

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.

Securities Code: 1828

June 4, 2025

To our shareholders:

Fumio Mizusawa  
Representative Director and President  
**TANABE ENGINEERING CORPORATION**  
20 Fukuda, Joetsu City, Niigata Prefecture

## **Notice of the 57th Annual General Meeting of Shareholders**

You are cordially notified of the 57th Annual General Meeting of Shareholders of TANABE ENGINEERING CORPORATION (the “Company”), which will be held as indicated below.

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

The Company’s website: <https://www.tanabe-ind.co.jp/> (in Japanese)

(From the above website, select “Investor Relations ( I R 情報),” “Stock Information (株式について) (See a List (一覧を見る),” and then “General Meeting of Shareholders (株主総会).”)

Website for posted informational materials for the General Meeting of Shareholders  
<https://d.sokai.jp/1828/teiji/> (in Japanese)

Tokyo Stock Exchange website (TSE Listed Company Information Service)  
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Please access the TSE website above, enter and search for “Tanabe Engineering” under “Stock name (company name)” or the Company’s securities code “1828” under “Code,” select “Basic information” and then “Documents for public inspection/PR information,” and check the “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” column in “Filed information available for public inspection”)

Instead of attending the meeting in person, you may exercise your voting rights via the internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:00 p.m. on Tuesday, June 24, 2025 (JST).

**1. Date and time:** Wednesday, June 25, 2025 at 10:00 a.m. (JST). Reception opens at 9:30 a.m.

**2. Venue:** Hiten banquet room, 3rd floor of the Main Building, Hotel Century Ikaya  
1-2-7, Chuoh, Joetsu City, Niigata Prefecture

**3. Purpose of the Meeting**

**Matters to be reported:**

1. The Business Report and the Non-consolidated Financial Statements for the 57th fiscal year (from April 1, 2024 to March 31, 2025)
2. The Consolidated Financial Statements for the 57th fiscal year (from April 1, 2024 to March 31, 2025), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board

**Matters to be resolved:**

- Proposal No. 1** Appropriation of Surplus  
**Proposal No. 2** Election of Eight Directors  
**Proposal No. 3** Election of One Audit & Supervisory Board Member  
**Proposal No. 4** Election of Two Substitute Audit & Supervisory Board Members  
**Proposal No. 5** Determination of Compensation for the Grant of Restricted Shares to Directors

**4. How to Exercise Your Voting Rights**

Please refer to “How to Exercise Your Voting Rights” (Japanese only).

- If you attend the meeting in person, please submit the voting form at the venue’s reception.
  - If you exercise your voting rights in writing (by post) and do not indicate approval or disapproval of a proposal, it will be treated as an indication of approval.
  - If you exercise your voting rights more than once via the internet, only the last vote shall be deemed effective.
  - Please note that should you exercise your voting rights both via the internet and in writing (by post), your online vote will prevail, regardless of when the votes are received.
  - If you desire to exercise your voting rights by proxy, you may designate one other shareholder who has voting rights to attend the General Meeting of Shareholders as your proxy. However, please note that you will be required to submit a document certifying the authority to act as your proxy.
  - If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on each website shown above for which measures for electronic provision are taken.
  - For this general meeting of shareholders, we have delivered paper-based documents stating the matters subject to measures for electronic provision to all shareholders, regardless of whether or not they have requested them. Among the matters subject to measures for electronic provision, in accordance with laws and regulations and the Company’s Articles of Incorporation, the following matters are not included in the paper-based documents delivered to shareholders.
- (1) “Systems to Ensure the Appropriateness of Business Operations and the Status of its Implementation” included in the Business Report
  - (2) “Statement of Changes in Shareholders’ Equity” and “Notes to Non-consolidated Financial Statements” included in the Non-consolidated Financial Statements
  - (3) “Statement of Changes in Shareholders’ Equity” and “Notes to Consolidated Financial Statements” included in the Consolidated Financial Statements

Accordingly, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements included in the paper-based documents constitute a part of the documents audited by the Financial Auditor in preparing the financial audit report and the Audit & Supervisory Board Members in preparing the audit report.

To shareholders with disabilities

If you require assistance in attending the General Meeting of Shareholders, please speak to a member of staff on the day of the meeting.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

#### Year-end dividends

The Company's basic dividend policy is to strive to maintain stable dividends and increase dividends in a sustainable manner with a target of the consolidated dividend payout ratio of 35%–40% for its shareholders by strengthening its financial structure and management foundation while comprehensively considering business performance, new investment, and consolidated dividend payout ratio for each fiscal year.

Having given comprehensive consideration to such matters as the dividend policy, business performance and financial condition for the fiscal year, as well as future business development of the Company, the Company proposes to pay a year-end dividend as follows for the 57th fiscal year.

#### Type of dividend property

Cash

#### Allotment of dividend property and their aggregate amount

¥87 per common share of the Company

Total dividends: ¥912,776,073

#### Effective date of dividends of surplus

June 26, 2025

**Proposal No. 2** Election of Eight Directors

The terms of office of all seven Directors will expire at the conclusion of this meeting. As such, the Company proposes the election of eight Directors to strengthen its management structure.

The candidates for Director are as follows:

Candidate No.	Name	Current position and responsibility	Attributes
1	Yoshio Watanuki	Representative Director, Chairman	Reelection
2	Fumio Mizusawa	Representative Director, President and Executive Officer	Reelection
3	Hisayuki Yamaguchi	Director, Senior Managing Executive Officer In charge of Quality and Safety Promotion Office, OUMI Branch Office, HOKURIKU Branch Office, NAGOYA Branch Office, HIMEJI Branch Office, OMUTA Branch Office	Reelection
4	Yuichi Gommori	Executive Managing Director In charge of HR Department, Accounting Department, General and Legal Affairs Department, Corporate Planning Department	Reelection
5	Eiichi Aoki	Executive Managing Director In charge of CHIBA Branch Office, KASHIMA Branch Office	Reelection
6	Tetsuya Ono	Senior Executive Officer General Manager of Overseas Business Department Head of MAKUHARI Engineering Center In charge of overseas departments and Product Development Department	New election
7	Yuichi Yokota	Unaffiliated Director	Reelection Unaffiliated Independent
8	Naoki Nomoto	Unaffiliated Director	Reelection Unaffiliated Independent

Reelection      Candidate for reelection as Director  
New election      Candidate for new election as Director  
Unaffiliated      Candidate for election as Unaffiliated Director  
Independent      Independent Officer as provided for by stock exchanges, etc.

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company		Number of the Company's shares owned
1	Yoshio Watanuki (July 3, 1941) Reelection Attendance record at meetings of the Board of Directors 17 out of 17	Feb. 1969	Joined the Company	320,500 shares
		Oct. 1981	Director and General Manager of Sales Department	
		Apr. 1990	Managing Director and General Manager of Sales Division	
		June 1990	Senior Managing Director and General Manager of Sales Division	
		Oct. 1998	Representative Director and President	
		June 2009	Representative Director, President and Executive Officer	
		June 2023	Representative Director and Chair (current position)	
		Significant concurrent positions outside the Company		
—				
Reasons for nomination as candidate for Director Yoshio Watanuki joined the Company in 1969 and was appointed Representative Director and President in 1998, after serving as Director and General Manager of Sales Department, Managing Director, and Senior Managing Director. He was appointed Representative Director and Chair in 2023. He has extensive experience and knowledge on business management of the Company as a whole, and the Company deems that he will contribute to the sustainable growth of the Company and thereby requests his reelection as Director.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
2	Fumio Mizusawa (April 22, 1955) Reelection Attendance record at meetings of the Board of Directors 17 out of 17	<p>Feb. 1983      Joined the Company</p> <p>Sep. 1998      Representative Director and President of TANABE (THAILAND) Co., Ltd.</p> <p>June 2003      Director and General Manager of Industrial Machinery Engineering Department of the Company</p> <p>June 2009      Retired from Director Senior Executive Officer and General Manager of Industrial Machinery Engineering Department in charge of Power Operation Department</p> <p>Apr. 2010      Senior Executive Officer and Head of SAITAMA Technology Center</p> <p>Apr. 2011      Senior Executive Officer and General Manager of Sales Department</p> <p>Apr. 2012      Senior Executive Officer and Branch Manager of HOKURIKU Branch Office</p> <p>June 2013      Senior Executive Director and Branch Manager of HOKURIKU Branch Office in charge of Power Operation Department</p> <p>June 2016      Executive Managing Director and Branch Manager of HOKURIKU Branch Office in charge of Power Operation Department</p> <p>Apr. 2018      Executive Managing Director, Branch Manager of OSAKA Branch Office in charge of NAGOYA Branch Office and HIMEJI Technology Center</p> <p>Apr. 2021      Executive Managing Director In charge of OSAKA Branch Office, NAGOYA Branch Office, HIMEJI Technology Center and TANABE (THAILAND) Co., Ltd.</p> <p>Apr. 2022      Executive Managing Director in charge of OSAKA Branch Office, NAGOYA Branch Office, HIMEJI Technology Center, Power Operation Department and TANABE (THAILAND) Co., Ltd.</p> <p>June 2023      Representative Director, President and Executive Officer (current position)</p> <p>Significant concurrent positions outside the Company —</p>	57,400 shares
<p>Reasons for nomination as candidate for Director</p> <p>Fumio Mizusawa joined the Company in 1983 and has been mainly engaged in electric instrumentation business and power operation. He was appointed Representative Director and President in June 2023 after serving as Representative Director of TANABE (THAILAND) Co., Ltd. and Executive Managing Director, and has been in charge of management of the Company. He has extensive experience and knowledge of field activities, and the Company deems that he will contribute to the sustainable growth of the Company from a global perspective based on his wealth of experience and achievement overseas and thereby requests his reelection as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company		Number of the Company's shares owned
3	Hisayuki Yamaguchi (June 15, 1956) Reelection Attendance record at meetings of the Board of Directors 16 out of 17	<p>Apr. 1979      Joined the Company</p> <p>June 2009      Executive Officer and Branch Manager of CHIBA Branch Office</p> <p>Apr. 2013      Executive Officer and Branch Manager of OUMI Branch Office</p> <p>June 2013      Senior Executive Officer and Branch Manager of OUMI Branch Office</p> <p>June 2014      Senior Executive Director and Branch Manager of OUMI Branch Office</p> <p>June 2016      Executive Managing Director and Branch Manager of OUMI Branch Office</p> <p>Apr. 2018      Executive Managing Director, Branch Manager of OUMI Branch Office in charge of Quality and Safety Promotion Office and HOKURIKU Branch Office</p> <p>June 2020      Executive Managing Director, Branch Manager of OUMI Branch Office in charge of Quality and Safety Promotion Office, HOKURIKU Branch Office and OMUTA Branch Office</p> <p>June 2022      Executive Managing Director, Branch Manager of OUMI Branch Office in charge of Quality and Safety Promotion Office, Engineering Department, HOKURIKU Branch Office and OMUTA Branch Office</p> <p>June 2023      Senior Managing Executive Officer and Branch Manager of OUMI Branch Office in charge of Quality and Safety Promotion Office, NAGOYA Branch Office, HOKURIKU Branch Office, OMUTA Branch Office, and HIMEJI Technology Center</p> <p>Apr. 2024      Senior Managing Executive Officer and in charge of Quality and Safety Promotion Office, NAGOYA Branch Office, OUMI Branch Office, HOKURIKU Branch Office, OMUTA Branch Office, and HIMEJI Technology Center</p> <p>Apr. 2025      Senior Managing Executive Officer, in charge of Quality and Safety Promotion Office, OUMI Branch Office, HOKURIKU Branch Office, NAGOYA Branch Office, HIMEJI Branch Office and OMUTA Branch Office (current position)</p> <p>Significant concurrent positions outside the Company —</p>		31,500 shares
<p>Reasons for nomination as candidate for Director</p> <p>Hisayuki Yamaguchi joined the Company in 1979 and has been mainly engaged in the industrial plant facility construction business, and was appointed Director in June 2014 and has been in charge of management of the Company. He has extensive experience and knowledge of field activities, and the Company deems that he will contribute to the sustainable growth of the Company and thereby requests his reelection as Director.</p>				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company		Number of the Company's shares owned
4	Yuichi Gommori (February 18, 1957) Reelection Attendance record at meetings of the Board of Directors 17 out of 17	Apr. 1979	Joined the Company	17,800 shares
		Apr. 2013	General Manager of Administration Department	
		June 2014	Executive Officer and General Manager of Administration Department	
		June 2015	Senior Executive Officer and General Manager of Administration Department	
		June 2016	Senior Executive Director and General Manager of Administration Department	
		June 2018	Senior Executive Director and General Manager of Corporate Administration Division	
		June 2023	Executive Managing Director and General Manager of Corporate Administration Division	
		Apr. 2025	Executive Managing Director, in charge of HR Department, Accounting Department, General and Legal Affairs Department, Corporate Planning Department (current position)	
		Significant concurrent positions outside the Company		
		—		
Reasons for nomination as candidate for Director Yuichi Gommori joined the Company in 1979 and has been mainly engaged in businesses such as accounting and finance, and was appointed Director in June 2016 and has been in charge of management of the Company. He has knowledge on management administration operations and business management, and thereby the Company requests his reelection as Director.				
5	Eiichi Aoki (September 25, 1960) Reelection Attendance record at meetings of the Board of Directors 17 out of 17	Apr. 1985	Joined the Company	16,400 shares
		Apr. 2013	Branch Manager of KASHIMA Branch Office	
		June 2016	Executive Officer and Branch Manager of KASHIMA Branch Office	
		Apr. 2018	Executive Officer and Branch Manager of CHIBA Branch Office in charge of KASHIMA Branch Office	
		June 2019	Senior Executive Officer and Branch Manager of CHIBA Branch Office in charge of KASHIMA Branch Office	
		June 2022	Executive Managing Officer, Branch Manager of CHIBA Branch Office, in charge of KASHIMA Branch Office and SAITAMA Technology Center	
		June 2023	Executive Managing Director and Branch Manager of CHIBA Branch Office in charge of KASHIMA Branch Office	
		Apr. 2025	Executive Managing Director and in charge of CHIBA Branch Office and KASHIMA Branch Office (current position)	
		Significant concurrent positions outside the Company		
		—		
Reasons for nomination as candidate for Director Eiichi Aoki joined the Company in 1985 and has been mainly engaged in the industrial plant facility construction business, and was appointed as a Director in June 2023 and has been in charge of management of the Company. He has extensive experience and knowledge of on-site management, such as involvement in various major projects, and the Company deems that he will contribute to the sustainable growth of the Company and thereby requests his election as Director.				



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company	Number of the Company's shares owned
6	Tetsuya Ono (November 20, 1968) New election Attendance record at meetings of the Board of Directors —	<p>Apr. 1991      Joined the Company</p> <p>Jan. 2011      Representative Director and President of TANABE ENGINEERING SINGAPORE PTE. LTD.</p> <p>June 2016      Executive Officer and Branch Manager of CHIBA Branch Office of the Company</p> <p>Oct. 2018      Executive Officer of the Company, Representative Director and President of TANABE ENGINEERING SINGAPORE PTE. LTD., and Representative Director and President of TANABE TECHNICAL SERVICE MALAYSIA SDN. BHD.</p> <p>May 2023      Executive Officer of the Company, Representative Director and President of TANABE ENGINEERING SINGAPORE PTE. LTD., Representative Director and President of TANABE TECHNICAL SERVICE MALAYSIA SDN. BHD., and Representative Director and President of TANABE ENGINEERING ASIA CO., LTD.</p> <p>June 2023      Senior Executive Officer of the Company, Representative Director and President of TANABE ENGINEERING SINGAPORE PTE. LTD., Representative Director and President of TANABE TECHNICAL SERVICE MALAYSIA SDN. BHD., and Representative Director and President of TANABE ENGINEERING ASIA CO., LTD.</p> <p>Apr. 2024      Senior Executive Officer of the Company, General Manager of Overseas Business Department, Representative Director and President of TANABE ENGINEERING SINGAPORE PTE. LTD., Representative Director and President of TANABE TECHNICAL SERVICE MALAYSIA SDN. BHD., and Representative Director and President of TANABE ENGINEERING ASIA CO., LTD.</p> <p>July 2024      Senior Executive Officer and General Manager of Overseas Business Department, in charge of Digital Innovation Center and overseas departments of the Company</p> <p>Apr. 2025      Senior Executive Officer, General Manager of Overseas Business Department, and Head of MAKUHARI Engineering Center, in charge of overseas departments and Product Development Department (current position)</p> <p>Significant concurrent positions outside the Company —</p>	6,392 shares
<p>Reasons for nomination as candidate for Director</p> <p>Tetsuya Ono joined the Company in 1991 and has been mainly engaged in the industrial plant facility construction business. He was appointed Senior Executive Officer in June 2023 after serving as Representative Director of several overseas subsidiaries and as Executive Officer of the Company. He has extensive experience and knowledge of field activities, and the Company deems that he will contribute to the sustainable growth of the Company from a global perspective based on his wealth of experience and achievement overseas and thereby requests his election as Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company		Number of the Company's shares owned
7	Yuichi Yokota (June 17, 1953) Reelection Unaffiliated Independent Attendance record at meetings of the Board of Directors 17 out of 17	Apr. 1972	Joined Mitsubishi Electric Corporation	
		Apr. 2006	Branch Manager of Niigata Branch, Kanetsu Branch Office	
		Apr. 2012	General Manager of Facility Sales Department, Kanetsu Branch Office of Mitsubishi Electric Building Techno-Service Co., Ltd.	
		Apr. 2014	Advisor to Branch Manager of Kanetsu Branch Office and temporarily assigned to Niigata Branch	
		Mar. 2016	Retired	
		June 2016	Unaffiliated Director of the Company (current position)	
		Significant concurrent positions outside the Company		
		—		
Reasons for nomination as candidate for Unaffiliated Director and expected role Yuichi Yokota has never been directly involved in the management of a company except as an outside officer. However, since he was appointed Unaffiliated Director of the Company in June 2016, he has utilized his extensive work experience and knowledge he had accumulated to the Company's management and has provided appropriate advice to its overall management from a broad perspective, and thereby the Company requests his reelection as Unaffiliated Director.				
8	Naoki Nomoto (December 24, 1958) Reelection Unaffiliated Independent Attendance record at meetings of the Board of Directors 17 out of 17	Oct. 1987	Joined Chuo Audit Corporation (became Chuo Shinko Audit Corporation as a result of a merger)	
		July 1989	Retired from Chuo Shinko Audit Corporation	
		July 1989	Joined Ota Showa Audit Corporation (now Ernst & Young ShinNihon LLC)	
		Sep. 2010	Manager of Nagaoka Office	
		June 2017	Retired from Ernst & Young ShinNihon LLC	
		July 2017	Head of Naoki Nomoto Certified Public Accountant Office (current position)	
		June 2018	Unaffiliated Director of the Company (current position)	
		Significant concurrent positions outside the Company		
		Head of Naoki Nomoto Certified Public Accountant Office		
Reasons for nomination as candidate for Unaffiliated Director and expected role Naoki Nomoto has never been directly involved in the management of a company except as an outside officer. However, he has cultivated specialist knowledge and experience as a certified public accountant, and the Company expects him to contribute to strengthening the corporate governance by utilizing such knowledge and experience and providing advice on its overall management, and thereby requests his reelection as Unaffiliated Director.				

- (Notes)
1. There is no special interest between any of the candidates and the Company.
  2. Yuichi Yokota and Naoki Nomoto are candidates for Unaffiliated Director.
  3. The Company has designated Yuichi Yokota and Naoki Nomoto as independent officers specified in the Tokyo Stock Exchange Securities Listing Regulations, and submitted a notification to the TSE. If their reelection is approved, the Company intends to continue their appointments as independent officers.
  4. The Company has concluded agreements with Yuichi Yokota and Naoki Nomoto to limit their liability to compensate for damages prescribed in Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the same Act. The maximum amount of the liability for damages based on said agreements shall be the minimum liability amount prescribed in Article 425, Paragraph 1 of the same Act. If their reelection is approved, the Company intends to extend these limited liability agreements.
  5. The Company has entered into a Directors & Officers Liability Insurance agreement with an insurance company as set forth in Article 430-3, Paragraph 1 of the Companies Act. This agreement covers all directors, executive officers, and corporate auditors in the event that they are held liable for damages, etc. arising from their duties (does not apply to cases that are excluded within the insurance agreement). If the candidates are elected and assume office as directors, they will become insureds under this insurance agreement. In addition, the insurance agreement is scheduled to be renewed under the same terms at the next renewal.

6. The number of the Company's shares owned by Tetsuya Ono shows the number of such shares under the Company's officers' stock ownership association.
7. Yuichi Yokota will have served as Unaffiliated Director for nine years at the conclusion of this meeting.
8. Naoki Nomoto will have served as Unaffiliated Director for seven years at the conclusion of this meeting.

**Proposal No. 3** Election of One Audit & Supervisory Board Member

As Audit & Supervisory Board Member Jun Kosugi will resign at the conclusion of this General Meeting, the Company proposes the election of one Audit & Supervisory Board Member as a substitute.

In accordance with the Company's Articles of Incorporation, the term of office of the Audit & Supervisory Board Member elected as a substitute will be until the expiration of the term of office of the retiring Audit & Supervisory Board Member.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary and position in the Company	Number of the Company's shares owned
Minoru Tanaka (January 1, 1958) New election	March 1980    Joined the Company Apr. 2018    Branch Manager of HOKURIKU Branch Office June 2019    Executive Officer and Branch Manager of HOKURIKU Branch Office June 2024    Branch Manager of HOKURIKU Branch Office Apr. 2025    Assistant to Branch Manager of HOKURIKU Branch Office (current position) Significant concurrent positions outside the Company —	6,200 shares
Reasons for nomination as candidate for Audit & Supervisory Board Member Minoru Tanaka has served as Executive Officer and assumed other important positions of the Company for many years and has extensive experience and excellent insight on the Company in general. The Company deems that he will provide advice from an objective and neutral standpoint based on his experience and insight and is capable of performing his duties appropriately as Audit & Supervisory Board Member, and thereby requests his election as Audit & Supervisory Board Member.		

- (Notes)
1. There is no special interest between the candidate and the Company.
  2. The Company has entered into a Directors & Officers Liability Insurance agreement with an insurance company as set forth in Article 430-3, Paragraph 1 of the Companies Act. This agreement covers all directors, executive officers, and corporate auditors in the event that they are held liable for damages, etc. arising from their duties (does not apply to cases that are excluded within the insurance agreement). If the candidate is elected and assumes office as Audit & Supervisory Board Members, he will become insured under this insurance agreement. In addition, the insurance agreement is scheduled to be renewed under the same terms at the next renewal.

(Reference) Skills Matrix of Board of Directors after the election

If Proposal No. 2 and Proposal No. 3 are approved as originally proposed, the composition for the Company's Board of Directors will be as follows.

Name		Areas of competency (knowledge, experience, abilities, etc.)								
		Corporate management	Accounting/ Finance / Taxation	Legal/ Compliance	Personnel management	Engineering/ Project management	Quality / Safety	Sales strategy	Global	Sustainability
Director	Yoshio Watanuki (affiliated)	●			●			●		
	Fumio Mizusawa (affiliated)	●				●			●	●
	Hisayuki Yamaguchi (affiliated)	●				●	●	●		
	Yuichi Gommori (affiliated)	●	●		●					●
	Eiichi Aoki (affiliated)					●	●	●		
	Tetsuya Ono (affiliated) (New election)					●		●	●	
	Yuichi Yokota (unaffiliated)							●		●
	Naoki Nomoto (unaffiliated)		●							●
Audit & Supervisory Board Member	Minoru Tanaka (affiliated) (New election)			●		●	●			
	Hideo Ito (unaffiliated)		●	●						●
	Ryuichi Shimamune (unaffiliated)		●							●

(Note) The above matrix does not list all of the officers' competencies. For each of the officers, as many as four categories are marked with ● to indicate a particular competency and areas where the Director or Audit & Supervisory Board Member is expected to make a contribution to the Company.

**Proposal No. 4** Election of Two Substitute Audit & Supervisory Board Members

The Company proposes the election of two substitute Audit & Supervisory Board Members in case the number of Audit & Supervisory Board Members required by law falls short.

Election of candidate Naoki Mori is requested as a substitute to current unaffiliated Audit & Supervisory Board Member Hideo Ito, and election of candidate Kazuo Yokoo is requested as a substitute for current unaffiliated Audit & Supervisory Board Member Ryuichi Shimamune.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidates for substitute Audit & Supervisory Board Members are as follows:

Candidate No.	Name	Attributes
1	Naoki Mori	Unaffiliated Independent
2	Kazuo Yokoo	Unaffiliated Independent

Unaffiliated  
Independent

Candidate for Unaffiliated Audit & Supervisory Board Member  
Independent Officer as provided for by stock exchanges, etc.

Candidate No.	Name (Date of birth)	Career summary	Number of the Company's shares owned
1	Naoki Mori (April 9, 1968) Unaffiliated Independent	<p>Oct. 2001 Registered as Attorney-at-Law</p> <p>Jan. 2004 Head of Naoki Mori Law Office (current position)</p> <p>Apr. 2008 Permanent member of Niigata Bar Association</p> <p>Apr. 2015 Court Conciliator (current position)</p> <p>Apr. 2015 Civil Rights Commissioner, Ministry of Justice (current position)</p> <p>Apr. 2017 Joetsu City fairness committee member (current position)</p> <p>Significant concurrent positions outside the Company</p> <p>Head of Naoki Mori Law Office</p>	—
<p>Reasons for nomination as candidate for substitute Unaffiliated Audit &amp; Supervisory Board Member</p> <p>Naoki Mori has never been directly involved in the management of a company. However, the Company expects that his advice based on the legal knowledge and experience he has cultivated as an attorney at law will contribute to its audit system, and thereby requests his election as substitute Unaffiliated Audit &amp; Supervisory Board Member.</p>			
2	Kazuo Yokoo (March 10, 1964) Unaffiliated Independent	<p>Oct. 1987 Joined Kanto-Shinetsu Regional Taxation Bureau</p> <p>July 2015 Special Examiner of Nagano Tax Office</p> <p>July 2016 Special Examiner of Kanto-Shinetsu Regional Taxation Bureau</p> <p>July 2017 Chief Investigator of third Criminal Investigation Group of Kanto-Shinetsu Regional Taxation Bureau</p> <p>July 2018 Chief Investigator of First Criminal Investigation Group of Kanto-Shinetsu Regional Taxation Bureau</p> <p>July 2019 Special Examiner of Nagano Tax Office</p> <p>July 2021 Special Examiner of Niigata Tax Office</p> <p>July 2022 Director of Information Division of Kanto-Shinetsu Regional Taxation Bureau</p> <p>July 2023 Head of Takada Tax Office</p> <p>July 2024 Retired from Kanto-Shinetsu Regional Taxation Bureau</p> <p>Jan. 2025 Registered as tax accountant</p> <p>Head of Yokoo Kazuo Tax Accounting Office (current position)</p> <p>Significant concurrent positions outside the Company</p> <p>Head of Yokoo Kazuo Tax Accounting Office</p>	—
<p>Reasons for nomination as candidate for substitute Unaffiliated Audit &amp; Supervisory Board Member</p> <p>Kazuo Yokoo has never been directly involved in the management of a company. However, he has cultivated advanced specialist knowledge as a tax accountant, and the Company expects him to perform accurate audits on its overall management from a broad perspective by reflecting such knowledge in its audit system, and thereby requests his election as substitute Unaffiliated Audit &amp; Supervisory Board Member.</p>			

- (Notes)
1. There is no special interest between any of the candidates and the Company.
  2. Naoki Mori and Kazuo Yokoo are candidates for substitute Unaffiliated Audit & Supervisory Board Member. As they satisfy requirements for an independent officer, if they assume office as Audit & Supervisory Board Members, the Company intends to submit a notification to the TSE concerning their designation as new independent officers.
  3. The Company will conclude agreements with each of the candidates for the position of Audit & Supervisory Board Member to limit their liability to compensate for damages prescribed in Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the same Act. The maximum amount of the liability for damages based on said agreements shall be the minimum liability amount prescribed in Article 425, Paragraph 1 of the same Act.
  4. The Company has entered into a Directors & Officers Liability Insurance agreement with an insurance company as set forth in Article 430-3, Paragraph 1 of the Companies Act. This agreement covers all directors, executive officers, and corporate auditors in the event that they are held liable for damages, etc. arising from their duties (does not apply to cases that are excluded within the insurance agreement). If the candidates are elected and assume office as Audit & Supervisory

Board Members, they will become insureds under this insurance agreement. In addition, the insurance agreement is scheduled to be renewed under the same terms at the next renewal.



## **Proposal No. 5**      Determination of Compensation for the Grant of Restricted Shares to Directors

At the 55th Annual General Meeting of Shareholders held on June 28, 2023, the amount of compensation, etc. for the Company's Directors was approved to be up to ¥220,000,000 per year (excluding employee salary).

The Company now requests the approval on paying new compensation for the grant of restricted shares to Directors (excluding Unaffiliated Directors; "Eligible Director(s)"), in addition to the above compensation limit, with the aim of providing an incentive for Eligible Directors to sustainably improve the Company's corporate value and further promote value sharing between Eligible Directors and shareholders.

The total amount of monetary compensation to be paid to Eligible Directors for the grant of restricted shares under this proposal will be up to ¥50,000,000 per year, an amount considered reasonable in light of the above purposes.

In addition, the specific timing and distribution of payments to Eligible Directors will be decided at a Board of Directors meeting, taking into account the opinions and advice of Unaffiliated Directors, after formulating a compensation proposal by the Representative Director and President, and the responsible Executive Officer, and providing a prior explanation to Unaffiliated Directors.

At the Board of Directors meeting held on February 19, 2021, the Company established a policy for determining individual compensation, etc. for Directors, the outline of which is described on page 33 of the Business Report (in Japanese only), but if this proposal is approved, the content of the policy will be changed as described at the end. This proposal is necessary and reasonable to grant individual compensation, etc. to Eligible Directors in accordance with the policy, and the total number of shares issued or allocated to Eligible Directors in one year will be 0.5% or less of the total number of issued and outstanding shares (as of March 31, 2025, excluding the number of treasury shares), with the dilution rate being insignificant. Therefore, the Company believes that the content of this proposal is appropriate.

Currently, there are seven Directors (two of whom are Unaffiliated Directors). However, if Proposal No. 2 is approved as originally proposed, there will be eight Directors (two of whom are Unaffiliated Directors).

In addition, based on a resolution of the Company's Board of Directors, Eligible Directors will be paid all of the monetary compensation claims arising from this proposal as in-kind contributions and will be issued or allocated the Company's common shares. The total number of the Company's common shares to be issued or allocated as a result of this will be limited to 50,000 shares per year. However, if the total number of shares issued by the Company increases or decreases due to a reverse stock split or stock split (including allotment of shares without compensation), the maximum number of shares shall be adjusted accordingly. The payment amount per share shall be determined by the Board of Directors within a scope that is not particularly beneficial to Eligible Directors who will take the Company's common shares, on the basis of the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution of the Board of Directors meeting (if no transactions are conducted on that day, the closing price on the most recent trading day preceding thereto).

In addition, when issuing or disposing of the Company's common stock pursuant thereto, a restricted shares allocation agreement ("Allocation Agreement") containing the outline and the following details shall be concluded between the Company and Eligible Directors.

### Outline of Allocation Agreement

#### (1) Transfer Restriction Period

An Eligible Director may not transfer, create a security interest on, or otherwise dispose of the Company's common shares ("Allocated Shares") allocated under this Allocation Agreement for a period of between three and thirty years ("Transfer Restriction Period") as determined in advance by the Company's Board of Directors from the date of allocation under this Allocation Agreement ("Transfer Restriction").

#### (2) Treatment upon Resignation or Retirement

If an Eligible Director resigns or retires from a position as an officer or employee of the Company or its subsidiaries as determined in advance by the Company's Board of Directors before the expiration of a service provision period which is determined by the Company's Board of Directors ("Service Provision Period") during the Transfer Restriction Period, the Company will naturally acquire the Allocated Shares free of charge, except in cases where the resignation or retirement is due to the expiration of the term of office, death, or other reason judged legitimate by the Company's Board of Directors.

(3) Lifting of Transfer Restrictions

Notwithstanding the provisions of (1) above, the Company shall lift the Transfer Restrictions on all of the Allocated Shares upon the expiration of the Transfer Restriction Period, provided that an Eligible Director continues to hold a position as an officer or employee of the Company or its subsidiaries as determined in advance by the Company's Board of Directors during the Service Provision Period. However, if the Eligible Director resigns or retires from the position specified in (2) above before the expiration of the Service Provision Period due to the expiration of their term of office, death, or other reason judged legitimate by the Company's Board of Directors as specified in (2) above, the Company shall reasonably adjust the number of Allocated Shares for which the Transfer Restrictions are to be lifted and the timing of lifting the Transfer Restrictions as necessary. In such a case, the Company shall naturally acquire free of charge any Allocated Shares for which the Transfer Restrictions have not yet been lifted immediately after the expiration of the Transfer Restriction Period.

(4) Treatment in the event of legal violations, etc.

During the Transfer Restriction Period, if an Eligible Director violates laws and regulations, internal rules, or the Allocation Agreement, or otherwise falls under any of the grounds specified by the Board of Directors of the Company as appropriate grounds for the Company to acquire the Allocated Shares free of charge, the Company will naturally acquire the Allocated Shares free of charge.

(5) Treatment in the event of organizational restructuring, etc.

Notwithstanding the provisions of (1) above, if a merger agreement in which the Company will be the disappearing company, a share exchange agreement or share transfer plan in which the Company will be a wholly-owned subsidiary, or other matters related to organizational restructuring, etc. are approved at the Company's General Meeting of Shareholders (or at the Company's Board of Directors meeting in cases where approval at the Company's General Meeting of Shareholders is not required for organizational restructuring, etc.), during the Transfer Restriction Period, the Company will, by resolution of the Company's Board of Directors, lift the Transfer Restrictions on a number of Allocated Shares reasonably determined based on the period from the start date of the Service Provision Period to the date of approval of the organizational restructuring, etc., prior to the effective date of the organizational restructuring, etc. In such a case, the Company will naturally acquire, free of charge, any Allocated Shares for which the Transfer Restrictions have not yet been lifted immediately after the Transfer Restrictions are lifted.

(6) Other matters

Other matters concerning this Allocation Agreement shall be determined by the Company's Board of Directors.

Reference 1.:

Subject to the proposal regarding the System being approved at this General Meeting of Shareholders, the Company plans to introduce restricted share compensation similar to that under this System for executive officers who do not concurrently serve as directors of the Company.

Reference 2.: Policy for determining the amount of Compensation, etc. for Officers and the Method of Calculation Thereof (if this proposal is approved)

a. Basic policy

The basic policy of the Company's compensation system for officers is to set an appropriate level based on each job responsibility. Specifically, the compensation for directors (excluding unaffiliated directors; "executive directors") and unaffiliated directors shall consist of monthly compensation and bonuses, which are monetary compensation, and non-monetary compensation in the form of shares, which serve as an incentive to promote the sustainable improvement of the Company's corporate value.

Note that unaffiliated directors shall only receive monetary compensation, given their roles and independence.

b. Policy for determining the amount of individual compensation, etc. in monetary form or the calculation method thereof (including policy for determining the timing or conditions for awarding compensation, etc.)

Monetary compensation for executive directors shall consist of a monthly salary and bonus, and the monthly salary shall be determined based on the size of the role and scope of responsibility of each position, etc., and shall be paid monthly. Bonuses shall be determined by comprehensively taking into consideration the position, responsibilities, years of service, company performance and dividends for the current period, employee bonus

levels, past payment records, etc. (hereinafter referred to as “company performance, etc.”), and shall be paid once a year on the day after the Annual General Meeting of Shareholders.

Monthly salary and bonuses for unaffiliated directors shall be determined by taking into consideration their job responsibilities and market levels, etc. (“job responsibilities, etc.”). Monthly salary shall be paid monthly, and bonuses shall be paid once a year on the day after the Annual General Meeting of Shareholders.

Non-monetary compensation for executive directors shall be in the form of restricted shares, with the aim of providing an incentive to sustainably improve corporate value and further promote the sharing of value with shareholders. Within the scope approved at the General Meeting of Shareholders, in principle, at a certain time each year, all monetary claims provided by the Company shall be paid in as in-kind assets, and the Company’s common shares will be issued or allocated.

The number of shares to be granted to each individual will be determined taking into consideration a comprehensive range of factors, including position, responsibilities, and stock price.

The restricted shares, which are non-monetary compensation, are subject to Transfer Restrictions until retirement, and the Transfer Restrictions will be lifted on the day the director retire from their position as director. In addition, if an Eligible Director retires from the position as a director due to death or other valid reason before the expiration of the Transfer Restriction Period, the Transfer Restrictions will be lifted for shares with vested rights, and for shares before vesting rights, the Transfer Restrictions will be lifted for the shares during the term of office, pro rata over the vesting period, and the remaining shares will be acquired by the Company free of charge.

- c. Policy for determining the ratio of each compensation amount to the amount of individual compensation, etc., for Directors

Compensation for executive directors by type will consist of monetary compensation (monthly compensation and bonuses) and non-monetary compensation. Non-monetary compensation shall be a reasonable proportion above a certain level of monetary compensation, within the limit of the maximum amount of restricted share compensation approved at the 57th Annual General Meeting of Shareholders held on June 25, 2025.

- d. Matters concerning the determination of the content of individual compensation, etc. for Directors (including matters concerning the delegation of authority related to such determination)

The resolution date of the General Meeting of Shareholders regarding compensation, etc. for Directors was June 28, 2023, at the 55th Annual General Meeting of Shareholders, where it was resolved that the amount of compensation for Directors shall be up to ¥220,000 thousand per year (excluding employee salary). The resolution date of the General Meeting of Shareholders regarding compensation, etc. for Audit & Supervisory Board Members was June 29, 2006, at the 38th Annual General Meeting of Shareholders, where it was resolved that the amount of compensation for Audit & Supervisory Board Members shall be up to ¥30,000 thousand per year.

In addition to the monetary compensation, at the 57th Annual General Meeting of Shareholders held on June 25, 2025, it was resolved that the amount of restricted share compensation granted to Directors (excluding Unaffiliated Directors and Audit & Supervisory Board Members) shall be up to ¥50,000 thousand per year.

With respect to the individual compensation amounts for Directors, Fumio Mizusawa, Representative Director and President, shall be entrusted with determining the specific details based on a resolution of the Board of Directors. The scope of this authority includes determining the amount of monthly compensation for each Director, the amount of bonuses based on factors such as the company performance, etc. and the job responsibilities, etc. of each Director, and the evaluation-based allocation of non-monetary compensation in the form of shares, which serve as an incentive to promote the sustainable improvement of the Company’s corporate value. The reason for this delegation is that the Representative Director and President is deemed most suitable to evaluate each Director’s department in charge while also taking into account the overall performance, etc. of the Company.

To ensure that such authority is appropriately exercised by the Representative Director and President, individual compensation for Directors shall be determined at a Board of Directors meeting, within the limits approved at the General Meeting of Shareholders, taking into account the opinions and advice of Unaffiliated Directors, after the Representative Director and President, together with the responsible Executive Officer, formulate a compensation proposal and provide a prior explanation to the Unaffiliated Directors.

The compensation for Audit & Supervisory Board Members is determined through deliberations by the Audit & Supervisory Board.