

June 10, 2025

To our shareholders

MAYUMI Seiki  
Representative Director, President and  
Chief Executive Officer  
**H-ONE CO., LTD.**  
11-5, Sakuragi-cho 1-chome, Omiya-ku,  
Saitama-shi, Saitama 330-0854, Japan

## Notice of the 19th Ordinary General Meeting of Shareholders

You are hereby notified that the 19th Ordinary General Meeting of Shareholders of H-ONE CO., LTD. (the “Company”) will be held as indicated below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format will be taken) in electronic format, and has posted the information on the following website.

The Company’s website:

<https://www.h1-co.jp/ir/stock/meeting.html> (in Japanese)

In addition to the above, the information is posted on the following websites on the internet:

Net-de-Shoshu website

<https://s.srdb.jp/5989/> (in Japanese)

TSE website (Listed Company Search):

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

(Access the TSE website by using the internet address shown above, enter the Company’s name “H-ONE” in “Issue name (company name)” or the Company’s securities code “5989” 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 opt not to attend the meeting in person, you may exercise your voting rights via the Internet or in writing (by postal mail). In that case, please exercise your voting rights by 5:00 p.m. on Tuesday, June 24, 2025 (Japan Time), having reviewed the Reference Documents for the General Meeting of Shareholders.

**1. Date and Time:** June 25, 2025 (Wednesday) 10:00 a.m. (reception opens at 9:30 a.m.) (Japan Time)

**2. Venue:** 3-2 Shintoshin, Chuo-ku, Saitama-shi, Saitama, Japan  
The Mark Room, 4th Floor, THE MARK GRAND HOTEL

**3. Purpose of the Meeting**

**Matters to be reported:**

1. The Business Report and the Consolidated Financial Statements for the 19th fiscal year (from April 1, 2024 to March 31, 2025), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 19th fiscal year (from April 1, 2024 to March 31, 2025)

**Matters to be resolved:**

- |                   |   |
|-------------------|---|
| <b>Proposal 1</b> | Appropriation of the Surplus  |
| <b>Proposal 2</b> | Election of Five (5) Directors  |
| <b>Proposal 3</b> | Revision of Limit on Remuneration for Directors and Audit & Supervisory Board Members |
| <b>Proposal 4</b> | Revision of Limit on Share-based Remuneration Plan for Directors                      |
| <b>Proposal 5</b> | Election of One (1) Substitute Audit & Supervisory Board Member                       |

**4. Matters Decided in Connection with this Convocation**

- (1) If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on each of the aforementioned websites.
- (2) If you exercise your voting rights in writing (by postal mail) but have not indicated approval or disapproval of a proposal on the voting rights exercise form, it will be deemed a vote of approval.
- (3) If you exercise your voting rights multiple times via the Internet, the final vote will be deemed valid.
- (4) If you exercise your voting rights multiple times via the Internet and in writing (by postal mail), the voting rights exercised via the Internet will be deemed valid.

- For this General Meeting of Shareholders, paper-based documents containing items for which measures for providing information in electronic format are to be taken have been sent regardless of whether such were requested.
- Among the items for which measures for providing information in electronic format are to be taken, the following matters are not included among the paper-based documents to be sent based on laws and provisions, and Article 15 of the Articles of Incorporation.
  - i The “Consolidated Statements of Changes in Equity” and “Notes to the Consolidated Financial Statements” as a part of the Consolidated Financial Statements
  - ii The “Non-consolidated Statements of Changes in Equity” and “Notes to the Financial Statements” as a part of the Non-consolidated Financial Statements

Therefore, the Consolidated Financial Statements and Non-consolidated Financial Statements mentioned in these documents are part of the subject documents that were audited by the Accounting Auditor in preparing the Accounting Audit Report and by Audit & Supervisory Board Members in preparing the Audit Report.

- If you plan to attend the meeting in person, please present the voting form at the reception desk upon your arrival. Be sure to bring this Notice of General Meeting of Shareholders as agenda materials.
- Part of the footage of this Ordinary General Meeting of Shareholders will be streamed online at a later date. In consideration of the privacy of shareholders attending the meeting, we will be filming only the area in the vicinity of chair and executive seating. In some cases, however, the images of shareholders attending the meeting may appear in the footage as we will film the meeting from the rear of the venue. We appreciate your understanding in advance.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1 Appropriation of the Surplus

With regard to the appropriation of the surplus, having taken into account the performance for the fiscal year under review and future business expansion, the Company proposes the following:

#### Year-end dividends

- |     |  |                |
|-----|--|----------------|
| (1) | Type of dividends:                                     | Cash           |
| (2) | Dividend allocation and their aggregate amount thereof |                |
|     | Dividend per common share of the Company:              | ¥37            |
|     | Total dividends:                                       | ¥1,050,464,262 |
| (3) | Effective date of dividends of surplus:                | June 26, 2025  |

#### (Reference Note)

##### Dividend Policy

The Company regards the continuous return of profits to its shareholders as a highly important management policy, and maintains a basic policy to stably implement dividends according to the Company's performance to its shareholders over the long term, having taken into consideration future business expansion, investments in facilities, and the like, as well as striving to improve the return on equity attributable to owners of the parent (ROE). Taking into account this basic policy, the Company aims to gradually raise the payout ratio to 30%.

## Proposal 2 Election of Five (5) Directors

The terms of office of all five (5) Directors will expire at the conclusion of this General Meeting of Shareholders.

Therefore, the Company proposes to elect five (5) Directors.

Candidates for Director are as follows:

### List of Candidates for Director

| Candidate No. | Name               | Current Position within the Company                            | Main responsibilities within the Company or significant concurrent positions outside the Company                             | Candidate attributes                   | Attendance at the Board of Directors meetings |
|---------------|--------------------|--|--|--|---|
| 1             | MAYUMI Seiki       | Representative Director, President and Chief Executive Officer | - Chief Operating Officer of Business Management Operations and Chief Operating Officer of North America Business Operations | Re-election                            | 10/10   |
| 2             | OKUDA Masamichi    | Director, Executive Vice President, Executive Officer          | - Corporate Planning Officer of Business Management Operations and Chief Operating Officer of China Business Operations      | Re-election                            | 10/10   |
| 3             | MARUYAMA Keiichiro | Director   | - Deputy Managing Partner of Nagawa-Okamura Law Firm<br>- Chairman of the Board of Tokyo College of Music                    | Re-election<br>Outside<br>Independent  | 12/12   |
| 4             | TODOKORO Kunihiro  | Director   | - Director and Chairperson of FUJI WAREHOUSE&TRANSPORTATION CO., LTD.  | Re-election<br>Outside<br>Independent  | 12/12   |
| 5             | YAMADA Akiko       | —  |  | New election<br>Outside<br>Independent | —   |

Note: As Mr. MAYUMI Seiki and Mr. OKUDA Masamichi were elected at the 18th Ordinary General Meeting of Shareholders held on June 26, 2024, their attendance at the Board of Directors meetings represents the number of attendance on and after June 26, 2024.

New election: Candidate for new election as Director

Re-election: Candidate for re-election as Director

Outside: Candidate for Outside Director

Independent: Independent Officer as stipulated by the Tokyo Stock Exchange

| Candidate No.   | Name<br>(Date of Birth)  | Career Summary, Position, Responsibilities, and Significant Concurrent Positions Outside the Company                                    |   | Number of the Company's Shares Owned<br>(Thousands of Shares) |
|---|--|---|---|---|
| 1   | <p>MAYUMI Seiki<br/>(October 26, 1967)<br/>[Re-election]</p> <p>Attendance at the Board of Directors meetings<br/>10/10 meetings</p> <p>Number of years in office as a Director<br/>1 year</p> | <p>Apr. 1991</p> <p>Jun. 2009</p> <p>Jun. 2015</p> <p>Apr. 2018</p> <p>Apr. 2023</p> <p>Apr. 2024</p> <p>Jun. 2024</p> <p>Apr. 2025</p> | <p>Joined HIRATA TECHNICAL CO., LTD.</p> <p>Vice President of UYT Limited</p> <p>Operating Officer and General Manager of the Corporate Management Planning Operations of the Company</p> <p>Vice President of KTH Parts Industries, Inc.</p> <p>Senior Operating Officer and Assistant to President of the Company</p> <p>President and Chief Executive Officer and Chief Operating Officer of Business Management Operations of the Company (<b>current position</b>)</p> <p>Representative Director, President and Chief Executive Officer of the Company (<b>current position</b>)</p> <p>Chief Operating Officer of North America Business Operations of the Company (<b>current position</b>)</p> | 9   |
| <p>[Reasons for Nomination as a Candidate for Director]</p> <p>Mr. MAYUMI Seiki possesses considerable insight related to global business operations including years of involvement with management of business bases in Europe and the United States based on his abundant experience at having engaged in operations as production, development, overseas business, and corporate planning. Since he assumed the position of Representative Director of the Company, while demonstrating strong leadership based on his experience and knowledge, he has been taking the lead in overseeing the business strategy for improving the Company Group's corporate value.</p> <p>The Company has determined that he can sufficiently fulfill the role of deciding on important matters and supervising the execution of business within the Company Group, and so the Company proposes the re-election of him as a candidate for Director.</p> |  |   |   |   |

Note: As Mr. MAYUMI Seiki was elected at the 18th Ordinary General Meeting of Shareholders held on June 26, 2024, his attendance at the Board of Directors meetings represents the number of attendance on and after June 26, 2024.

| Candidate No.  | Name<br>(Date of Birth)   | Career Summary, Position, Responsibilities, and Significant Concurrent Positions Outside the Company                                   |  | Number of the Company's Shares Owned<br>(Thousands of Shares) |
|--|---|--|--|---|
| 2  | OKUDA Masamichi<br>(April 3, 1965)<br>[Re-election]<br><br>Attendance at the Board of Directors meetings<br>10/10 meetings<br><br>Number of years in office as a Director<br>1 year | Mar. 1988<br>Oct. 2007<br>Apr. 2011<br>Oct. 2012<br>Feb. 2016<br>Apr. 2020<br>Apr. 2023<br><br>Apr. 2024<br><br>Jun. 2024<br>Apr. 2025 | Joined Hirata Press Kogyo Co., Ltd.<br>General Manager of Overseas Operations of the Company<br>General Manager of Sales Planning Division<br>General Manager of Sales Division 1<br>President of WH Auto Parts Industries Inc.<br>Operating Officer of the Company<br>General Manager of Corporate Management Planning Division and General Manager of Digital Transformation Promotion Group<br>Managing Officer and in charge of Corporate Planning Division, Information Systems Division, and Accounting Division, Business Management Operations of the Company<br>Director and Managing Officer of the Company<br>Director, Executive Vice President, Executive Officer ( <b>current position</b> ), and Corporate Planning Officer of Business Management Operations and Chief Operating Officer of China Business Operations of the Company ( <b>current position</b> ) | 10  |
| <p>[Reasons for Nomination as a Candidate for Director]</p> <p>Mr. OKUDA Masamichi has handled work supervising the Sales Division, and has also been involved in corporate management at business bases in China for many years to realize various initiatives for improving added value of automobile parts and for gaining new customers, thereby contributing to increasing sales. Currently, as Corporate Planning Officer of Business Management Operations and Chief Operating Officer of China Business Operations, he takes the initiative to promote business strategies that lead to expanding the business of the Company Group. Therefore, he has abundant experience and knowledge.</p> <p>The Company has determined that he can sufficiently fulfill the role of deciding on important matters and supervising the execution of business within the Company Group, and so the Company proposes the re-election of him as a candidate for Director.</p> |   |  |  |   |

Note: As Mr. OKUDA Masamichi was elected at the 18th Ordinary General Meeting of Shareholders held on June 26, 2024, his attendance at the Board of Directors meetings represents the number of attendance on and after June 26, 2024.

| Candidate No.  | Name<br>(Date of Birth)  | Career Summary, Position, Responsibilities, and Significant Concurrent Positions Outside the Company |  | Number of the Company's Shares Owned<br>(Thousands of Shares) |  |
|--|--|--|--|---|--|
| 3  | MARUYAMA Keiichiro<br>(November 27, 1963)<br>[Re-election]<br>[Candidate for Outside Director]<br>[Independent Officer]<br><br>Attendance at the Board of Directors meetings<br>12/12 meetings<br><br>Number of years in office as a Director<br>11 years  | Apr. 1998  | Registered as lawyer (TOKYO BAR ASSOCIATION) | —   |  |
|  | Apr. 1998  | Joined Nagawa-Okamura Law Firm   |  |   |  |
|  | Jan. 2001  | Deputy Managing Partner of Nagawa-Okamura Law Firm ( <b>current position</b> )                       |  |   |  |
|  | May 2009   | Director of Tokyo College of Music   |  |   |  |
|  | Jul. 2010  | Director of Johokusaitama Gakuen (Incorporated Educational Institution) ( <b>current position</b> )  |  |   |  |
|  | Jun. 2014  | Outside Director of the Company ( <b>current position</b> )  |  |   |  |
|  | Jun. 2016  | Outside Corporate Auditor of TODA CORPORATION  |  |   |  |
|  | Apr. 2021  | Chairman of the Board of Tokyo College of Music ( <b>current position</b> )                          |  |   |  |
|  | [Reasons for Nomination as a Candidate for Outside Director and Expected Roles]  |  |  |   |  |
|  | <p>Mr. MARUYAMA Keiichiro possesses abundant experience and considerable insight cultivated as a lawyer. Since his appointment as an Outside Director of the Company, he has been active in making proposals and recommendations regarding the management of the Company Group in Board of Directors meetings of the Company.</p> <p>The Company has determined he will be able to continue making statements on the execution of business of the Company Group from a professional viewpoint as a lawyer, while overseeing the business from his independent and fair standpoint, and so the Company proposes the re-election of him as a candidate for Outside Director.</p> <p>He does not have experience of directly contributing to the management of a company; however, he has an elevated and broad perspective as a lawyer. Moreover, given that he is knowledgeable of the governance of companies and has sufficient discernment as an Outside Director, the Company has judged that he is able to appropriately execute his duties.</p> |  |  |   |  |
| [Considerations on His Independence]   |  |  |  |   |  |
| <p>Nagawa-Okamura Law Firm, at which Mr. MARUYAMA Keiichiro serves as Deputy Managing Partner, has entered into a consulting contract with the Company; however, the remuneration amounts paid by the Company during the fiscal year ended March 31, 2025 are less than one (1) percent of the sales of the Firm and less than one (1) percent of the consolidated revenue of the Company.</p> <p>The Tokyo College of Music, at which he serves in a significant concurrent position, has no transactions with the Company.</p> <p>For the above reasons, the Company has judged that there are no problems with regards to his independence.</p> <p>Moreover, the Company has submitted notification of his position as Independent Officer to the Tokyo Stock Exchange.</p> |  |  |  |   |  |

Note: The Company has entered into an agreement with Mr. MARUYAMA Keiichiro to limit his liability for damages as stipulated by Article 423, Paragraph 1 of the Companies Act, pursuant to the stipulations of Article 427, Paragraph 1 of said act. In the event that the candidate is re-elected as Director, the Company intends to roll over this limitation of liability contract with him.

| Candidate No.  | Name<br>(Date of Birth)   | Career Summary, Position, Responsibilities, and Significant Concurrent Positions Outside the Company |   | Number of the Company's Shares Owned<br>(Thousands of Shares) |
|--|---|--|---|---|
| 4  | TODOKORO Kunihiro<br>(May 29, 1954)<br>[Re-election]<br>[Candidate for Outside Director]<br>[Independent Officer]<br><br>Attendance at the Board of Directors meetings<br>(12/12)<br><br>Number of years in office as a Director<br>9 years | Apr. 1977  | Joined Saitama Bank, Ltd. (current Saitama Resona Bank, Limited)                                |   |
|  |   | Jun. 2009  | Representative Director and Vice President of Saitama Resona Bank, Limited                      |   |
|  |   | Jun. 2013  | Representative Director and President of J AND S INSURANCE SERVICE Co., Ltd.                    |   |
|  |   | Jun. 2015  | Representative Director and President of FUJI WAREHOUSE&TRANSPORTATION CO., LTD.                |   |
|  |   | Jun. 2016  | Outside Director of the Company ( <b>current position</b> )                                     |   |
|  |   | Jun. 2019  | Chair of SAITAMA KEIZAI DOYUKAI ( <b>current position</b> )                                     |   |
|  |   | Jun. 2020  | Representative Director and Chairperson of FUJI WAREHOUSE&TRANSPORTATION CO., LTD.              |   |
|  |   | Apr. 2021  | Representative Director, Chairperson and President of FUJI WAREHOUSE&TRANSPORTATION CO., LTD.   |   |
|  |   | Jun. 2023  | Director and Chairperson of FUJI WAREHOUSE&TRANSPORTATION CO., LTD. ( <b>current position</b> ) |   |
|  |   | Jun. 2025  | Special Secretary of SAITAMA KEIZAI DOYUKAI (scheduled to assume office)                        |   |
| [Reasons for Nomination as a Candidate for Outside Director and Expected Roles]<br>Mr. TODOKORO Kunihiro has engaged in the management of a financial institution and multiple business companies. Since his appointment as an Outside Director of the Company, he has been active in leveraging this abundant experience and considerable insight to make proposals and recommendations regarding the management of the Company Group in Board of Directors meetings of the Company.<br><br>The Company has determined he will be able to continue making statements on the execution of business of the Company Group from a professional viewpoint as the one experienced in management, while overseeing the business of the Company Group from his independent and fair standpoint, and so the Company proposes the re-election of him as a candidate for Outside Director. |   |  |   |   |
| [Considerations on His Independence]<br>The Company makes transactions related to storage and warehousing of goods with FUJI WAREHOUSE&TRANSPORTATION CO., LTD., at which Mr. TODOKORO Kunihiro serves as Director and Chairperson; however, the transaction amounts were ¥0 million during the fiscal year ended March 31, 2025.<br><br>The Company is a borrower of Saitama Resona Bank, Limited, of which Mr. TODOKORO Kunihiro was formerly Representative Director and Vice President; however, more than twelve (12) years have passed since he retired from that position.<br><br>For the above reasons, the Company has judged that there are no problems with regards to his independence. Moreover, the Company has submitted notification of his position as Independent Officer to the Tokyo Stock Exchange.   |   |  |   |   |

Note: The Company has entered into an agreement with Mr. TODOKORO Kunihiro to limit his liability for damages as stipulated by Article 423, Paragraph 1 of the Companies Act, pursuant to the stipulations of Article 427, Paragraph 1 of said act. In the event that the candidate is re-elected as Director, the Company intends to roll over this limitation of liability contract with him.



| Candidate No. | Name<br>(Date of Birth)  | Career Summary, Position, Responsibilities, and Significant Concurrent Positions Outside the Company |   | Number of the Company's Shares Owned<br>(Thousands of Shares) |
|---------------|--|--|---|---|
| 5             | YAMADA Akiko<br>(July 16, 1967)<br>[New election]<br>[Candidate for Outside Director]<br>[Notification of her position as Independent Officer Planned]<br><br>Attendance at the Board of Directors meetings<br>(=)<br><br>Number of years in office as a Director<br>= years   | Apr. 1990<br>Jul. 2007<br><br>Apr. 2012<br><br>Jul. 2016<br><br>Jun. 2020                            | Joined East Japan Railway Company<br>Manager of Strategy Planning Group, Transport & Rolling Stock Department, Railway Operations Headquarters of East Japan Railway Company<br>General Manager of Corporate Planning Department, and General Manager, Management Reform Promotion Office, Japan Transport Engineering Company<br>Deputy General Manager of Business Planning, Transport & Rolling Stock Department, Railway Operations Headquarters of East Japan Railway Company<br>Director and General Manager of Overseas Business Division, Japan Transport Engineering Company | —   |
|               | [Reasons for Nomination as a Candidate for Outside Director and Expected Roles]<br>Ms. YAMADA Akiko has held important positions at multiple business companies. Through such career, she has garnered a wealth of experience and a high level of expertise in corporate management. The Company expects that, after assuming office as Director, she will be able to make statements on the execution of business of the Company Group from a professional viewpoint based on her experience in corporate management and to supervise the Company Group's business operations from an independent and fair standpoint, and so the Company proposes the election of her as a new candidate for Outside Director. |  |   |   |
|               | [Considerations on Her Independence]<br>Japan Transport Engineering Company, at which Ms. YAMADA Akiko served as Director until June 2024, has no transactions with the Company.<br>For the above reason, the Company has judged that there are no problems with regards to her independence. Moreover, the Company plans to submit notification of her position as Independent Officer to the Tokyo Stock Exchange if her election is approved.   |  |   |   |

Note: If her election is approved, the Company will enter into an agreement with Ms. YAMADA Akiko to limit her liability for damages as stipulated by Article 423, Paragraph 1 of the Companies Act, pursuant to the stipulations of Article 427, Paragraph 1 of said act.

Notes applicable to all of the five (5) candidates above:

- There are no special interests between any of the candidates for Director and the Company.
- The number of shares of the Company owned by each of the candidates for Director includes the shares held under the name of the Officer's Shareholder Association.
- Number of years in office as a Director of each candidate is at the conclusion of this General Meeting of Shareholders.
- The Company has not entered into an indemnity agreement stipulated by Article 430-2, Paragraph 1 of the Companies Act, with each of the candidates for Director.
- The Company has entered into a Directors and Officers liability insurance agreement with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act.  
According to the said insurance agreement, if a claim for damages is made against the insured resulting from the insured's action (including nonfeasance) in the capacity of such position during the period of insurance, legal compensation for damages and fees for legal actions, etc. will be compensated.  
However, in order not to impair the appropriateness of duty execution by the insured, the policy includes an exemption such that it does not cover criminal acts of the insured or damages to an officer in person who has intentionally acted in violation of the law.  
If each candidate for Director is appointed as Director, he/she will become one of the insureds under said insurance agreement. The Company plans to renew the said insurance agreement during the Directors' terms of office.

### **Proposal 3** Revision of Limit on Remuneration for Directors and Audit & Supervisory Board Members

The limit on remuneration for the Company's Directors, set at an annual total of ¥200 million, was approved at the 63rd Ordinary General Meeting of Shareholders of HIRATA TECHNICAL CO., LTD. (the Company's former name at the time) held on June 26, 1991, and has remained effective to this date.

The limit on remuneration for the Company's Audit & Supervisory Board Members, set at an annual total of ¥40 million, was also approved at the 63rd Ordinary General Meeting of Shareholders of HIRATA TECHNICAL CO., LTD. (the Company's former name at the time) held on June 26, 1991, and has remained effective to this date.

Given the subsequent changes in the management environment, the Company proposes the revision of the limit on remuneration for Directors to establish a more effective remuneration framework that aligns with the strategies set forth in the management policy "Change 2027." This revision is intended to encourage Directors to proactively work toward achieving those strategies, thereby contributing to sustainable growth and the enhancement of corporate value over the medium to long term. Specifically, the Company proposes to raise the limit on remuneration for Directors to an annual total of ¥450 million (of which ¥48 million shall be allocated to Outside Directors).

In addition, with the aim of expanding the scale of the business under the management policy "Change 2027," the Company proposes to raise the limit on remuneration for Audit & Supervisory Board Members to an annual total of ¥60 million in anticipation of a further increase in their responsibilities to strengthen corporate governance.

The limit on remuneration for Directors shall exclude the portion of employee's salary paid to Directors concurrently serving as employees, as has been the case previously.

This proposal is based on the policy for determining the content of remuneration, etc. for each Director as stated in the Business Report. It has been resolved by the Board of Directors following prior deliberation by the Nomination and Remuneration Committee, a majority of whose members are Independent Outside Directors. The proposed revision to the limit on remuneration for Audit & Supervisory Board Members has also been confirmed in advance by the Audit & Supervisory Board. Accordingly, the Company deems this proposal appropriate.

Currently, there are five (5) Directors (including two (2) Outside Directors). If Proposal 2 "Election of Five (5) Directors" is approved and passed as proposed, the number of Directors eligible to receive the remuneration proposed in this Proposal will be five (5) (including three (3) Outside Directors). Audit & Supervisory Board Members eligible to receive the remuneration proposed in this Proposal will be the current three (3) Audit & Supervisory Board Members (including two (2) Outside Audit & Supervisory Board Members), which will remain unchanged after the close of this General Meeting of Shareholders.

## **Proposal 4** Revision of Limit on Share-based Remuneration Plan for Directors

### 1. Reasons for the proposal and reasonable grounds

At the Company's 10th Ordinary General Meeting of Shareholders held on June 22, 2016, the introduction of a share-based remuneration plan (hereinafter, the "Plan") for Directors (excluding Outside Directors; hereinafter, the same shall apply for this proposal unless otherwise specified) and Operating Officers in the ranks of Senior Operating Officer and above (hereinafter, the "Directors, etc.") was approved. Subsequently, at the 15th Ordinary General Meeting of Shareholders held on June 23, 2021, the resetting of the limit on remuneration under the Plan for the Directors, etc. was approved, and the Plan has remained effective to this date.

The objective of the Plan is to further clarify the link between the remuneration for the Directors, etc. and share value, and have the Directors, etc. share with all shareholders the risks of share price fluctuations, thereby enhancing their motivation to contribute to the improvement of the Company's medium- to long-term performance and corporate value. To further enhance such motivation, the Company proposes revisions to the Plan (hereinafter, the "Revisions") that will increase the maximum number of points to be granted per fiscal year to the Directors, etc., with the aim of raising the proportion of share-based remuneration within total remuneration of the Directors, etc., and establish a specific method for calculating the amount of remuneration under the Plan without setting an upper limit on the amount of money that the Company contributes to the trust, in consideration of the impact of share price fluctuations on the number of shares acquired by the trust. Other matters concerning the Plan remain unchanged.

The objective of the Revisions is to further enhance the motivation of the Directors, etc. to contribute to the improvement of the Company's medium- to long-term performance and corporate value. The Company deems this proposal appropriate, as this is in line with the Company's policy for determining the details of remuneration, etc. for each Director (see below), which is scheduled to be resolved at the Board of Directors meeting following the conclusion of this General Meeting of Shareholders, provided that this proposal is approved as proposed. In addition, the Nomination and Remuneration Committee of the Company has expressed its view that the Revisions are appropriate in light of the objective of the Plan, the effectiveness of incentives for improving medium- to long-term performance, and other relevant considerations.

The Company requests approval for the specific calculation method and details of the amount of remuneration, etc. to pay to Directors of the Company based on the Plan, separate from the remuneration, etc. (not more than ¥450 million per year, excluding portion of employee's salary) for Directors to be proposed under Proposal 3. Furthermore, the Company proposes that the details of the Plan be determined at the discretion of the Board of Directors within the limit as shown in 2. below.

Currently, there are three (3) Directors eligible for the Plan. If Proposal 2 is approved and passed as proposed, two (2) Directors will be eligible for the Plan.

### 2. Specific calculation method and details of the amount of remuneration, etc. under the Plan

The major revisions are underlined.

#### (1) Outline of the Plan

The Plan is a share-based remuneration plan under which shares of the Company will be acquired through a trust (for the trust established based on the Plan, hereinafter, the "Trust") using money contributed by the Company as the source of funds. The Company's shares and the money in an amount equivalent to the market value of the Company's shares (hereinafter, the "Company's Shares, etc.") shall be delivered to the Directors, etc. through the Trust in accordance with the Regulations on Delivery of Shares for Officers determined by the Company. In principle, the Directors, etc. shall receive delivery of the Company's Shares, etc. upon their retirement from office.

#### (2) Persons eligible for the Plan

Persons eligible for the Plan shall be Directors (excluding Outside Directors) and Operating Officers in the ranks of Senior Operating Officer and above. Audit & Supervisory Board Members shall not be eligible for the Plan.

#### (3) Trust period

The trust period of the Trust shall be from August 2016 until the Trust ends. No specific end date shall be established, and the Trust shall continue as long as the Plan continues. The Plan shall be terminated if the Company's shares are delisted or when the Regulations on Delivery of Shares for Officers are abolished, etc.

(4) Amount of trust

The Company has introduced the Plan to cover the three fiscal years from the fiscal year ended March 31, 2017 to the fiscal year ended March 31, 2019 (for this initial three-fiscal-year period and each three-fiscal-year period that starts after the initial three-fiscal-year period, hereinafter, the “Applicable Period”) and each subsequent Applicable Period. It has also established the Trust by contributing ¥140 million to the Trust as the source of funds for the acquisition of the Company’s shares by the Trust to deliver the Company’s Shares, etc. to Directors, etc. under the Plan for the initial Applicable Period. Subsequently, the Company contributed ¥115 million in November 2019 and ¥130 million in November 2022.

Even after these Applicable Periods, for each Applicable Period until the Plan ends, in principle, the Company shall make additional contributions to the Trust in an amount deemed necessary for the Trust to acquire in advance the number of shares reasonably estimated to be delivered to Directors, etc. under this Plan. Provided, however, that in cases where such an additional contribution is made, and the Company’s shares (excluding any undelivered portion of shares for the Directors, etc. that are the Company’s shares corresponding to the number of points granted to them for each preceding Applicable Period) and money remain within the trust assets (hereinafter, the “Remaining Shares, etc.”), the Remaining Shares, etc. shall be allocated to the source of delivery based on the plan for subsequent Applicable Periods, and the additional contribution shall be calculated taking such Remaining Shares, etc. into consideration. Any decision by the Company to make additional contributions will be disclosed in a timely and appropriate manner.

Note: The actual amount contributed to the Trust by the Company shall include not only the funds for acquiring shares as stated above, but also the estimated amount of necessary trust-related expenses such as trust fees.

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

The Trust shall acquire the Company’s shares through the exchange market or through subscription of the disposed treasury shares of the Company by using the source of funds contributed in (4) above. Since the upper limit of points to be granted to the Directors, etc. is 146,000 points for each fiscal year as specified in (6) below, the upper limit of number of the Company’s shares to be acquired by the Trust for each Applicable Period shall be 438,000 shares. The details of any acquisition of the Company’s shares by the Trust will be disclosed in a timely and appropriate manner.

(6) Upper limit of number of the Company’s Shares, etc. to be delivered to the Directors, etc.

The Directors, etc. shall be granted points every fiscal year, in accordance with their duties and responsibilities. The upper limit of the total number of points to be granted to the Directors, etc. per fiscal year shall be 146,000 points (of which 69,000 points account for Directors). The Company deems it appropriate as it has been determined comprehensively taking into account the current level of Officers’ remuneration provided, trends in the number of the Directors, etc. and future prospects, etc.

Regarding the points granted to the Directors, etc., one point shall be converted into one share of the Company’s common stock when the Company’s Shares, etc. are delivered as described in (7) below (however, if a stock split, allotment of shares without contribution, or consolidation of shares, etc., concerning the Company’s shares are conducted after this proposal is approved, reasonable adjustments shall be made to the upper limit of points and the number of points already granted, or the conversion ratio, in accordance with the ratio, etc. thereof).

The 690 voting rights pertaining to the shares corresponding to the upper limit of points granted per fiscal year to Directors represent approximately 0.24% of a total of 283,704 voting rights pertaining to the total number of issued shares as of March 31, 2025.

In principle, the number of points granted to the Directors, etc., as a reference for delivery of the Company’s Shares, etc. described in (7) below, shall be the number of points granted to the said Directors, etc. by the time of their retirement, multiplied by the prescribed coefficient (however, the value thereof shall not exceed 1.0) set by the reason for retirement (for points calculated in such a way, hereinafter, the “Defined Number of Points”).

(7) Delivery of the Company’s Shares, etc. and specific calculation method of the amount of remuneration, etc.

If a Director, etc. who has retired from office meets the beneficiary requirements prescribed in the Regulations on Delivery of Shares for Officers, in principle, the said Director, etc. shall be able to receive the delivery of the Company’s shares from the Trust after retirement in accordance with the Defined Number of Points determined as described in (6) above by following the prescribed beneficiary vesting procedures. However, if requirements set forth under the Regulations on Delivery of Shares for Officers are met, the Director, etc. shall receive, for a certain percentage, monetary provisions equivalent to the market value of the Company’s shares in lieu of the Company’s shares. In order to pay these monetary provisions, the Trust may sell the

Company's shares.

Moreover, even for the Directors, etc. who have been granted points, if the Director, etc. retired due to a resolution for dismissal, whether by the General Meeting of Shareholders or the Board of Directors, or due to violation of certain obligations, the Director, etc. shall not acquire the right to receive such delivery.

The amount of remuneration, etc. to be received by the Directors shall be based on the total number of points granted to the Directors, multiplied by the book value per share of the Company's shares held by the Trust when the points are granted (however, in the event of a stock split, allotment of shares without contribution, or consolidation of shares, etc., in relation to the Company's shares, reasonable adjustments shall be made in accordance with the ratio, etc. thereof). If exceptional monetary provisions are deemed appropriate to be paid in accordance with the Regulations on Delivery of Shares for Officers, such an amount shall be added to the amount of said remuneration.

(8) Exercise of voting rights

The voting rights regarding the Company's shares in the Trust account shall uniformly not be exercised in accordance with instructions from the trust administrator. This approach is intended to ensure neutrality in the exercise of voting rights regarding the Company's shares in the Trust account with respect to the Company's management.

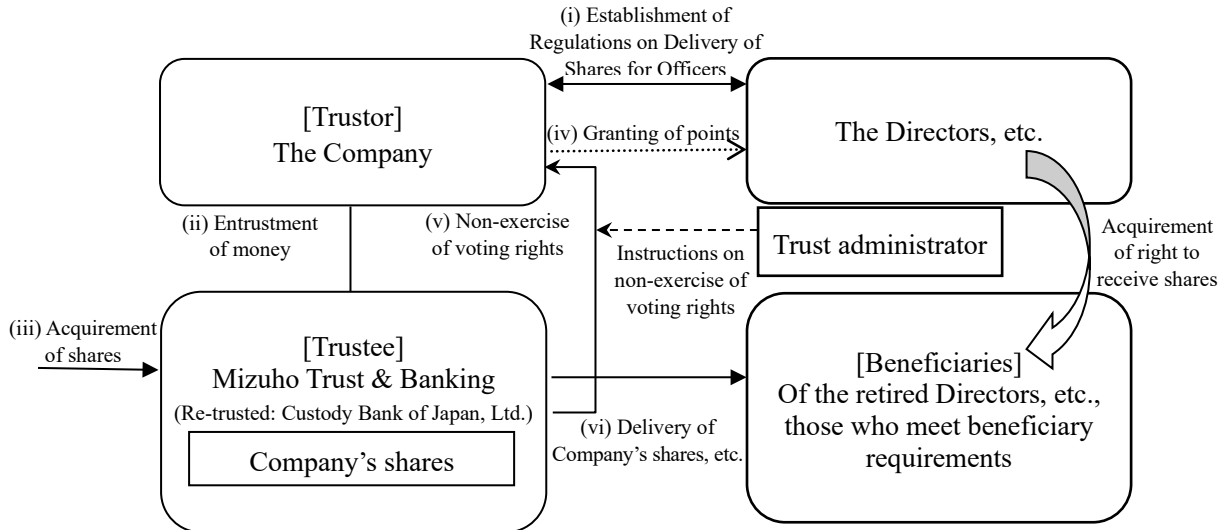
(9) Treatment of dividends

Dividends of the Company's shares in the Trust account shall be received by the Trust and mainly used for the acquisition of the Company's shares and trust-related expenses such as trust fees to the trustee of the Trust. If the Trust is terminated, any remaining dividends, etc. in the Trust shall be allocated and delivered to the Directors, etc. serving at that time in proportion to the number of points that each of them holds, in accordance with the Regulations on Delivery of Shares for Officers.

(10) Treatment upon termination of the Trust

The Trust shall terminate upon the occurrence of certain events, such as the delisting of the Company's shares or the abolition of the Regulations on Delivery of Shares for Officers. Upon termination of the Trust, all the Company's shares in the residual assets of the Trust shall be acquired by the Company without consideration and cancelled by resolution of the Board of Directors. Any monetary assets in the residual assets of the Trust upon its termination, excluding the amount to be paid to the Directors, etc. in accordance with (9) above, shall be returned to the Company.

(Reference) Structure of the Plan



- (i) The Company shall establish the Regulations on Delivery of Shares for Officers within the scope of limit to be approved in this proposal.
- (ii) The Company shall entrust money within the scope to be approved in this proposal.
- (iii) The Trust shall acquire the Company's shares using the money entrusted in (ii) as source of funds through the exchange market or through subscription of the disposed treasury shares of the Company.
- (iv) The Company shall grant points to the Directors, etc. in accordance with the Regulations on Delivery of Shares for Officers.
- (v) The Trust shall not exercise voting rights regarding the Company's shares held by the Trust account based on instructions from the trust administrator, who is independent from the Company.
- (vi) The Trust shall deliver the Company's shares to retired Directors, etc. who meet the beneficiary requirements prescribed in the Regulations on Delivery of Shares for Officers (hereinafter, the "Beneficiaries") according to the number of points they have been granted. If a Director, etc. meets the requirements set forth in the Regulations on Delivery of Shares for Officers, the Company shall deliver, for a certain percentage of the points granted, monetary provisions equivalent to the market value of such shares.

## Proposal 5 Election of One (1) Substitute Audit & Supervisory Board Member

In preparation for the case of absences causing the number of Audit & Supervisory Board Members required by law not being met, the Company proposes the election of one (1) substitute Audit & Supervisory Board Member, pursuant to the provisions of Article 329, Paragraph 3 of the Companies Act.

This proposal has obtained the consent of the Audit & Supervisory Board.

The candidate for substitute Audit & Supervisory Board Member is as follows.

| Name<br>(Date of Birth)   | Career Summary and Significant Concurrent Positions Outside the<br>Company   | Number of the<br>Company's<br>Shares Owned<br>(Thousands of<br>Shares) |
|---|--|--|
| IJIMA Hiroyuki<br>(October 27, 1974)  | Apr. 1997      Joined Plaza Create Co., Ltd.<br>Oct. 2002      Joined Iijima Certified Public Tax Accountant<br>Office ( <b>current position</b> )<br>Apr. 2007      Registered as a certified public tax accountant | —  |
| <p>[Reasons for Nomination as a Candidate for Substitute Outside Audit &amp; Supervisory Board Member]</p> <p>Mr. IJIMA Hiroyuki is an active certified public tax accountant and, if he is appointed as Audit &amp; Supervisory Board Member, the Company's supervisory organization will benefit from the specialized knowledge and experience that he has cultivated as a certified public tax accountant; therefore, the Company proposes his appointment as a substitute Outside Audit &amp; Supervisory Board Member.</p> <p>He does not have experience of directly contributing to the management of a company; however, he has an elevated and broad perspective as a certified public tax accountant. Moreover, given that he has sufficient discernment to be an Outside Audit &amp; Supervisory Board Member, the Company has determined that he is able to appropriately execute his duties.</p> |  |  |
| <p>[Considerations on His Independence]</p> <p>Iijima Certified Public Tax Accountant Office, at which Mr. IJIMA Hiroyuki is engaged in his significant concurrent position, has no transactions with the Company and has no contractual relationships, such as for consulting, with the Company.</p> <p>For the above reasons, the Company has judged that there are no problems with regards to his independence.</p> <p>If he is appointed as Audit &amp; Supervisory Board Member, the Company intends to submit notification of his position as Independent Officer to the Tokyo Stock Exchange.</p>   |  |  |

### Notes:

1. There are no special interests between Mr. IJIMA Hiroyuki and the Company.
2. Mr. IJIMA Hiroyuki is a candidate for substitute Outside Audit & Supervisory Board Member.
3. If Mr. IJIMA Hiroyuki is appointed as Audit & Supervisory Board Member, the Company intends to enter into an agreement with him to limit his liability for damages as stipulated by Article 423, Paragraph 1 of the Companies Act, pursuant to the stipulations of Article 427, Paragraph 1 of said act.
4. The Company has entered into a Directors and Officers liability insurance agreement with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act.  
According to the said insurance agreement, if a claim for damages is made against the insured resulting from the insured's action (including nonfeasance) in the capacity of such position during the period of insurance, legal compensation for damages and fees for legal actions, etc. will be compensated. However, in order not to impair the appropriateness of duty execution by the insured, the policy includes an exemption such that it does not cover criminal acts of the insured or damages to an officer in person who has intentionally acted in violation of the law.  
If Mr. IJIMA Hiroyuki is appointed as Audit & Supervisory Board Member, he will become one of the insureds under said insurance agreement.

(Reference)

# Remuneration for Directors and Audit & Supervisory Board Members

## 1. Remuneration structure

If proposals 3 and 4 are approved and passed as proposed for this Ordinary General Meeting of Shareholders, the remuneration for Directors and Audit & Supervisory Board Members will be as follows.

(Changed portions are underlined.)

| Types of remuneration          | Basic remuneration<br>(Monetary remuneration)   | Performance-based remuneration<br>(Monetary remuneration) | Medium- to long-term incentive remuneration (Share-based remuneration)  |
|--------------------------------|---|---|---|
| Positions eligible for payment | Inside Directors<br>Outside Directors<br>Audit & Supervisory Board Members  | Inside Directors<br>—<br>—                                | Inside Directors<br>—<br>—  |
| Maximum amounts, etc.          | Directors: Up to <u>¥450 million</u> per year (including up to <u>¥48 million</u> per year for Outside Directors)<br>Audit & Supervisory Board Members: Up to <u>¥60 million</u> per year   |   | 69,000 points per fiscal year<br>( <u>146,000 points per fiscal year for all eligible recipients including Operating Officers in the ranks of Senior Operating Officer and above</u> )  |
| Content of remuneration        | <ul style="list-style-type: none"> <li>Within the maximum amount resolved at the General Meeting of Shareholders, the Nomination and Remuneration Committee determines the specific allocation of remuneration based on the Remuneration Regulations for Officers.</li> <li>In case of temporary treatment that differs from the Remuneration Regulations for Officers, the Nomination and Remuneration Committee will discuss the matter and the Board of Directors will make a decision.</li> </ul> |   | <ul style="list-style-type: none"> <li>Points are granted to those eligible in accordance with the Regulations on Delivery of Shares for Officers. The Company provides shares of the Company in proportion to the number of points granted to retired Directors, etc. who satisfy the requirements for beneficiaries as stipulated in the Regulations on Delivery of Shares for Officers.</li> </ul> |
| Timing of payment              | Each month  |   | Upon retirement, in principle   |

Notes: 1. The ratio of the above three types of compensation to the annual remuneration of inside directors is determined by position, and designed so that higher positions have higher ratios of performance-based remuneration.

2. Specific remuneration levels are set with reference to the Executive Compensation Survey of private professional organizations.

## 2. Performance-based remuneration

If proposals 3 and 4 are approved and passed as proposed for this Ordinary General Meeting of Shareholders, of the remuneration for Directors and Audit & Supervisory Board Members above, performance-based remuneration will be revised as follows.

(Changed portions are underlined.)

(Calculation method of performance-based remuneration and performance indicators, etc., selected as the basis of calculation)

The performance-based remuneration of the Company is calculated by multiplying a position-determined performance-based remuneration standard amount by a performance coefficient.

$$\begin{array}{|c|} \hline \text{Performance-based remuneration} \\ \hline \text{(Monetary remuneration)} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Position-determined performance-based remuneration standard amount} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Performance coefficient} \\ \hline \end{array}$$

- The “position-determined performance-based remuneration standard amount” is a uniform amount determined for each position based on the remuneration table set out in the Remuneration Regulations for Officers.



- The “performance coefficient” is determined from the following four components based on the performance, etc. of the previous fiscal year.

|                          |   |   |   |  |   |                                       |   |  |
|--------------------------|---|---|---|--|---|---------------------------------------|---|--|
| Performance coefficient  | = | (1)<br>Company performance coefficient 1                  | × | (2)<br>Company performance coefficient 2   | × | (3)<br>Capital efficiency coefficient | × | (4)<br>Individual evaluation coefficient |
| (Basic indicator)        |   | Consolidated operating profit amount<br>(absolute amount) |   | Consolidated operating profit amount<br>(Amount at beginning of period vs. Announced forecast) |   | Consolidated ROIC                     |   | –  |
| (Evaluation perspective) |   | Growth potential  |   | Degree of achievement of the forecast  |   | Capital efficiency                    |   | Degree of performance duties             |

- “(1) Company performance coefficient 1” determines the coefficient based on the absolute amount of the actual consolidated operating profit for a full fiscal year (with the coefficient for operating profit of ¥10.0 billion or more to less than ¥12.5 billion set at 1.0).
- “(2) Company performance coefficient 2” determines the coefficient based on the degree of achievement of the forecast amount of consolidated operating profit for a full fiscal year as a target (corresponding to a coefficient of 1.00) which is announced at the beginning of the fiscal year.
- “(3) Capital efficiency coefficient” determines the coefficient based on the level of consolidated ROIC.
- “(4) Individual evaluation coefficient” determines the coefficient based on the results of an evaluation conducted by the Nomination and Remuneration Committee regarding the degree of achievement of duties entrusted to each Officer.
- In cases where a full-year forecast for consolidated operating profit is not announced at the beginning of a fiscal year, or other cases where the above determination method cannot be applied, the amount of performance-based remuneration shall be determined by the Board of Directors after discussion at the Nomination and Remuneration Committee.

### **Basic Policy for Corporate Governance**

Based on our Management Philosophy, the Company has formulated a basic sustainability policy to “become a company that contributes to the world” by promoting various activities in each ESG (environment, society, and governance) area.

Based on this basic policy, the Company recognizes the enhancement of corporate governance as one of its important issues in management and will consistently take initiatives for the continuous growth of the Company Group, responding to the expectation and trust from our shareholders, customers, employees, and society.

### **The Corporate Governance System**

The Company is a company with an Audit & Supervisory Board and has established the following organs: General Meeting of Shareholders, Board of Directors, Audit & Supervisory Board, and Accounting Auditor. In addition, the Company has streamlined the decision-making and enhancement of supervising functions on business execution by the Board of Directors by expanding the Operating Officer system such as by delegating business execution to Operating Officers.

#### **1. Board of Directors**

For the Company, which operates business globally in the automobile parts industry, to quickly and appropriately make decisions and supervise its operations, it has appointed Directors from both inside and outside the Company who possess a wealth of experience, professional expertise, and considerable insight. The Board of Directors, through deliberation, passes resolutions for important matters concerning management and matters designated by laws and regulations.

The Company believes that a composition which combines Inside Directors who have a thorough understanding of the Company’s business and industry trends with Outside Directors who have varied experience, insight, and values will result in the optimal overall structure for the Board of Directors in terms of the balance of knowledge, experience, and abilities, as well as diversity, effectiveness, and other aspects. If Proposal No.2 is approved and passed as proposed for this Ordinary General Meeting of Shareholders, the Board of Directors will consist of five (5) Directors including three (3) Independent Outside Directors. Independent Outside Directors consist of one (1) lawyer (male), and two (2) persons who possess management experience at other companies (one (1) male and one (1) female).

#### **2. Audit & Supervisory Board**

The Audit & Supervisory Board requests, when deemed appropriate, reports on the progress and results of operational audits and internal control audits conducted by Audit Division, which is an independent internal audit division. It also attends important meetings including the Board of Directors meetings, and audits Directors’ execution of duties and decision-making of the Board of Directors by examining the business and financial status from a neutral and objective standpoint. The Audit & Supervisory Board consists of three (3) Audit & Supervisory Board Members, including two (2) Outside Audit & Supervisory Board Members; this composition will remain unchanged after the close of this Ordinary General Meeting of Shareholders.

#### **3. Other optional meeting bodies**

- (1) The Management Committee, which consists of the Representative Director and Chief Operating Officers or General Managers of Business Management Operations, Development Business Operations, Japan Business Operations, North America Business Operations, China Business Operations, Asia Business Operations, and Audit Division, adopts a system where important matters concerning business execution are either presented to the Board of Directors after prior deliberation, or resolved within its scope of authority and reported to the Board of Directors for an efficient and speedy decision making by the Board of Directors.
- (2) To ensure mutual collaboration between Outside Directors and Audit & Supervisory Board Members, the Information Exchange Meeting for Independent Officers, which consists of Independent Officers and Full-time Audit & Supervisory Board Member, is held monthly. At the Information Exchange Meeting for Independent Officers, understanding is shared through reports of business status of the Company Group made by Full-time Audit & Supervisory Board Member, or by related general managers when needed, and opinions which are mutually exchanged among Independent Officers.
- (3) In order to ensure transparency and objectivity in the process of determining remuneration, the Nomination and Remuneration Committee, chaired by Outside Independent Directors, determine, after final consultation, the amounts of remuneration, etc. for the Company’s Officers. Moreover, if changes are to be made on the policy concerning determination of calculation methods for the amounts of remuneration, etc. for Officers, they are determined by the Board of Directors after prior deliberation at the Nomination and Remuneration Committee.

#### **4. Standards for independence**

For elections of independent outside officers (Directors and Audit & Supervisory Board Members), aside from the requirements for outside officers pursuant to the Companies Act, the Company has set out a standard for designating independent outside officers so that candidates will meet qualifications of Independent Officer as stipulated by the Tokyo Stock Exchange and will be free of possible conflict of interest with general shareholders.

#### **5. Policy for nominating candidates for Directors and Audit & Supervisory Board Members**

With regard to candidates for Directors, election or nomination is made with comprehensive consideration from the perspective of abundance in experience, high-level expertise, considerable insight, and ethical point of view. The election or nomination for candidates for Directors is determined by the Board of Directors after prior deliberation at the Nomination and Remuneration Committee, which is chaired by Outside Independent Directors.

With regard to candidates for Audit & Supervisory Board Members, nominations are made with consideration from the perspective of insight into finance, accounting and legal affairs, and knowledge related to the Company’s businesses.

## 6. Composition of the Board of Directors and the Audit & Supervisory Board

If Proposal 2 is approved and passed as proposed for this Ordinary General Meeting of Shareholders, the composition of the Board of Directors and the Audit & Supervisory Board will be as follows.

| Name               | Position Within the Company                                   | Gender | Professionalism and Experience |                     |  |                        |                                   |                   |
|--------------------|---|--------|--------------------------------|---------------------|--|------------------------|-----------------------------------|-------------------|
|                    |   |        | Corporate management           | Sales and marketing | Manufacture, engineering, and research & development | Finance and accounting | Legal affairs and risk management | Global experience |
| MAYUMI Seiki       | Representative Director President and Chief Executive Officer | Male   | ○                              | ○                   | ○  | ○                      |                                   | ○                 |
| OKUDA Masamichi    | Director Executive Vice President, Executive Officer          | Male   | ○                              | ○                   |  | ○                      |                                   | ○                 |
| MARUYAMA Keiichiro | Director Outside Independent                                  | Male   |                                |                     |  |                        | ○                                 |                   |
| TODOKORO Kunihiro  | Director Outside Independent                                  | Male   | ○                              |                     |  |                        |                                   | ○                 |
| YAMADA Akiko       | Director Outside Independent                                  | Female | ○                              | ○                   | ○  |                        |                                   | ○                 |
| YAMASHITA Kazuo    | Full-time Audit & Supervisory Board Member                    | Male   |                                |                     |  | ○                      |                                   | ○                 |
| KAWAI Hiroyuki     | Audit & Supervisory Board Member Outside Independent          | Male   |                                |                     |  | ○                      |                                   |                   |
| MURAKAMI Hiroki    | Audit & Supervisory Board Member Outside Independent          | Male   |                                |                     |  |                        | ○                                 |                   |

Outside: Outside Director or Outside Audit & Supervisory Board Member

Independent: Independent Officer as stipulated by the Tokyo Stock Exchange

(Reasons for selection of “Professionalism and Experience”)

|  |  |
|--|--|
| Corporate management                                 | Experience in corporate management is essential for sustainable growth in the face of drastic changes in the business environments surrounding the Company Group, including the automobile industry.   |
| Sales and marketing                                  | Experience in development and execution of sales and marketing strategies and business strategies is essential for the Company Group to increase new customers in each market and expand into new markets besides the automobile market.   |
| Manufacture, engineering, and research & development | Expertise in both core and advanced technologies is essential for the Company Group to appropriately respond to the needs of OEM manufacturers in the ever-evolving automobile industry and to realize the selection and focus on higher-margin products, a target in its Medium-term Business Plan.   |
| Finance and accounting                               | Expertise in finance and accounting is essential for the Company Group to appropriately allocate management resources and promote growth strategies as an effort to “shift and reorganization of the business portfolio and structure”, which is the management policy of its Medium-term Business Plan.                                       |
| Legal affairs and risk management                    | Expertise in legal affairs and risk management is essential for the Company Group to appropriately address risks associated with laws & regulations and contracts both at home and abroad in the process of building alliances with customers and business partners, and to establish a corporate foundation emphasizing compliance.           |
| Global experience                                    | Experience in formulating growth strategies and corporate management at a local company overseas or a multi-national company is essential for supervising the management of the Company, for which overseas sales account for a significant proportion, expanding its lines of business on a global scale, and maximizing its corporate value. |