

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: 1938)

June 3, 2025

To Our Shareholders:

Shigeru Egusa, Representative Director and President  
**NIPPON RIETEC CO., LTD.**  
6 Kandanshikicho 1-chome, Chiyoda-ku, Tokyo

## Notice of the 16th Annual General Meeting of Shareholders

You are hereby notified that the 16th Annual General Meeting of Shareholders of NIPPON RIETEC CO., LTD. (the “Company”) will be held as described below.

When convening this general meeting of shareholders, the Company takes measures for providing in electronic format the information that constitutes the content of reference documents for the shareholders meeting etc. (matters for which measures for providing information in electronic format are to be taken). This information is posted on each of the following websites, so please access either of those websites to confirm the information.

### **[The Company’s website]**

<https://www.j-rietec.co.jp/ir/stock/> (in Japanese)

(Confirm by accessing the above website of the Company, from Notice of the 16th Annual General Meeting of Shareholders.)

### **[Website for posted informational materials for the general meeting of shareholders]**

<https://d.sokai.jp/1938/teiji/> (in Japanese)

### **[TSE website (Listed Company Search)]**

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

(Access the TSE website by using the Internet address shown above, enter “NIPPON RIETEC CO., LTD.” in “Issue name (company name)” or the Company’s securities code “1938” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend on the day of the meeting, you can exercise your voting rights via postal mail or the Internet in advance. Please review the following reference documents for the shareholders meeting and exercise your voting rights before 6:00 p.m. on Tuesday, June 24, 2025 (JST).

### **[If exercising voting rights in writing]**

Please indicate your vote of approval or disapproval of each proposal on the voting form sent with this notice, and send it by postal mail to arrive at the Company no later than 6:00 p.m. on Tuesday, June 24, 2025 (JST).

### **[If exercising voting rights via the Internet etc.]**

Please access our designated website for exercising voting rights (<https://www.web54.net>), follow the on-screen instructions, and enter your approval or disapproval of each proposal no later than 6:00 p.m. on Tuesday, June 24, 2025.

- 1. Date and Time:** Wednesday, June 25, 2025 at 10:00 a.m. (JST) (Reception will start at 9:00 a.m.)
- 2. Place:** Station Conference Manseibashi, 4th Floor, JR Kanda Manseibashi Building  
25 Kandasudacho 1-chome, Chiyoda-ku, Tokyo  
(Please refer to the guide map of the venue at the end)

**3. Purpose of the Meeting:**

**Matters to be reported:**

1. Reports on the Business Report, the Consolidated Financial Statements, and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Committee for the 16th fiscal term (from April 1, 2024 to March 31, 2025)
2. Report on the Non-consolidated Financial Statements for the 16th fiscal term (from April 1, 2024 to March 31, 2025)

**Matters to be resolved:**

**Proposal No. 1** Appropriation of Surplus

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

**Proposal No. 3** Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

- For those attending the meeting on the day, please submit the voting form sent with this notice at the reception desk.
- 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 the aforementioned individual websites.
- In accordance with the provisions of laws and regulations and Article 15 of the Company's Articles of Incorporation, the following items are excluded from the paper-based documents delivered to shareholders stating matters subject to measures for electronic provision.
  - "Systems for Ensuring Proper Business Activities and Outline of Operation Status of Such Systems" of the Business Report
  - "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" of the Consolidated Financial Statements
  - "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" of the Non-consolidated Financial Statements
- Accordingly, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements included in the paper-based documents are part of the documents that have been audited by the Financial Auditor and the Audit & Supervisory Committee in preparation of their accounting audit report and audit report, respectively.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1 Appropriation of Surplus

The Company regards the return of profit to its shareholders as a key management priority, and aims at increasing return of profit to shareholders and improving capital efficiency through the continuation of stable dividends and opportune acquisition of treasury shares. Regarding profit distribution, the Company's basic policy, since May 2023, is to achieve both preparations for sustainable growth into the future and return of profit to shareholders, with optimized distribution, and to determine it with a target total return ratio of 40% as a guideline.

Accordingly, the Company proposes the appropriation of surplus including year-end dividend as follows:

#### Year-end dividend

(1) Type of dividend property

To be paid in cash.

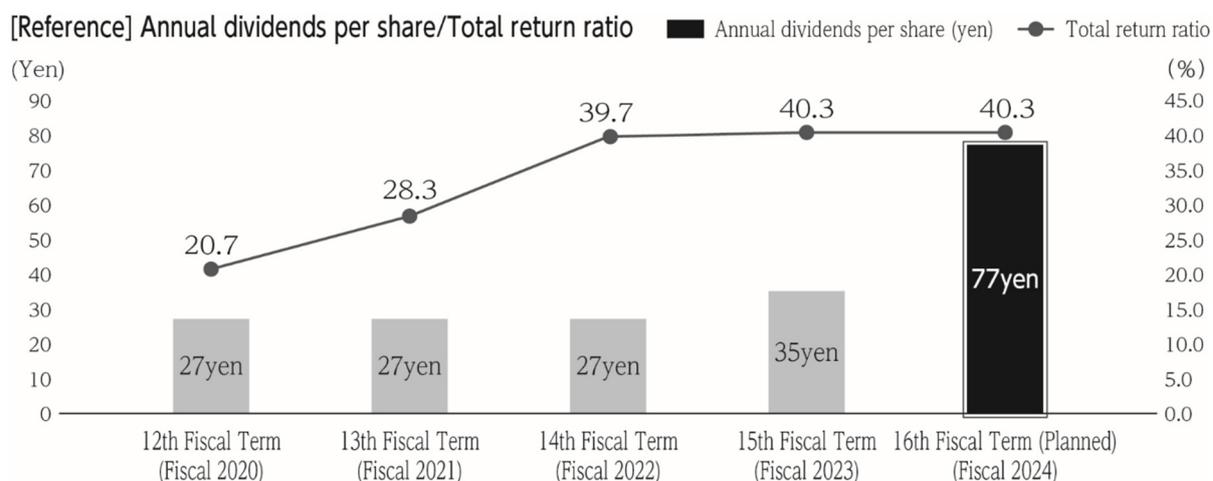
(2) Allotment of dividend property and the total amount

The Company proposes to pay a year-end dividend of ¥77 per share of common stock of the Company for the fiscal year under review, comprehensively taking into account matters such as the performance and financial position of the fiscal year under review as well as future business developments.

In this event, the total dividend amount will be ¥1,905,840,783.

(3) Effective date of dividend of surplus

June 26, 2025



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

At the conclusion of this meeting, the term of office of all the current seven Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) will expire. Accordingly, we would like to request the election of seven Directors.

In addition, the candidates for Director are determined by the Board of Directors after passing through the deliberation process of the Consulting Committee (arbitrary).

As for this proposal, the Audit & Supervisory Committee of the Company has judged that all the candidates for Director are qualified.

The candidates for Director are as follows:

Candidate No.	Name	Current position and area of responsibility in the Company	Attributes of candidate
1	Kimito Kubo	Managing Director, General Manager of Sustainability Promotion Division, in charge of Management Reform Committee, overall risk, and compliance	Reelection
2	Shigeru Egusa	Representative Director and President, and in charge of Audit Department	Reelection
3	Masaaki Sawamura	Managing Director, General Manager of Corporate Planning Department, Head of General Training Center, and in charge of Personnel Department and Materials Department	Reelection
4	Naomi Inoue	Outside Director	Reelection Outside Independent
5	Hirohisa Hokari	Outside Director	Reelection Outside Independent
6	Yuki Saito	Outside Director	Reelection Outside
7	Naoto Higaki	Outside Director	Reelection Outside Independent

Candidate No.	Name (Date of birth)	Career summary, position, responsibility and significant concurrent positions	Number of the Company's shares owned
1	<p>Kimito Kubo (May 22, 1964)</p> <p>Reelection</p> <p>Number of years in office as Director 1 year</p> <p>Attendance at Board of Directors meetings for the fiscal year under review 10/10 (100%)</p>	<p>Apr. 1989      Joined East Japan Railway Company</p> <p>Feb. 2002      Section Manager of Electric Power Section of Facilities Division of Morioka Branch Office</p> <p>May 2004      Section Manager of Electric Power Section of Electricity Division of Tokyo Branch Office</p> <p>Feb. 2007      Section Manager of Construction Department</p> <p>July 2007      Section Manager of Electrical &amp; Signaling Network Department</p> <p>June 2009      General Manager of Facilities Division of Chiba Branch Office</p> <p>June 2012      General Manager of Electricity Division of Tokyo Branch Office</p> <p>June 2014      Deputy General Manager of Investment Planning Department of Corporate Planning Headquarters</p> <p>June 2017      General Manager in charge of Electrical &amp; Signaling Network Department</p> <p>June 2019      General Manager of Inquiry &amp; Audit Department</p> <p>June 2021      Executive Officer and General Manager of Morioka Branch Office</p> <p>June 2024      Joined the Company</p> <p>June 2024      Advisor of the Company</p> <p>June 2024      Managing Director, General Manager of Sustainability Promotion Division, in charge of Management Reform Committee, overall risk, and compliance (current position)</p>	500 shares
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Kubo has abundant knowledge and experience such as in technology and safety relating to railways as well as strong management ability. He also has been contributing to the execution of business and improvement of corporate value of the Company as Managing Director from 2024. Accordingly, with the expectation that he will strengthen the effectiveness of decision-making functions of the Board of Directors and supervisory functions across overall management, in consideration of his track record, personality, and capabilities, etc., the Company has decided to continuously propose him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position, responsibility and significant concurrent positions	Number of the Company's shares owned
2	<p style="text-align: center;">Shigeru Egusa (September 16, 1963)</p> <p style="text-align: center;">Reelection</p> <p style="text-align: center;">Number of years in office as Director 4 years</p> <p style="text-align: center;">Attendance at Board of Directors meetings for the fiscal year under review 14/14 (100%)</p>	<p>Apr. 1992      Joined East Japan Railway Company</p> <p>June 2003      Section Manager of Signal Communications Section of Electricity Division of Tokyo Branch Office</p> <p>Apr. 2006      Section Manager of Planning Section of Electricity Division of Tokyo Branch Office</p> <p>June 2007      General Manager of General Affairs Division of Morioka Branch Office</p> <p>June 2009      Deputy Head of Tokyo Electrical System Development Construction Office</p> <p>May 2013      Seconded to the Company</p> <p>May 2013      Deputy General Manager of Railway Division</p> <p>June 2013      Director, General Manager of Railway Division</p> <p>May 2015      Deputy General Manager of Electrical &amp; Signal Network System Department of Railway Operations Headquarters and Head of Signal System Management Center of East Japan Railway Company</p> <p>June 2017      Head of Tokyo Electrical System Development Construction Office</p> <p>June 2021      Joined the Company</p> <p>June 2021      Advisor of the Company</p> <p>June 2021      Managing Director, General Manager of Corporate Planning Department, and in charge of Audit Department of the Company</p> <p>June 2022      Representative Director and President of the Company</p> <p>June 2023      Representative Director and President, and in charge of Audit Department and overall risk of the Company</p> <p>June 2024      Representative Director and President, and in charge of Audit Department of the Company (current position)</p>	6,400 shares
<p>Reasons for nomination as a candidate for Director</p> <p>Mr. Egusa has abundant knowledge and experience such as in technology and safety relating to railways as well as strong management ability. He also has been contributing to the execution of business and improvement of corporate value of the Company by serving as Director for two years from 2013, Managing Director from 2021, and Representative Director and President from 2022. Since improvement in the effectiveness of the decision-making and supervisory functions of the Board of Directors can be expected in consideration of his track record, personality, and capabilities, etc., the Company has decided to continuously propose him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position, responsibility and significant concurrent positions	Number of the Company's shares owned
3	<p data-bbox="331 723 544 786">Masaaki Sawamura (September 21, 1963)</p> <p data-bbox="384 819 491 846">Reelection</p> <p data-bbox="300 887 576 976">Number of years in office as Director 8 years</p> <p data-bbox="280 1014 595 1133">Attendance at Board of Directors meetings for the fiscal year under review 14/14 (100%)</p>	<p data-bbox="612 264 719 291">April 1986</p> <p data-bbox="612 300 719 327">Apr. 2002</p> <p data-bbox="612 365 719 392">Apr. 2010</p> <p data-bbox="612 461 719 488">July 2014</p> <p data-bbox="612 497 719 524">July 2014</p> <p data-bbox="612 562 719 589">June 2015</p> <p data-bbox="612 598 719 624">June 2015</p> <p data-bbox="612 663 719 689">July 2016</p> <p data-bbox="612 759 719 786">June 2017</p> <p data-bbox="612 855 719 882">June 2018</p> <p data-bbox="612 987 719 1014">June 2019</p> <p data-bbox="612 1052 719 1079">June 2021</p> <p data-bbox="612 1149 719 1176">June 2022</p> <p data-bbox="612 1281 719 1308">Oct. 2022</p> <p data-bbox="612 1444 719 1471">June 2023</p> <p data-bbox="772 264 1238 1592">           Joined The Fuji Bank, Limited            General Manager of Business Planning            Department of Mizuho Corporate Bank, Ltd.            Executive Officer and General Manager of            Personnel Department of Mizuho Information            &amp; Research Institute, Inc.            Seconded to the Company            Deputy General Manager of Corporate            Planning Division            Joined the Company            Executive Officer and Deputy General Manager            of Chuo Branch of Railway Division            Executive Officer, General Manager of Finance            Department, and in charge of Personnel            Department            Director, General Manager of Finance            Department, and in charge of Personnel            Department            Director, General Manager of Finance            Department, and in charge of Audit            Department, Personnel Department and            Materials Department            Outside Audit &amp; Supervisory Board Member of            Daido Signal Co., Ltd.            Director, General Manager of Finance            Department, and in charge of Personnel            Department and Materials Department            Director, General Manager of Corporate            Planning Department and Finance Department,            and in charge of Personnel Department and            Materials Department            Director, General Manager of Corporate            Planning Department and Finance Department,            Head of General Training Center, and in charge            of Personnel Department and Materials            Department            Managing Director, General Manager of            Corporate Planning Department, Head of            General Training Center, and in charge of            Personnel Department and Materials            Department (current position)         </p>	5,300 shares
<p data-bbox="277 1606 772 1632">Reasons for nomination as a candidate for Director</p> <p data-bbox="277 1641 1422 1814">Mr. Sawamura has been holding key posts in corporate management such as in finance, personnel and corporate planning divisions in the Company and in his previous employment. Accordingly, he has abundant knowledge and experience. He also has been contributing to the execution of business and improvement of corporate value of the Company by serving as Executive Officer from 2015, Director from 2017, and Managing Director from 2023. In consideration of his track record, personality, and capabilities, etc., the Company has decided to continuously propose him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position, responsibility and significant concurrent positions	Number of the Company's shares owned
4	<p data-bbox="336 472 539 533">Naomi Inoue (November 6, 1950)</p> <p data-bbox="379 566 496 658">Reelection Outside Independent</p> <p data-bbox="300 696 576 788">Number of years in office as Outside Director 3 years</p> <p data-bbox="280 822 595 947">Attendance at Board of Directors meetings for the fiscal year under review 14/14 (100%)</p>	<p data-bbox="612 264 1230 1144"> Apr. 1974    Joined The Fuji Bank, Limited  May 1995    Manager of Musashikosugi Branch  May 1998    General Manager of Subsidiaries and Affiliates Management Division  Apr. 2002    Executive Officer and General Manager of Affiliated Enterprises Department of Mizuho Bank, Ltd.  Jan. 2005    Managing Executive Officer  Apr. 2007    Managing Director  March 2008    Retired from Mizuho Bank, Ltd.  Apr. 2008    Joined Mizuho Information &amp; Research Institute, Inc. as Advisor  Apr. 2008    Audit &amp; Supervisory Board Member of Mizuho Securities Co., Ltd.  June 2008    Senior Managing Director, Mizuho Information &amp; Research Institute, Inc.  Mar. 2010    President &amp; CEO  Apr. 2013    Joined Tokiwa Kosan Co., Ltd. as Advisor  June 2013    Representative Director and President  June 2013    External Auditor of TOKYO SEIMITSU CO., LTD.  June 2019    External Corporate Director  June 2020    Representative Director and Chairman of Tokiwa Kosan Co., Ltd.  June 2021    Counselor  June 2022    Outside Director of the Company (current position) </p>	<p data-bbox="1361 696 1441 719">– shares</p>
<p data-bbox="277 1160 1433 1368"> Reasons for nomination as a candidate for Outside Director and overview of expected role  Mr. Inoue has abundant experience and broad insight gained through his experience as top management of listed companies and other organizations. Accordingly, with the expectation that he will oversee the Company's management and contribute to strengthening the governance structure through accurate advice and guidance from an objective and professional perspective externally, the Company has decided to propose him as a candidate for Outside Director. In addition, if he is elected as proposed, the Company plans to designate him as a Consultation &amp; Remuneration Committee member. </p>			

Candidate No.	Name (Date of birth)	Career summary, position, responsibility and significant concurrent positions	Number of the Company's shares owned
5	<p data-bbox="357 450 517 510">Hirohisa Hokari (July 4, 1956)</p> <p data-bbox="376 546 497 636">Reelection Outside Independent</p> <p data-bbox="296 674 577 763">Number of years in office as Outside Director 3 years</p> <p data-bbox="280 801 593 925">Attendance at Board of Directors meetings for the fiscal year under review 14/14 (100%)</p>	<p data-bbox="612 264 715 291">Apr. 1980</p> <p data-bbox="612 300 715 327">July 2001</p> <p data-bbox="612 336 715 362">Apr. 2007</p> <p data-bbox="612 398 715 425">Apr. 2010</p> <p data-bbox="612 434 715 461">June 2011</p> <p data-bbox="612 470 715 497">June 2011</p> <p data-bbox="612 564 715 591">Feb. 2012</p> <p data-bbox="612 627 715 654">June 2014</p> <p data-bbox="612 721 715 748">Apr. 2018</p> <p data-bbox="612 824 715 851">Apr. 2019</p> <p data-bbox="612 927 715 954">June 2022</p> <p data-bbox="612 963 715 990">June 2022</p> <p data-bbox="612 1057 715 1084">June 2022</p> <p data-bbox="772 264 1238 1106">           Joined the Bank of Japan            General Manager of Kofu Branch            Director General of Information System Services Department            Director General of Operations Department            Retired from Bank of Japan            Joined SOHGO SECURITY SERVICES CO., LTD., serving as Executive Officer and General Manager of Business Planning Department            Senior Executive Officer and Deputy Chief Officer of Business Promotion Affairs            Director and Senior Executive Officer and Deputy Chief Officer of Business Promotion Affairs            Executive Vice President and Director and Deputy Chief Officer of Business Promotion Affairs            Executive Vice President and Director, Deputy Chief Officer of Business Promotion Affairs, and Chief Officer of International Affairs            Counselor            Outside Audit &amp; Supervisory Board Member of The Resolution and Collection Corporation (current position)            Outside Director of the Company (current position)         </p>	<p data-bbox="1362 674 1442 701">– shares</p>
<p data-bbox="276 1122 1150 1149">Reasons for nomination as a candidate for Outside Director and overview of expected role</p> <p data-bbox="276 1158 1426 1335">Mr. Hokari has abundant experience and broad insight gained through his experience as an officer of listed companies. Accordingly, with the expectation that he will oversee the Company's management, including future sale strategy and global expansion, and contribute to strengthening the governance structure through accurate advice and guidance from an objective and professional perspective externally, the Company has decided to propose him as a candidate for Outside Director. In addition, if he is elected as proposed, the Company plans to designate him as a Consultation &amp; Remuneration Committee member.</p>			

Candidate No.	Name (Date of birth)	Career summary, position, responsibility and significant concurrent positions	Number of the Company's shares owned
6	<p data-bbox="336 510 536 573">Yuki Saito (December 8, 1970)</p> <p data-bbox="384 607 488 669">Reelection Outside</p> <p data-bbox="296 703 576 797">Number of years in office as Outside Director 2 years</p> <p data-bbox="280 831 592 958">Attendance at Board of Directors meetings for the fiscal year under review 13/14 (92.8%)</p>	<p data-bbox="612 264 1238 1193"> April 1993    Joined East Japan Railway Company  May 2006    Section Manager of Signal Communications  Section of Facilities Division of Morioka  Branch Office  Apr. 2009    Section Manager of Signal Communications  Construction Planning Section of Electrical &amp;  Signal Network System Department (Planning)  Apr. 2013    Section Manager of Planning Section of  Facilities Division of Sendai Branch Office  June 2015    General Manager of Facilities Division of  Nagano Branch Office  June 2017    Deputy General Manager of Shinkansen  General Management Group  January 2019    Deputy General Manager of Shinkansen  General Management of Preparation Office of  Shinkansen General Management Department  Apr. 2019    Deputy General Manager of Electrical &amp; Signal  Network System Department (Planning)  June 2021    General Manager of Electrical &amp; Signal  Network System Department (Planning)  June 2022    Leader of Planning Unit of Electrical &amp; Signal  Network System Department of Railway  Operations Headquarters  June 2023    Executive Officer and General Manager of  Electrical &amp; Signal Network System  Department of Railway Operations  Headquarters (current position)  June 2023    Outside Director of the Company (current  position) </p>	<p data-bbox="1358 719 1442 745">– shares</p>
<p data-bbox="272 1211 1150 1238">Reasons for nomination as a candidate for Outside Director and overview of expected role</p> <p data-bbox="272 1245 1422 1460">Mr. Saito has never been involved in the management of a company. He, however, has abundant knowledge and experience such as in technology and safety relating to railways as well as strong management ability. Also, with the expectation that he will offer accurate advice on the Company's management and appropriately oversee the execution of business from an objective and professional perspective externally, the Company has decided to propose him as a candidate for Outside Director. Mr. Saito is receiving payment such as salaries from East Japan Railway Company, which is a major business partner, since he is Executive Officer and General Manager of Electrical &amp; Signal Network System Department of Railway Operations Headquarters (person who executes business) of said company.</p>			

Candidate No.	Name (Date of birth)	Career summary, position, responsibility and significant concurrent positions	Number of the Company's shares owned
7	Naoto Higaki (December 11, 1968)  Reelection Outside Independent  Number of years in office as Outside Director 2 years  Attendance at Board of Directors meetings for the fiscal year under review 14/14 (100%)	Oct. 2002 Registered as attorney-at-law Apr. 2008 Established Higaki General Law Office (current position) Apr. 2008 Part-time lecturer, Law School of University of Tsukuba (current position) June 2022 Outside Audit & Supervisory Board Member, Tokushu Tokai Paper Co., Ltd. June 2023 Outside Director of the Company (current position) June 2023 Outside Director, Audit and Supervisory Committee Member, Tokushu Tokai Paper Co., Ltd. (current position)	– shares
Reasons for nomination as a candidate for Outside Director and overview of expected role Mr. Higaki has never been involved in the management of a company, except as an outside officer in the past. He, however, has abundant knowledge and experience, etc. mainly in corporate legal affairs as a lawyer. Accordingly, with the expectation that he will strengthen the effectiveness of decision-making and supervisory functions of the Board of Directors, the Company has decided to propose him as a candidate for Outside Director. In addition, if he is elected as proposed, the Company plans to designate him as a Consultation & Remuneration Committee member.			

- (Notes)
1. There is no special interest between any of the candidates and the Company.
  2. Naomi Inoue, Hirohisa Hokari, Yuki Saito and Naoto Higaki are candidates for Outside Director.
  3. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company currently has agreements with Mr. Inoue, Mr. Hokari, Mr. Saito and Mr. Higaki to limit their liability for damages under Article 423, paragraph (1) of the same Act. The limit on liability for damages under such agreement is the amount provided for by Article 425, paragraph (1) of the same Act. If Mr. Inoue, Mr. Hokari, Mr. Saito and Mr. Higaki are elected as proposed, the Company plans to continue the limited liability agreement currently under contract.
  4. The Company has designated Mr. Inoue, Mr. Hokari and Mr. Higaki as independent officers as provided for by the Tokyo Stock Exchange, and has submitted notification to the exchange. If the election of the three is approved as proposed, the Company plans to continuously designate them as independent officers.
  5. The Company enters into Directors and Officers Liability Insurance with an insurance company, and damages that occur under the liability of the insured persons in relation to the execution of their duties or claims received in relation to investigation of said liability shall be covered by the insurance contract. When each candidate has been appointed as a Director, they will become insured persons under this insurance contract. Also, the insurance contract will be renewed with the same contents at the next time of renewal.

**Reference Policy and Procedures on the Nomination of Candidates for Directors**

The Company determines the diversity and size of its Board of Directors by taking into account its business characteristics and to ensure the effectiveness of its governance function. As for the policy and procedure to nominate Director candidates, the candidates are decided by the Board of Directors after deliberations and consideration by the Consultation & Remuneration Committee from human resources having abundant experience and insight that would contribute to sustainable growth and medium- to long-term improvement in corporate value of the Company, regardless of their gender or nationality.

The fields with particularly high expectations considering the skills and experience of the Directors are as follows:

	Status	Name	Corporate management Construction business	Safety and quality	Digital transfor- mation technology development	HR	Compliance Risk management	Finance Accounting	Sustain- ability
Director (non-Audit & Supervisory Committee Member)		Kimito Kubo	●	●	●		●		
		Shigeru Egusa	●	●			●		
		Masaaki Sawamura	●		●	●		●	●
	Outside/Independent	Naomi Inoue	●			●			
	Outside/Independent	Hirohisa Hokari					●	●	
	Outside	Yuki Saito		●	●				
	Outside/Independent	Naoto Higaki					●		●
Audit & Supervisory Committee Member	Outside/Independent	Hisao Akeboshi					●	●	
		Sanae Jin					●	●	
	Outside/Independent	Masato Ohno					●	●	

(Notes) The status “Outside” refers to Outside Director and “Independent” refers to Independent Officer as provided for by the Tokyo Stock Exchange, Inc.

**Proposal No. 3** Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

At the Annual General Meeting of Shareholders held on June 24, 2022, an annual maximum remuneration amount for the Directors (excluding Directors who are Audit & Supervisory Committee Members) of the Company not exceeding 300 million yen (not exceeding 50 million yen per annum for Outside Directors, not including the portion of employee salary) was approved. The Company would like to newly introduce a remuneration system to grant restricted shares to its Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors; hereinafter referred to as the “Eligible Directors”) with the aim of providing an incentive to them to sustainably improve the Company’s corporate value and to further share values with the shareholders. Therefore, the Company proposes the introduction of a remuneration system to grant restricted shares (hereinafter referred to as the “Remuneration System”), separate to the existing monetary remuneration for its Directors.

The Company currently has three Eligible Directors. The number of Eligible Directors will remain at three when Proposal No. 2 is approved and adopted as proposed.

The granting of restricted shares under the Remuneration System will be according to either of the following methods based on a resolution by the Company’s Board of Directors.

- (i) Issuance or disposal of the Company’s common stock (restricted shares), without requiring monetary payment in exchange for the shares for subscription, as remuneration for the execution of their duties as Directors (hereinafter referred to as the “Free Grant Method”).
- (ii) Issuance or disposal of the Company’s common stock (restricted shares) by contributing all of the monetary remuneration claims provided by the Company as property contributed in kind (hereinafter referred to as the “In-kind Contribution Method”).

The total number of shares of common stock of the Company to be issued or disposed of through the Free Grant Method or In-kind Contribution Method shall be no more than 70,000 shares per year. However, if, on or after the day on which this proposal is approved and adopted, the Company performs a share split (including allotment of shares without contribution) or a reverse share split of its common stock, or if any other reason arises necessitating an adjustment to the total number of common shares issued or disposed of as restricted shares, the said total number shall be reasonably adjusted.

The total value of shares of common stock of the Company to be issued or disposed of for granting restricted shares shall be an amount not exceeding 50 million yen per annum for both Free Grant Method and In-kind Contribution Method combined.

Further, the remuneration amount for Eligible Directors (number of restricted shares granted in the case of □ the Free Grant Method; and the payment amount per share in the case of □ the In-kind Contribution Method) shall be determined by the Board of Directors within a range that is not particularly favorable to the Eligible Directors who subscribe the restricted shares, based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day preceding the date of each Board of Directors resolution concerning the restricted share grant (if no trading occurs on that day, the closing price on the most recent trading day prior to that).

The specific timing of payment and allotment to each Eligible Director shall be determined by the Board of Directors.

Regarding this proposal to introduce the Remuneration System, the Audit & Supervisory Committee believes that its contents are reasonable as the terms and conditions pertaining to the Remuneration System have been set appropriately.

When issuing or disposing of shares of the Company’s common stock under the above system, a restricted share allotment agreement (hereinafter referred to as the “Allotment Agreement”) shall be concluded between the Company and the Eligible Directors, and the agreement shall include the following provisions:

- (1) The Eligible Directors shall not transfer, establish a security interest on, or otherwise dispose of the Company’s common stock (hereinafter referred to as the “Transfer Restrictions”) allotted under the Allotment Agreement (hereinafter referred to as the “Allotted Shares”) for a period starting from the date of grant of the restricted shares until the date when the Eligible Director loses the position of Director of the Company or other position determined by the Company’s Board of Directors (hereinafter referred to as the “Restricted Period”).

- (2) If an Eligible Director loses any of the positions in above (1) before the expiry of the period (hereinafter referred to as the “Service Period”) separately set by the Company’s Board of Directors, the Company shall acquire the Allotted Shares free of charge as a matter of course, except when there is a legitimate reason as accepted by the Board of Directors.
- (3) The Company shall lift the Transfer Restrictions on all the Allotted Shares upon expiry of the Restricted Period, provided that the Eligible Director continuously served as Director of the Company or in other position determined by the Company’s Board of Directors during the Service Period. However, if the Eligible Director loses any of the positions designated in (1) above before the expiration of the Service Period due to a legitimate reason as accepted by the Board of Directors of the Company as set forth in (2) above, the Company shall rationally adjust the number of the Allotted Shares on which the Transfer Restrictions are to be lifted and the timing of lifting as needed.
- (4) The Company shall acquire, free of charge as a matter of course, the Allotted Shares on which the Transfer Restrictions have not been lifted at the expiration of the Restriction Period in accordance with the provisions of (3) above.
- (5) The Company shall acquire, free of charge as a matter of course, the Allotted Shares if an Eligible Director violates the laws and regulations, internal rules, or the Allotment Agreement, or in any other cases determined by the Company’s Board of Directors as reasonable to acquire the Allotted Shares free of charge during the Restricted Period.
- (6) If, during the Restricted Period, a merger agreement in which the Company becomes the dissolving company, a share exchange agreement or a share transfer plan under which the Company becomes a wholly owned subsidiary of another company, or any other proposal related to reorganization, etc. was approved by the General Meeting of Shareholders of the Company (or by the Board of Directors in case it does not require approval of the General Meeting of Shareholders, with regard to the reorganization, etc.), the Company shall lift the Transfer Restrictions on the Allotted Shares, with the number of shares that is reasonably determined, prior to the date on which the reorganization, etc. becomes effective, by a resolution of the Board of Directors of the Company.
- (7) In cases as stipulated in (6) above, the Company shall acquire free of charge as a matter of course the Allotted Shares on which the Transfer Restrictions have not been lifted as of the time immediately after the Transfer Restrictions were lifted in accordance with the above provisions.
- (8) The method for expressing intentions and giving notifications in the Allotment Agreement, the method for amending the Allotment Agreement, and other matters to be determined by the Board of Directors shall be laid out in the Allotment Agreement.

The Company, at its Board of Directors meeting held on May 12, 2025, passed a resolution to revise its policy for determining matters such as remuneration of Directors, provided that this proposal is approved and adopted. The granting of the Allotted Shares based on this proposal is in accordance with the said policy, and the Company does not plan to change that policy following the approval of this proposal. Further, as described above, the Company believes that the granting of the Allotted Shares is reasonable as the amount to be paid for the Allotted Shares is within a range that is not particularly advantageous to the recipient and also because the dilution rate is negligible.

[Reference 1]

Subject to the approval of this proposal, the Company plans to grant restricted shares similar to the above restricted shares to its Executive Officers.

[Reference 2]

Matters related to policy for determining remuneration of individual Directors (if this proposal is approved and adopted)

#### 1. Basic Policy

The Company shall make it a remuneration structure aligned with the interests of the shareholders so that it functions adequately as an incentive, within the maximum remuneration amount resolved at the General

Meeting of Shareholders, to sustainably improve the corporate value. The Company, in addition to paying basic remuneration to Executive Directors for the day-to-day execution of duties based on their position, shall pay performance-linked remuneration (hereinafter referred to as “Short-term Incentive”) taking into account the Group’s business performance and the concerned Director’s performance for the term as well as a non-monetary remuneration in the form of restricted share remuneration (hereinafter referred to as “Medium- to Long-term Incentive”). Further, the Company shall pay basic remuneration for the execution of their duties to Outside Directors, who will not be paid the Short-term Incentive or Medium- to Long-term Incentive in view of the responsibilities of their position.

2. Matters Related to Determination of Remuneration of Individual Directors

Matters related to determination of remuneration amount (basic remuneration, Short-term Incentive, and Medium- to Long-term Incentive) for individual Executive Directors are decided by the Board of Directors after deliberations by the Consultation & Remuneration Committee, the majority of whose members are Independent Outside Directors.

3. Policy on Determination of Basic Remuneration

The basic remuneration of the Company’s Directors shall be a fixed monthly remuneration and shall be determined by comprehensively considering responsibilities corresponding to the role, prevailing remuneration standards, and remuneration trends among other factors.

4. Policy on Determination of Short-term Incentive

The Short-term Incentives are determined based on the performance goals by business year formulated in accordance with the Medium-Term Management Plan of the Company and the achievement status of priority implementation items of the concerned Director.

Specific target values (hereinafter referred to as the “KPIs”) to evaluate the achievement status for items such as profitability, growth prospects, and efficiency are decided by the Board of Directors based on a recommendation by the Consultation & Remuneration Committee.

Payment shall be in the form of monetary remuneration. The Company shall carry out individual evaluation regarding the achievement status of the KPIs determined by the Board of Directors and calculate the overall achievement rate, based on which it will decide a payment rate within the range from 0% to 150%. The amount obtained by multiplying this payment rate with the base amount shall be paid within one week of the first Board of Directors meeting held after the conclusion of the Annual General Meeting of Shareholders.

5. Policy on Determination of Medium- to Long-term Incentive

Medium- to Long-term Incentive shall be non-monetary remuneration, and restricted shares not exceeding the maximum non-monetary remuneration resolved by the General Meeting of Shareholders shall be granted. Shares in common stock in the number equivalent to the standard amount stipulated by role shall be paid as restricted shares within one month of the day of the Board of Directors’ resolution on the number of shares to be granted to individual recipients, and Transfer Restrictions shall be lifted upon retiring from the position of Director or Executive Officer of the Company.

6. Policy on Determination of Ratio of Remunerations (Basic Remuneration, Short-term Incentive, Medium-Long-term Incentive) of Individual Directors

The ratio of Basic Remuneration, Short-term Incentive, and Medium- Long-term Incentive of Executive Directors is set as 6:2:2, excluding the variable portion decided by the Director’s performance, etc., so that Short-term Incentive and Medium- Long-term Incentive comprise a certain percentage of the total remuneration.