 2002	Part-time lecturer, Faculty of Law, Meijo University
	January 2006	General Manager, Legal Department, JTEKT CORPORATION
	April 2012	Professor, School of Contemporary International Studies, Nagoya University of Foreign Studies
	June 2014	Outside Director, CHUBUSHIRYO CO., LTD.
	June 2016	Outside Director, the Company
	April 2020	Professor Emeritus, Nagoya University of Foreign Studies (current position)
	June 2021	Outside Director (Audit & Supervisory Committee Member), the Company (current position) (scheduled to retire in June 2024)

Name	Makoto Nishigaki	
Date of birth	August 26, 1960	
Career summary	October 2003	Registered as a lawyer (Aichi Bar Association)
	October 2003	Joined Iritani Law Firm (current position)
	June 2008	Outside Auditor, C-CUBE Corporation
	September 2010	Outside Auditor, SHINTO COMPANY LIMITED
	June 2019	Outside Auditor, the Company
	September 2020	Outside Director (Audit & Supervisory Committee Member), SHINTO COMPANY LIMITED (current position)
	June 2021	Outside Director (Audit & Supervisory Committee Member), the Company (current position)

Name	Hiroko Iwata	
Date of birth	March 15, 1976	
Career summary	October 2002	Joined ChuoAoyama Audit Corporation
	July 2007	Transferred to KPMG AZSA & Co.
	December 2007	Resigned from KPMG AZSA & Co.
	January 2008	Representative, Hiroko Iwata CPA Office (current position)
	May 2008	Auditor, Nagoya Public Institute of Medicine (current position)
	July 2016	Representative partner, CTS Audit Corporation (current position)
	July 2017	Director, Jinseikai Social Welfare Corporation
	June 2021	Outside Director (Audit & Supervisory Committee Member), the Company (current position)

All of the above committee members are independent of the Company's management team that executes the Company's business, and have no business relationship or special interest with the Company.

Appendix 4

Major shareholders (Top 10 shareholders)

The Company's major shareholders (top 10 shareholders) as of March 31, 2024 are as follows.

Shareholder name	Number of shares held (shares)	Shareholding ratio (%)
Chubu Steel Plate Business Partners Shareholding Association	2,903,200	10.72
Mitsui & Co. Steel Ltd.	2,544,000	9.39
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,728,600	6.38
HIKARI TSUSHIN, INC.	1,367,000	5.04
NIPPON STEEL TRADING CORPORATION	1,260,000	4.65
Hanwa Co., Ltd.	956,000	3.53
OKAYA & CO., LTD.	912,000	3.36
MUFG Bank, Ltd.	800,000	2.95
Custody Bank of Japan, Ltd. (Trust Account)	680,400	2.51
The Juroku Bank, Ltd.	630,000	2.32
Total	13,781,200	50.89

(Note) Shareholding ratio is calculated excluding treasury stock (3,124,421 shares).

Appendix 5

Outline Diagram of Policy for Responding to Large-Scale Purchases (Takeover Response Policy)

