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(Stock Exchange Code 6240)

June 4, 2025

(Start date of measures for electronic provision: June 3, 2025)

To our shareholders:

Atsuhiko Yamazaki

President

YAMASHIN-FILTER CORP.

1-1-8 Sakuragi-cho, Naka-ku,
Yokohama, Japan

NOTICE OF THE 70TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to inform that the 70th Ordinary General Meeting of Shareholders of YAMASHIN- FILTER CORP. (the “Company”) will be held as described below.

In convening the Meeting, the Company has taken measures for electronic provision and has posted the items subject to measures for electronic provision on the following website on the Internet.

The Company’s website

<https://www.yamashin-filter.co.jp/ja/ir/stock/meeting.html>

In addition to the above, the Company also posts the items subject to measures for electronic provision on the website of the Tokyo Stock Exchange (TSE). To view the materials, please access the following TSE website (Listed Company Search), enter the issue name (the Company’s name) or the securities code (6240), and select “Basic Information” and then “Documents for public inspection/PR information.”

TSE website

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

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet or by postal mail.

Please exercise your voting rights no later than 4:30 p.m., Tuesday, June 24, 2025 (Japan Standard Time) after reviewing the Reference Documents for the General Meeting of Shareholders.

[Exercise of voting rights via the Internet]

Please access the website for exercise of voting rights specified by the Company (<https://soukai.mizuho-tb.co.jp/>) and enter “the code for exercise of voting rights” and “the password” printed on the enclosed Voting Rights Exercise Form. Follow the instructions on the screen and enter your vote for or against the proposals. For exercising your voting rights via the Internet, please confirm the enclosed “Guidance to Exercise of Voting Rights via the Internet, etc.” on page 3 (available in Japanese language only).

[Exercise of voting rights by postal mail]

Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form, and return it by postal mail to reach us no later than the above deadline for exercise of voting rights.

Meeting Details

- 1. Date and Time:** Wednesday, June 25, 2025 at 10:00 a.m. (Japan Standard Time)
- 2. Venue:** 5F Meeting Room 503, Conference Center, Pacifico Yokohama
1-1-1 Minatomirai, Nishi-ku, Yokohama, Japan
- 3. Purposes:**
 - Items to be reported:**
 1. Business Report and Consolidated Financial Statements for the 70th Term (from April 1, 2024 to March 31, 2025), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee
 2. Non-consolidated Financial Statements for the 70th Term (from April 1, 2024 to March 31, 2025)
 - Items to be resolved:**
 - Proposal 1:** Election of Five (5) Directors (excluding Directors who are Audit & Supervisory Committee Members)
 - Proposal 2:** Election of Two (2) Directors who are Audit & Supervisory Committee Members
 - Proposal 3:** Revision of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members)
 - Proposal 4:** Revision of remuneration for granting restricted stock to Directors (excluding Outside Directors and Directors who are Audit & Supervisory Committee Members)
- 4. Matters determined upon convocation:**
 - (1) Of the items subject to measures for electronic provision, pursuant to laws and regulations and Article 14 of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. Accordingly, the documents to be delivered to shareholders who have made that request are a part of the documents audited by the Accounting Auditor and the Audit & Supervisory Committee in preparing the Audit Reports.
 - 1) Business Report (System to Ensure Appropriateness of Business Activities and the Status of Operation of Such System)
 - 2) Notes to the Consolidated Financial Statements
 - 3) Notes to the Non-consolidated Financial Statements
 - (2) If you exercise your voting rights both via the Internet and on the Voting Rights Exercise Form, the votes submitted via the Internet will be deemed valid. In addition, if you exercise voting rights more than once via the Internet, the most recent vote will be deemed valid.
 - (3) If there is no indication of approval or disapproval for the proposals on the Voting Rights Exercise Form you have returned, it will be deemed as an indication of approval.

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- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception.
 - ◎ Should the items subject to measures for electronic provision require revisions, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company's website and the TSE website described above on the Internet.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Election of Five (5) Directors (excluding Directors Who are Audit & Supervisory Committee Members)

The terms of office of all six (6) Directors (excluding Directors who are Audit & Supervisory Committee Members; hereinafter, the same shall apply in this proposal) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of five (5) Directors.

The candidates for Directors are as follows.

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
1	Atsuhiko Yamazaki (May 25, 1953)	<div>May 1980</div> <div>April 1987</div> <div>December 1990</div> <div>April 2017</div> <div></div> <div>June 2020</div> <div>January 2022</div> <div>Director of the Company</div> <div>Director, General Manager of Sales Department</div> <div>President</div> <div>Head of Internal Audit Office</div> <div>Manager of Quality Assurance Division</div> <div>Representative Director and President (to present)</div> <div>Concurrently served as Chairman of AQC Corporation</div>	1,418,427
2	Hiroaki Yamazaki (April 12, 1984)	<div>April 2011</div> <div>October 2014</div> <div>April 2017</div> <div>April 2018</div> <div></div> <div>July 2018</div> <div>August 2018</div> <div>April 2019</div> <div>April 2020</div> <div>June 2020</div> <div>June 2023</div> <div>July 2023</div> <div>July 2024</div> <div>Joined the Company</div> <div>Representative Director of YAMASHIN CEBU FILTER MANUFACTURING CORP.</div> <div>General Manager of Construction Machinery Filter Sales Department of the Company</div> <div>Concurrently served as Director of YAMASHIN AMERICA INC. (to present)</div> <div>Concurrently served as Director of YAMASHIN EUROPE BRUSSELS BVBA (currently YAMASHIN EUROPE BRUSSELS BV) (to present)</div> <div>Concurrently served as Director of YAMASHIN THAI LIMITED (to present)</div> <div>Chairman of Directors for YAMASHIN FILTER (SIP) TECHNOLOGY INC. (currently YAMASHIN FILTER (SIP) INC.)</div> <div>Manager of Sales Division of the Company</div> <div>Executive Officer, Manager of Sales Division</div> <div>Executive Officer in charge of sales</div> <div>Director, Managing Executive Officer</div> <div>Director, Senior Executive Vice President (to present)</div> <div>Concurrently served as President of YAMASHIN AMERICA INC.</div> <div>Concurrently served as Director of YAMASHIN FILTER (SIP) TECHNOLOGY INC. (currently YAMASHIN FILTER (SIP) INC.) (to present)</div>	2,181,124

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
3	Chikahisa Ioka (January 2, 1959)	<p>April 1982 Joined Nomura Securities Co., Ltd.</p> <p>November 1994 Joined Leuco-Hawera Co., Ltd. (currently LEUCO Co., Ltd.) Chief Financial Officer</p> <p>September 1999 Representative Director and Chief Financial Officer</p> <p>February 2005 Joined dSPACE Japan K.K. Chief Financial Officer</p> <p>November 2008 Joined DAITO GIKEN, INC. General Manager of Finance & Accounting Department and General Manager of General Affairs Department</p> <p>June 2011 Joined NAKA & Co., Ltd. Chief Financial Officer and Executive Officer</p> <p>September 2012 Joined the Company General Manager of Finance and Accounting Department</p> <p>December 2012 Concurrently served as Director of YAMASHIN CEBU FILTER MANUFACTURING CORP. Concurrently served as Supervisor of YAMASHIN FILTER SHANGHAI INC. Concurrently served as Supervisor of YAMASHIN FILTER (SIP) TECHNOLOGY INC. (Currently YAMASHIN FILTER (SIP) INC.)</p> <p>October 2016 Executive Officer, Manager of Administration Division of the Company</p> <p>June 2018 Director, Manager of Administration Division</p> <p>August 2019 Concurrently served as Director of AQC Corporation</p> <p>June 2020 Director, Senior Managing Executive Officer of the Company (to present)</p>	173,900
4	Takaaki Yamazaki (February 10, 1987)	<p>May 2015 Joined the Company</p> <p>June 2015 Quality Assurance Department, Quality Assurance Division</p> <p>January 2016 Seconded to YAMASHIN CEBU FILTER MANUFACTURING CORP.</p> <p>July 2017 Director of YAMASHIN CEBU FILTER MANUFACTURING CORP.</p> <p>October 2018 Manager of Purchasing Section, Purchasing Department, Production Division</p> <p>March 2019 Manager of Management Planning Office, Administration Division</p> <p>September 2019 General Manager of Production Control Department, Production Division</p> <p>November 2020 Concurrently served as Director of AQC Corporation</p> <p>April 2021 Executive Officer, Manager of SCM Division of the Company</p> <p>April 2022 Concurrently served as Director of YAMASHIN AMERICA INC.</p> <p>June 2023 Director, Executive Officer, Manager of SCM Division of the Company</p> <p>July 2023 Director, Executive Officer (to present)</p> <p>October 2023 Concurrently served as Representative President of AQC Corporation (to present)</p>	2,085,140

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
5	Kumiko Igushi (September 3, 1968)	<p>October 2000 Joined Deloitte Tohmatsu Consulting Co., Ltd. (currently Deloitte Tohmatsu Consulting LLC) Manager of High-Tech, Telecom and Media Industry Group</p> <p>January 2003 Joined Hewlett-Packard Japan, Ltd. (currently Hewlett Packard Japan, G.K.) Manager of Corporate Strategy & Planning Office</p> <p>September 2003 Manager of Government & Public Affairs, Strategy & Planning Office and concurrently Chief Lobbyist for Japan, Hewlett-Packard Company</p> <p>June 2006 Joined Aon Holdings Japan, Ltd. Head of Corporate Planning and New Business Development Director of Sales Strategy & Market Development, Aon Risk Services Japan, Ltd. (currently Aon Japan Ltd.) HR Consulting Director, Aon Consulting Japan, Ltd. (currently Aon Solutions Japan, Ltd.)</p> <p>June 2009 Earned an MPA (Master of Public Administration) at Harvard Kennedy School</p> <p>September 2011 Joined IBM Japan, Ltd. Director of Strategy and Market Development, Global Business Services</p> <p>July 2012 Associate Partner, Consulting Department, Global Business Services</p> <p>September 2014 Established Kasumigaseki Research Institute Co., Ltd. Representative Director, CEO & COO</p> <p>November 2015 Outside Director of USEN Corporation</p> <p>April 2016 Outside Director of Amagasa Co., Ltd. (currently JELLY BEANS GROUP Co., Ltd.)</p> <p>July 2017 Outside Director of USEN-NEXT HOLDINGS Co., Ltd. (currently U-NEXT HOLDINGS Co., Ltd.)</p> <p>July 2018 Outside Director of VISIONARYHOLDINGS Co., Ltd.</p> <p>March 2020 Outside Director of Broadleaf Co., Ltd.</p> <p>December 2021 Executive Advisor at USEN-NEXT HOLDINGS Co., Ltd. (currently U-NEXT HOLDINGS Co., Ltd.)</p> <p>May 2022 Outside Director of Samantha Thavasa Japan Limited</p> <p>August 2023 Established IGU Office LLC Representative Member (to present)</p> <p>June 2024 Outside Director of the Company (to present)</p>	—

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Mr. Atsuhiko Yamazaki, Mr. Hiroaki Yamazaki and Mr. Takaaki Yamazaki are major shareholders of the Company and thus fall under the category of “parent company, etc.” set forth in Article 2, Item 4-2 of the Companies Act.
 3. Ms. Kumiko Igushi is a candidate for Outside Director.
 4. (1) Mr. Atsuhiko Yamazaki has extensive management experience at the Company over many years. The Company expects that he will help the Group in pursuing its strategies towards sustainable corporate value enhancement and appropriately supervise the entire organization based on his experience. He is thus nominated as a candidate for Director.

- (2) Mr. Hiroaki Yamazaki has served in important positions at the Company and its affiliates since joining the Company. The Company expects that he will help the Group in pursuing its development and sales strategies towards sustainable corporate value enhancement based on his experience. He is thus nominated as a candidate for Director.
 - (3) Mr. Chikahisa Ioka has extensive experience as General Manager of Finance and Accounting Department and Manager of Administration Division at the Company over many years. The Company expects that he will help the Group in pursuing its financial strategies towards sustainable corporate value enhancement based on his experience. He is thus nominated as a candidate for Director.
 - (4) Mr. Takaaki Yamazaki has served in important positions at the Company and its affiliates since joining the Company. The Company expects that he will help the Group in pursuing its production management and purchasing strategies towards sustainable corporate value enhancement based on his experience. He is thus nominated as a candidate for Director.
 - (5) Ms. Kumiko Igushi has served in positions responsible for operations such as business strategy at other companies. The Company believes she will be able to provide useful insights and suggestions regarding the Group's new business development, marketing strategies, overseas business, and other operations, based on her expertise and extensive experience in new business development, marketing strategies, and overseas business development. The Company expects her to utilize her experience and knowledge in new business development, marketing strategies, and overseas business development, and other operations to provide the Company with advice in these areas from various perspectives, and has thus nominated her as a candidate for Outside Director.
5. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Ms. Kumiko Igushi to limit her liability for damages under Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations. If Ms. Kumiko Igushi is reelected, the Company intends to continue the same agreement with her.
 6. The Company has reported Ms. Kumiko Igushi as an independent director to the Tokyo Stock Exchange. If her election is approved, the Company intends to report her again as an independent director to the Exchange.
 7. Ms. Kumiko Igushi will have served as Outside Director for one (1) year at the conclusion of this General Meeting of Shareholders.
 8. Mr. Atsuhiko Yamazaki, Mr. Hiroaki Yamazaki, Mr. Chikahisa Ioka, Mr. Takaaki Yamazaki and Ms. Kumiko Igushi, who are candidates for Directors, currently serve as a Director of the Company. The Company has entered into a directors and officers liability insurance contract with an insurance company to insure all of its Directors. The contract will cover damages and litigation expenses in the event that a claim for damages is made against the insured due to an act (including omissions) committed by the insured in his/her capacity as officer, etc., and the Company bears the entire premium for all the insured. Each of the candidates, if his/her reelection is approved, will continue to be insured under the contract. The Company plans to renew the contract with the same content during their terms of office.
 9. Opinion of the Audit & Supervisory Committee
The Audit & Supervisory Committee carefully reviewed the qualifications of the candidates for Directors who are not Audit & Supervisory Committee Members in light of deliberations at the Nominating Committee, which is composed of Outside Directors, and concluded that there were no particular matters to be pointed out.

Proposal 2: Election of Two (2) Directors who are Audit & Supervisory Committee Members

Of the three (3) Directors who are Audit & Supervisory Committee Members, the term of office of Mr. Naruhiko Takatsuji will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of two (2) new Directors who are Audit & Supervisory Committee Members.

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

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

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
*1	Shinobu Awaya (May 13, 1980)	<div>April 2003 December 2010 January 2016 June 2017 October 2018 February 2020 January 2022 April 2023 August 2023 April 2024 April 2025</div> <div>Joined TOPCON CORPORATION Registered as lawyer with Daini Tokyo Bar Association Joined Cosmos Law Office Joined Yasutaka Mizuno Law Office Part-time employee of Food Manufacturing Affairs Division, Food Industry Affairs Bureau, Ministry of Agriculture, Forestry and Fisheries Manager of Japan Food Safety Management Association Joined Tono & Tanami Law Office (currently Tono Tanami & Kosada Legal Professional Corporation) Visiting Researcher of National Institute of Advanced Industrial Science and Technology (to present) Joined TOYOSHIMA & PARTNERS Outside Director (Audit & Supervisory Committee Member) of Choshimaru Co., Ltd. (to present) Research fellow of Institute of Business Law and Comparative Law & Politics, Graduate Schools for Law and Politics, the University of Tokyo Joined Yasutaka Mizuno Law Office (to present) Research fellow of Institute for Legal and Political Design, Graduate Schools for Law and Politics, the University of Tokyo (to present)</div>	—

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company, and significant concurrent positions	Number of shares of the Company held
*2	Pei-Ling Yang (August 16, 1969)	<p>June 2000 Received Master of Business Administration from the University of Chicago</p> <p>August 2000 Joined Goldman Sachs (Asia) L.L.C. Investment Advisor of Investment Management Division</p> <p>June 2003 Joined Lehman Brothers Japan Inc. Chief Administrative Officer of Legal Affairs Division, Tokyo Branch</p> <p>October 2005 Joined DIAM Co., Ltd. (currently Asset Management One Co., Ltd.) Deputy Manager of International Sales Group</p> <p>October 2011 Senior Manager of Planning & Coordination Group</p> <p>April 2012 Group Leader of Global Business Planning and Development Group</p> <p>July 2017 Joined FIL Investments (Japan) Limited Partially seconded to FIL Securities (Japan) K.K. as Head of Corporate Communications</p> <p>August 2021 Joined Edelman Japan KK Executive Officer and Chief Experience Officer</p> <p>October 2022 Joined FIL Investments (Japan) Limited Head of Business Promotion Department</p> <p>December 2023 Head of Marketing Department</p> <p>April 2025 Established GLORAKU Co., Ltd Chief Executive Officer (to present)</p>	—

- Notes:
1. An asterisk (*) indicates a candidate for new Director who is an Audit & Supervisory Committee Member.
 2. There is no special interest between any of the candidates and the Company.
 3. Ms. Shinobu Awaya and Ms. Pei-Ling Yang are candidates for Directors who are Audit & Supervisory Committee Members.
 4. (1) Ms. Shinobu Awaya has extensive experience and expertise as an expert in corporate legal affairs, which the Company hopes to be utilized for the supervision and auditing of the Company as Outside Director who is an Audit & Supervisory Committee Member. Expected roles to be played by Ms. Shinobu Awaya include providing supervision and advice on the adequacy and appropriateness of the Company's governance structure and the organization for business execution from a standpoint of a corporate legal expert, based on her extensive knowledge and expertise in legal matters. For these reasons, the Company believes that she is able to perform her duties as Outside Director who is an Audit & Supervisory Committee Member although she has never been directly involved in corporate management other than as an outside officer. She is thus nominated as a candidate for Outside Director who is an Audit & Supervisory Committee Member.
 - (2) Ms. Pei-Ling Yang brings a wealth of experience and insight from her many years at both Japanese and global asset management firms. The Company expects that she will leverage her deep understanding of institutional investors' perspectives—particularly in evaluating and investing in Japanese companies—as well as her knowledge of corporate value enhancement, in her role as an Outside Director and member of the Audit & Supervisory Committee.
In addition, the Company anticipates that she will apply her broad experience to oversee management from an independent standpoint and provide valuable supervision and guidance on matters such as communication strategies for domestic and international stakeholders, brand positioning, reputation management, and global business expansion.
Accordingly, the Company nominates Ms. Yang as a candidate for Outside Director who is an Audit & Supervisory Committee Member.
 5. If the election of Ms. Shinobu Awaya and Ms. Pei-Ling Yang is approved, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company plans to enter into an

agreement with them to limit their liabilities for damages under Article 423, Paragraph 1 of the Companies Act to the extent permitted by laws and regulations.

6. Ms. Shinobu Awaya and Ms. Pei-Ling Yang meet the requirements for an independent director/auditor provided by the Tokyo Stock Exchange, and if their election is approved, the Company will report them as independent director (Audit & Supervisory Committee member) to the Exchange.
7. The Company has entered into a directors and officers liability insurance contract with an insurance company to insure all of its Directors. The contract will cover damages and litigation expenses in the event that a claim for damages is made against the insured due to an act (including omissions) committed by the insured in his/her capacity as officer, etc., and the Company bears the entire premium for all the insured. If the election of Ms. Shinobu Awaya and Ms. Pei-Ling Yang is approved, they will be insured under the contract. The Company plans to renew the contract with the same content during their terms of office.

Proposal 3: Revision of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members)

The amount of remuneration for Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members) was approved at the 68th Ordinary General Meeting of Shareholders held on June 28, 2023, to be no more than 300 million yen per year (of which the amount for Outside Directors is no more than 20 million yen per year), and has remained unchanged to date. However, in light of various factors, including changes in the business environment and the increasing responsibilities of Directors other than Outside Directors, the Company proposes to revise the amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) to be no more than 500 million yen per year (of which the amount for Outside Directors is no more than 20 million yen per year).

In addition, the Company proposes that, as in the past, the amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) not include salaries paid to Directors who concurrently serve as employees.

This proposal has been determined by the Board of Directors, following deliberations by both the Nominating Committee and the Compensation Committee, based on a comprehensive consideration of factors such as the Company's business scale, the structure and level of remuneration for officers, the current and future numbers of officers. The Company believes that this proposal is reasonable and appropriate.

For details regarding the Company's policy on determining the individual amounts of remuneration for Directors, please refer to the Business Report, "2. Current Status of the Company, (3) Status of Corporate Officers, (iv) Policy and Method for Determining the Amount of Remuneration for Directors."

At present, the number of Directors (excluding Directors who are Audit & Supervisory Committee Members) is six (6), including two Outside Directors. If Proposal 1 is approved as originally proposed, the number of Directors (excluding Directors who are Audit & Supervisory Committee Members) will be five (5), including one Outside Director.

Proposal 4: Revision of remuneration for granting restricted stock to Directors (excluding Outside Directors and Directors who are Audit & Supervisory Committee Members)

At the 68th Ordinary General Meeting of Shareholders held on June 28, 2023, it was approved, separately from the remuneration limit in Proposal 3, that the Company may grant monetary claims of up to 150 million yen per year to Directors (excluding Outside Directors and Directors who are Audit & Supervisory Committee Members; hereinafter referred to as the “Eligible Directors”) for the purpose of granting restricted stock. It was also approved that the total number of shares of the Company’s common stock to be issued or disposed of as restricted stock compensation shall be no more than 450,000 shares per year.

The purpose of this proposed revision is to further enhance the awareness of the Eligible Directors regarding their contribution to improving the Company’s medium- to long-term business performance and increasing corporate value by promoting the sharing of interests with shareholders. To this end, the Company proposes to revise the current plan to allow the granting of monetary claims of up to 500 million yen per year to the Eligible Directors for the purpose of granting restricted stock, and to increase the total number of shares of the Company’s common stock to be issued or disposed of as restricted stock compensation to no more than 1,000,000 shares per year. Provided, however, that if, on or after the date of approval of this proposal, the Company conducts a stock split (including a gratis allotment of shares of the Company’s common stock) or a stock consolidation, or if any other event occurs that makes it necessary to adjust the total number of shares of the Company’s common stock to be issued or disposed of as restricted stock compensation, such total number shall be adjusted within a reasonable range.

The specific timing and allocation of payments to each Eligible Director will be determined by resolution of the Board of Directors. In addition, the per-share amount to be paid in for the Company’s common stock to be allotted to the Eligible Directors will be determined by resolution of the Board of Directors, based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each such Board resolution (or the closing price on the most recent trading day prior thereto if no trading takes place on that day), within a range that is not particularly favorable to the Eligible Directors. The issuance or disposal of the Company’s common stock pursuant to this plan will be conducted on the condition that a restricted stock allotment agreement (the “Allotment Agreement”) containing the terms outlined below is executed between the Company and each Eligible Director.

In addition, the above amount of remuneration does not include salaries paid to Directors who concurrently serve as employees.

The upper limit of the amount of remuneration, the total number of shares of the Company’s common stock to be issued or disposed of, and other conditions for granting restricted stock to the Eligible Directors under this proposal have been determined based on the purpose described above, the Company’s business performance, the policy for determining the individual amounts of remuneration for Directors (for details, please refer to the Business Report, “2. Current Status of the Company, (3) Status of Corporate Officers, (iv) Policy and Method for Determining the Amount of Remuneration for Directors”), and various other factors. The Company believes that this proposal is reasonable and appropriate.

At present, the number of Directors (excluding Directors who are Audit & Supervisory Committee Members) is six (6), including two Outside Directors. If Proposal 1 is approved as originally proposed, the number of Directors (excluding Directors who are Audit & Supervisory Committee Members) will be five (5), including one Outside Director.

[Overview of the Terms of the Allotment Agreement]

(1) Transfer Restriction Period

An Eligible Director must not transfer, create a security interest in or otherwise dispose of the shares of the Company's common stock that are allotted according to the Allotment Agreement (the "Allotted Shares") during a period predetermined by the Company's Board of Directors (the "Transfer Restriction Period") between three (3) and thirty (30) years from the day when he or she was allotted such shares according to the Allotment Agreement (the "Transfer Restrictions").

(2) Treatment upon resignation

If an Eligible Director resigns from a position as predetermined by the Board of Directors prior to the expiration of the Transfer Restriction Period, the Company shall automatically acquire the Allotted Shares without compensation, except in cases where such resignation is due to the expiration of the term of office, death, or any other legitimate reason.

(3) Lifting of Transfer Restrictions

Notwithstanding the provisions of (1) above, the Transfer Restrictions on all of the Allotted Shares shall be lifted at the expiration of the Transfer Restriction Period, on the condition that the Eligible Director has continuously held the position specified in (2) above throughout the Transfer Restriction Period. However, if such Eligible Director resigns from such position before the expiration of the Transfer Restriction Period due to the expiration of the term of office, death, or any other legitimate reason as set forth in (2) above, the Transfer Restrictions shall be lifted on a reasonably adjusted number of Allotted Shares at the time immediately following such resignation. Any remaining Allotted Shares for which the Transfer Restrictions have not been lifted in accordance with the above provisions shall be automatically acquired by the Company without compensation.

(4) Treatment in the event of organizational restructuring

Notwithstanding the provisions of (1) above, if any matter, such as a merger agreement under which the Company will be dissolved, a share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary, or other similar organizational restructuring, is approved at a General Meeting of Shareholders of the Company (or, if such approval is not required, by resolution of the Board of Directors), the Company may, by resolution of the Board of Directors, lift the Transfer Restrictions on a reasonably determined number of Allotted Shares prior to the effective date of such organizational restructuring, taking into account the period from the commencement date of the Transfer Restriction Period to the date of such approval. Any Allotted Shares for which the Transfer Restrictions have not been lifted in accordance with the above shall be automatically acquired by the Company without compensation at the time immediately following such lifting.

(5) Other matters

Any other matters concerning the Allotment Agreement shall be determined by resolution of the Board of Directors of the Company.

(Reference)

If Proposal 1 and Proposal 2 are approved as proposed, the composition of the Board of Directors will be as follows.

Name	Position at the Company	Corporate management	Sustainability, ESG	Development, production	Sales	Finance, accounting	Human Resources, labor	Legal affairs, compliance
Atsuhiko Yamazaki	Representative Director and President	◎		○	○			
Hiroaki Yamazaki	Director, Senior Executive Vice President	○			◎			
Chikahisa Ioka	Director, Senior Managing Executive Officer	○	○			◎		
Takaaki Yamazaki	Director, Executive Officer			◎				
Kumiko Igushi	Outside/Independent Director		○				◎	○
Hideaki Morita	Outside/Independent Director, Audit & Supervisory Committee Member	◎			○			○
Hiroshi Itano	Outside/Independent Director, Audit & Supervisory Committee Member	◎			○			
Shinobu Awaya	Outside/Independent Director, Audit & Supervisory Committee Member						○	◎
Pei-Ling Yang	Outside/Independent Director, Audit & Supervisory Committee Member		◎				○	

* The areas in which each director has expertise based on his/her experience are marked with a ○, and areas in which he/she is expected to demonstrate particular ability, such as in providing useful advice to executive divisions, are marked with a ◎.

The Company has introduced an executive officer system. The skill matrix of executive officers who do not concurrently serve as director is as follows.

Name	Position at the Company	Corporate management	Sustainability, ESG	Development, production	Sales	Finance, accounting	Human Resources, labor	Legal affairs, compliance
Yutaka Kagami	Executive Officer of the Company President of YAMASHIN AMERICA INC.			○	○			
Tomohiro Kubo	Executive Officer, Manager of Production Division			○				
Yutaka Tani	Executive Officer, Manager of Sales Division				○			
Hiroyuki Watanabe	Executive Officer, Manager of Administration Division		○			○		
Hideaki Yoshihara	Executive Officer, Head of Management Planning Office		○			○		

*The following are the requirements in selecting the areas in which each director has expertise and in which he/she is expected to demonstrate particular ability.

Area	Requirements
Corporate management	Experience and knowledge as standing director of corporate management in listed companies (including group companies)
Sustainability, ESG	Experience and knowledge of sustainability and ESG related business
Development, production	Experience and knowledge of R&D and technology development operations, or experience and knowledge of production operations, production management operations, production technology operations, and purchasing operations
Sales	Experience and knowledge of sales
Finance, accounting	Experience and knowledge of finance/accounting operations/IR operations, experience as an analyst, certified public accountant, etc.
Human resources, labor	Experience and expertise in human resources and labor affairs
Legal affairs, compliance	Experience and knowledge of legal and compliance operations, qualification as attorney-at-law, etc.