

Please note that the following is an unofficial English translation of Japanese Notice of Convocation of the 161th Ordinary General Meeting of Shareholders of Kyosan Electric Manufacturing Co., Ltd. Kyosan provides this translation for your reference purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

(Code No. 6742)

June 8, 2026

(Start Date of Electronic Provision Measures      May 26, 2026)

To Our Shareholders:

Ryoji Kunisawa  
Representative Director, President  
**Kyosan Electric Manufacturing Co., Ltd.**  
2-29-1 Heian-cho, Tsurumi-ku, Yokohama

## Notice of Convocation of the 161th Ordinary General Meeting of Shareholders

Notice is hereby given that the 161th Ordinary General Meeting of Shareholders of Kyosan Electric Manufacturing Co., Ltd. (“Kyosan” or the “Company”) will be held as described below.

As the Company is taking electronic provision measures in convening this General Meeting of Shareholders, matters subject to electronic provision measures are posted as the Notice of Convocation of the 161th Ordinary General Meeting of Shareholders on Internet websites.

Please check the documents by accessing them at either the Company’s website or the TSE (Tokyo Stock Exchange) website.

**In lieu of attending the meeting in person, you may otherwise exercise your voting rights in writing or via the Internet, etc. Please refer to the Reference Documents for the Ordinary General Meeting of Shareholders, and exercise your voting rights by following the instructions on pages 5 to 6 of the Japanese version of this document by 5:00 p.m. Tuesday, June 23, 2026.**

**1. Date and Time:** 10:00 a.m. Wednesday, June 24, 2026

**2. Place:** Kyosan Conference Room  
2-29-1 Heian-cho, Tsurumi-ku, Yokohama

**3. Purposes of the Meeting:**

- Matters to be Reported:**
1. Business Report, Consolidated Financial Statements for the 161th Term (from April 1, 2025 to March 31, 2026) and Reports of Audit of the Consolidated Financial Statements by the Accounting Auditors and Audit & Supervisory Board
  2. Report on the Financial Statements for the 161th Term (from April 1, 2025 to March 31, 2026)

**Matters to be Resolved:**

- Proposal No. 1:** Appropriation of Surplus  
**Proposal No. 2:** Election of Six (6) Directors  
**Proposal No. 3:** Election of One (1) Audit & Supervisory Board Member  
**Proposal No. 4:** Election of One (1) Substitute Audit & Supervisory Board Member

**[Translation for Reference Purposes Only]**

**Websites Stating Measures Subject to Electronic Provision Measures**

The Company's website: <https://www.kyosan.co.jp/ir/stock02.html>

The website of the TSE (Tokyo Stock Exchange):

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

If using the TSE's website, to view the documents, please conduct a search using the Issue name (company name) field or entering the securities code, and selecting Basic information followed by Documents for public inspection/PR information.

- \* If you are attending the meeting, please submit the Voting Rights Exercise Form at the reception desk. To save resources, please bring this "Notice of Convocation" with you.
- \* In addition to the Reference Documents for the Ordinary General Meeting of Shareholders, part of the Business Report (Items (1) - (4) of 1. Matters Concerning the Status of the Corporate Group) will be sent to shareholders who have not requested paper copies of the materials.
- \* Based on the provisions of laws and regulations and our Articles of Incorporation, the Status of Accounting Auditor, the Company's Systems and Policies, and the Basic Policies Regarding the Company's Control as described in the Business Report, Notes to Consolidated Financial Statements, Non-consolidated Financial Statements, and the Audit Report are not included in the documents to be delivered to shareholders who have requested paper copies of the materials.
- \* Each of the documents sent to shareholders forms part of the documents audited by the Audit & Supervisory Board Members and Accounting Auditors when preparing the Audit Report.
- \* Should there be any revisions to the matters subject to electronic provision measures, the revised item, the description of the revision, and the item as it was before revision will be posted on the respective websites.

**To Shareholders Requiring Support**

Upon request, the Company will provide assistance with wheelchairs as well as guidance to seats and restrooms, etc. Please feel free to inform staff of your needs. Support for written communication will also be available at the reception desk.

**[Translation for Reference Purposes Only]**

**Proposals and Reference Information**

**Proposal No. 1: Appropriation of Surplus**

The Group's shareholder return policy is as follows.

- The Group is engaged in businesses of a highly social and public nature, including the Signaling Solutions Business for railways and road traffic, and believes that it is responsible for providing a stable supply of high-quality products. Therefore, the Group will continue its efforts to establish a stable management foundation on a long-term, continuous basis and to boost shareholders' equity.
- The Group has formulated the three-year Medium-Term Management Plan "KYOSAN Next Step 2028," starting in April 2025. In order to achieve the basic policy of "establishing a globally recognized KYOSAN brand," and to create new value, the Group will work to resolve four materialities.
- We aim for surplus dividends with a DOE in the 3% range, based on a balanced allocation between the investments necessary in each field to address these issues and stable shareholder returns according to medium to long term profit standards.

Considering the policies described above and the consolidated business results of the fiscal year under review, the Company proposes to pay a year-end dividend of 20 yen per share for the fiscal year ended March 31, 2026.

Additionally, this will result in an annual dividend of 25 yen per share when combined with the interim dividend of 5 yen that has already been paid, a dividend increase of 2 yen compared to the previous fiscal year.

**Information on the year-end dividend**

**(1) Type of dividend assets**

Cash

**(2) Appropriation of dividend assets to shareholders and amount of appropriation**

20 yen per share of Kyosan's common stock                      total amount 1,234,987,440 yen

**(3) Surplus dividend effective date**

June 25, 2026

**[Translation for Reference Purposes Only]**

**Proposal No. 2:** Election of Six (6) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes to elect six (6) Directors as shown below.

The total number of Directors shall be six (6), consisting of two (2) Internal Directors and four (4) Outside Directors, with the majority of the Board of Directors comprising Independent Outside Directors.

Each candidate for Director is decided upon by the Board of Directors based on a report of the Nomination and Remuneration Committee, a voluntary advisory body of the Board of Directors.

Candidates for the Directors (6)

No.	Name	Current Positions and Assignments in the Company	Attendance at Board of Directors Meetings (161th Term)
1	Ryoji Kunisawa <span style="border: 1px solid black; padding: 0 2px;">Reappointment</span>	Representative Director, President (In charge of Internal Auditing Office and R&D Center)	15 out of 15 meetings (100%)
2	Tatsuya Fujii <span style="border: 1px solid black; padding: 0 2px;">Reappointment</span>	Director, Managing Executive Officer (General Manager, Strategy Planning Headquarters; in charge of Strategy Planning Headquarters and Corporate Planning & Investor Relations Dept.	11 out of 11 meetings (100%)
3	Mihoko Kitamura <span style="border: 1px solid black; padding: 0 2px;">Reappointment</span> <span style="border: 1px solid black; padding: 0 2px;">Outside</span> <span style="border: 1px solid black; padding: 0 2px;">Independent</span>	Director Chairman of the Board of Directors	15 out of 15 meetings (100%)
4	Hiroyuki Sasa <span style="border: 1px solid black; padding: 0 2px;">Reappointment</span> <span style="border: 1px solid black; padding: 0 2px;">Outside</span> <span style="border: 1px solid black; padding: 0 2px;">Independent</span>	Director Chairman of the Nomination and Remuneration Committee	15 out of 15 meetings (100%)
5	Asako Nagai <span style="border: 1px solid black; padding: 0 2px;">Reappointment</span> <span style="border: 1px solid black; padding: 0 2px;">Outside</span> <span style="border: 1px solid black; padding: 0 2px;">Independent</span>	Director	15 out of 15 meetings (100%)
6	Tetsuya Nakano <span style="border: 1px solid black; padding: 0 2px;">Reappointment</span> <span style="border: 1px solid black; padding: 0 2px;">Outside</span> <span style="border: 1px solid black; padding: 0 2px;">Independent</span>	Director	11 out of 11 meetings (100%)

Reappointment Candidate for reappointment      Outside Candidate for outside director

Independent Candidate for independent officer stipulated by the Tokyo Stock Exchange

\* The number of Board of Directors' meetings held between April 2025 and March 2026 was fifteen, and the number of Board of Directors' meetings held since Mr. Tatsuya Fujii and Mr. Tetsuya Nakano assumed office as Director was eleven. In addition, there was one written resolution.


[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions		Number of the Company's Shares Held	Attendance at Board of Directors Meetings
1	 Ryoji Kunisawa (December 5, 1961) [Reappointment]	Representative Director, President (In charge of Internal Auditing Office and R&D Center)	April 1984 October 2011  April 2014  April 2019  June 2019  December 2020  April 2022	Joined Kyosan General Manager, Railway Signal Division, 4th Engineering Dept., Kyosan Executive Officer, Kyosan Managing Executive Officer, Kyosan General Manager, Railway Signal Division, Kyosan Director, Kyosan Representative Director and President, Kyosansystem Co., Ltd. Representative Director, President, Kyosan (current position)	181,200 shares	15/15 meetings (100%)
<p>Reason for nomination as a candidate for Director</p> <p>Having abundantly experienced operations primarily at Railway Signal Division, Mr. Ryoji Kunisawa had led the Division as General Manager of the Division, was appointed to Director of the Company in 2019, and has participated in the Group management.</p> <p>He was appointed to Representative Director and President in April 2022. With his abundant experience and knowledge in business, he has led the Group management, including expanding operations globally. The Company believes that his experience and knowledge in these areas will contribute to the enhancement of the Company's corporate value, and therefore nominated him again as a candidate for Director.</p>						

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No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions		Number of the Company's Shares Held	Attendance at Board of Directors Meetings
2	 Tatsuya Fujii (October 30, 1963) [Reappointment]	Director, Managing Executive Officer; (General Manager, Strategy Planning Headquarters; in charge of Strategy Planning Headquarters and Corporate Planning & Investor Relations Dept.)	April 1987 July 2009  April 2012  April 2015  May 2021  April 2022  April 2025  June 2026 June 2026	Joined Kyosan General Manager, Personnel Dept., Kyosan General Manager, Personnel Dept. Kyosan, General Manager, Facilities and Safety Management Dept., Kyosan Executive Officer, Kyosan, General Manager, Corporate Planning Dept., Kyosan, General Manager, Facilities and Safety Management Dept., Kyosan Representative Director and President, Kyosan Seiki Co., Ltd. Managing Executive Officer, Kyosan (current position) General Manager, Strategy Planning Headquarters, Kyosan (current position) Director, Kyosan (current position) General Manager, Traffic Control System Division (scheduled to be appointed)	113,100 shares	11/11 meetings (100%)
<p>Reason for nomination as a candidate for Director            Having experienced operations primarily at Personnel Dept. and Corporate Planning Dept., Mr. Tatsuya Fujii was appointed to Executive Officer of the Company in 2015 and as Managing Executive Officer of the Company in 2022. Thereafter, he has led the advancement of governance and the execution of the Group's business operations in his role in charge of the Corporate Strategy Office since April 2022 and as General Manager of Strategy Planning Headquarters since April 2025. The Company believes that his abundant experience and knowledge will contribute to the enhancement of the Company's corporate value, and therefore nominated him again as a candidate for Director.</p>						

[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions		Number of the Company's Shares Held	Attendance at Board of Directors Meetings
3	 Mihoko Kitamura (June 3, 1971) [Reappointment] [Outside] [Independent]	Director, Chairman of the Board of Directors	October 1997  April 2000  March 2011  April 2012  June 2014  March 2015  June 2019	Passed the bar exam Registered as a lawyer (Daini Tokyo Bar Association) Joined MARITAX LAW OFFICE Admitted to practice as a lawyer in the State of New York Conciliation Commissioner, Tokyo Summary Court (current position) Bar Exam Committee Member (Administrative law) Lawyer, SAKAMOTO TESHIMA & KITAMURA Law and Accounting Office (current position) Outside Director, Kyosan (current position)	0 shares	15/15 meetings (100%)

Reason for nomination as a candidate for Outside Director and expected role  
 Ms. Mihoko Kitamura has highly technical knowledge and broad insight from an international perspective accumulated in her career as a lawyer. The Company believes that she will improve transparency of the Board of Directors and strengthen its supervisory function by utilizing such experience and making proposals on the Company's overall management, and therefore nominated her again as a candidate for Outside Director. The term of her office will have been 7 years at the conclusion of this Ordinary General Meeting of Shareholders since she became Outside Director of Kyosan. The Company has designated her as an independent officer stipulated by the Tokyo Stock Exchange, and has notified the Exchange to that effect.

[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions		Number of the Company's Shares Held	Attendance at Board of Directors Meetings
4	 Hiroyuki Sasa (September 14, 1955) [Reappointment] [Outside] [Independent]	Director, Chairman of the Nomination and Remuneration Committee	April 1982  April 2001  April 2005  June 2007  April 2012  April 2019  June 2020  June 2022  June 2023  November 2025	Joined Olympus Optical Co., Ltd. (currently Olympus Corporation) General Manager, Endoscope Business Planning Dept., Olympus Optical Co., Ltd. Division Manager, First Development Division, Olympus Medical Systems Corp. Corporate Officer, Olympus Corporation; Director, Olympus Medical Systems Corp. Representative Director, Olympus Corporation; President, Olympus Corporation Director, Olympus Corporation Outside Director, Kyosan (current position) Outside Director, Kanematsu Corporation (current position) Outside Director, Amada Co., Ltd. (current position) Outside Director, MANI, INC. (current position)	0 shares	15/15 meetings (100%)


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No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions	Number of the Company's Shares Held	Attendance at Board of Directors Meetings
<p>Reason for nomination as a candidate for Outside Director and expected role            Mr. Hiroyuki Sasa has abundant experience in corporate management and technology and development, and broad knowledge from an international perspective accumulated through his service at Olympus Corporation. The Company believes that he will improve transparency of the Board of Directors and strengthen its supervisory function by utilizing such experience and making proposals on the Company's overall management, and therefore nominated him again as a candidate for Outside Director. The term of his office will have been 6 years at the conclusion of this Ordinary General Meeting of Shareholders since he became Outside Director of Kyosan. The Company has designated him as an independent officer stipulated by the Tokyo Stock Exchange, and has notified the Exchange to that effect.</p>					

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No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions		Number of the Company's Shares Held	Attendance at Board of Directors Meetings
5	 <p>Asako Nagai (March 4, 1969) [Reappointment] [Outside] [Independent]</p>	Director	<p>May 2001</p> <p>May 2012</p> <p>April 2013</p> <p>July 2014</p> <p>February 2020</p> <p>June 2024</p>	<p>Joined Sony Corporation (currently Sony Group Corporation)</p> <p>Section Head, CSR Dept., CSR Management Section, Sony Corporation</p> <p>Senior Advisor, BSR (U.S. Corporation)</p> <p>Representative Director, BSR Japan (current position); Director, BSR (U.S. Corporation)</p> <p>Managing Director, BSR (U.S. Corporation) (current position)</p> <p>Outside Director, Kyosan (current position)</p>	0 shares	15/15 meetings (100%)
<p>Reason for nomination as a candidate for Outside Director and expected role</p> <p>Ms. Asako Nagai has experience in global corporate management and has been engaged in over twenty years of scientific research on sustainability and ESG. Additionally, she is well versed in business practices and possesses consulting experience. The Company believes that Ms. Nagai will improve the transparency of the Board of Directors and strengthen its supervisory function by utilizing her experience and making proposals on fields of sustainability and human rights. Therefore, the Company has nominated her again as a candidate for Outside Director. The term of her office will have been 2 years at the conclusion of this Ordinary General Meeting of Shareholders. The Company has designated her as an independent officer stipulated by the Tokyo Stock Exchange and has notified the Exchange to that effect.</p>						

[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions	Number of the Company's Shares Held	Attendance at Board of Directors Meetings
6	 Tetsuya Nakano (June 12, 1963) [Reappointment] [Outside] [Independent]	Director	April 1986      Joined Ajinomoto Co., Inc. June 2015      Representative Executive Officer & President, AJINOMOTO PHILIPPINES CORPORATIO N, Executive Officer, Ajinomoto Co., Inc. June 2017      Executive Officer, General Manager, Finance & Accounting Department, Ajinomoto Co., Inc. June 2019      Managing Executive Officer, Ajinomoto Co., Inc. June 2021      Executive Officer & Vice President, Ajinomoto Co., Inc. June 2024      Outside Director, ISUZU MOTORS LIMITED (current position) June 2025      Outside Director, Kyosan (current position)	0 shares	11/11 meetings (100%)

Reason for nomination as a candidate for Outside Director and expected role  
 Mr. Tetsuya Nakano has abundant experience in corporate management, finance, and IT, and broad knowledge from an international perspective accumulated through his service at Ajinomoto Co., Inc. The Company believes that he will improve transparency of the Board of Directors and strengthen its supervisory function by utilizing such experience and making proposals on the Company's overall management, and therefore nominated him again as a candidate for Outside Director. The term of his office will have been 1 year at the conclusion of this Ordinary General Meeting of Shareholders since he became Outside Director of Kyosan. The Company has designated him as an independent officer stipulated by the Tokyo Stock Exchange, and has notified the Exchange to that effect.

**[Translation for Reference Purposes Only]**

(Notes)

1. Each candidate has no specific interest with Kyosan.
2. Ms. Mihoko Kitamura, Mr. Hiroyuki Sasa, Ms. Asako Nagai, and Mr. Tetsuya Nakano are candidates for Outside Director.
3. The Company has entered into an agreement with Ms. Mihoko Kitamura, Mr. Hiroyuki Sasa, Ms. Asako Nagai, and Mr. Tetsuya Nakano limiting their liability for damages in accordance with Article 423, Paragraph 1 of the Companies Act; provided, however, that such limit of liability amount is the amount stipulated by laws and regulations. If each candidate in office is elected, the Company plans to continue the agreement with them.
4. The Company has entered into a corporate directors and officers liability insurance agreement with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act, and damages for legal liabilities and litigation expenses such as attorney's fees to be borne by the insured Directors, Audit & Supervisory Board Members, and Executive Officers will be covered by the said insurance agreement. Each candidate will be insured under the said insurance agreement if their election is approved. There is no premium to be borne by the insured. The Company plans to renew the insurance agreement with the same contents at the next renewal.
5. The Company has entered into an indemnification agreement, under which the Company will cover the expenses set forth in Article 430-2, Paragraph 1, Item 1 of the Companies Act, and the loss set forth in Item 2 of the same Paragraph within the extent stipulated by laws and regulations. If each candidate in office is elected, the Company plans to continue the indemnification agreement.

(Reference) Advisory Body of the Board of Directors

The Nomination and Remuneration Committee has been established as a voluntary advisory body of the Board of Directors with the aim of strengthening the supervisory function of the Board of Directors by ensuring the objectivity, timeliness, and transparency of procedures for determining nomination and remuneration of Directors. The Committee comprises no more than six (6) Directors, and the majority of the Committee Members shall consist of Independent Outside Directors.


**[Translation for Reference Purposes Only]**

**Proposal No. 3: Election of One (1) Audit & Supervisory Board Member**

Audit & Supervisory Board Member Mr. Joichi Ueda will resign at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes to elect one (1) Audit & Supervisory Board Member.

The candidate for Audit & Supervisory Board Member, Mr. Toru Onodera, will be appointed as a replacement for Mr. Joichi Ueda, and in accordance with the Articles of Incorporation of the Company, his term of office shall be until the expiration of the term of office of the resigning Audit & Supervisory Board Member.

The consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

Name (Date of Birth)	Positions in the Company	Biography and Status of Important Concurrent Positions	Number of the Company's Shares Held
 <p>Toru Onodera (June 28, 1955) [New appointment]</p>	Director	<p>May 1979      Joined Kyosan October 2000      General Manager, Management Dept., Power Converter Division (currently Power Electronics Division), Kyosan</p> <p>April 2007      Executive Officer, Kyosan</p> <p>April 2009      General Manager, General Affairs Dept., Kyosan</p> <p>April 2012      Executive Officer, Kyosan</p> <p>April 2015      General Manager, Personnel Dept., Kyosan</p> <p>June 2018      Managing Executive Officer, Kyosan</p> <p>June 2012      Director, Kyosan</p> <p>April 2015      Senior Managing Executive Officer, Kyosan</p> <p>June 2018      Representative Director, Kyosan</p> <p>April 2025      Director, Kyosan (current position)</p>	245,900 shares
<p>Reason for nomination as a candidate for Audit &amp; Supervisory Board Member Having experienced operations primarily at Power Converter Division (currently Power Electronics Division), General Affairs Dept. and Personnel Dept., Mr. Toru Onodera was appointed to Director of the Company in 2012 and to Representative Director in 2018. Thereafter, he has promoted globalization and led the Group management as General Manager of Group Management Headquarters and, since April 2022, as General Manager of Corporate Strategy Office. The Company believes that his abundant experience and knowledge in management will contribute to the strengthening of the Company's supervisory functions and the enhancement of its corporate value, and therefore nominated him as a new candidate for Audit &amp; Supervisory Board Member.</p>			

(Notes)

1. Mr. Toru Onodera has no specific interest with Kyosan.
2. If Mr. Toru Onodera is elected as Audit & Supervisory Board Member, the Company intends to enter into an agreement with him limiting his liability for damages in accordance with Article 423, Paragraph 1 of the Companies Act, provided, however, that such limit of liability amount is the amount stipulated by laws and regulations.
3. The Company has entered into a corporate directors and officers liability insurance agreement with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act, and damages

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for legal liabilities and litigation expenses such as attorney's fees to be borne by the insured Directors, Audit & Supervisory Board Members, and Executive Officers will be covered by the said insurance agreement. If Mr. Toru Onodera is elected as Audit & Supervisory Board Member, he will be insured under the said insurance agreement. There is no premium to be borne by the insured.

4. If Mr. Toru Onodera is elected as Audit & Supervisory Board Member, the Company plans to enter into an indemnification agreement with him, under which the Company will cover the expenses set forth in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the loss set forth in Item 2 of the same Paragraph within the extent stipulated by laws and regulations.

[Translation for Reference Purposes Only]

**(Reference) Skill Matrix of Directors and Audit & Supervisory Board Members at the Conclusion of this Ordinary General Meeting of Shareholders**

In the event Proposal 2 and Proposal 3 are approved, the skill matrix of the Directors and Audit & Supervisory Board Members will be as follows.

Name	Positions and Assignments in the Company	Nomination and Remuneration Committee	Specialization					
			Corporate management	Global experience	ESG and Sustainability	Technology and development	Financial accounting	Legal and risk management
Ryoji Kunisawa	Representative Director, President (In charge of Internal Auditing Office and R&D Center)	●	●	●	●	●		
Tatsuya Fujii	Director, Managing Executive Officer (General Manager, Strategy Planning Headquarters; in charge of Strategy Planning Headquarters and Corporate Planning & Investor Relations Dept.; General Manager, Traffic Control System Division)	●	●		●		●	
Mihoko Kitamura	<u>Outside</u> <u>Independent</u> Director Chairman of the Board of Directors	●		●				●
Hiroyuki Sasa	<u>Outside</u> <u>Independent</u> Director Chairman of the Nomination and Remuneration Committee	●	●	●		●		
Asako Nagai	<u>Outside</u> <u>Independent</u> Director	●	●	●	●			
Tetsuya Nakano	<u>Outside</u> <u>Independent</u> Director	●	●	●			●	
Tsutomu Kanno	Full-Time Audit & Supervisory Board Member		●				●	
Toru Onodera	Audit & Supervisory Board Member		●		●		●	
Fumio Nishimura	<u>Outside</u> <u>Independent</u> Audit & Supervisory Board Member		●				●	
Yukino Enomoto	<u>Outside</u> <u>Independent</u> Audit & Supervisory Board Member							●


(Notes)

- Up to four main areas of expertise and knowledge of each Director and Audit & Supervisory Board Member are marked with a ●.
- “Positions and Assignments in the Company” as Directors and their appointments as Nomination and Remuneration Committee Members will be resolved at the meeting of the Board of Directors after this General Meeting of Shareholders.

**[Translation for Reference Purposes Only]**

**Proposal No. 4:** Election of One (1) Substitute Audit & Supervisory Board Member

It is proposed to elect one (1) Substitute Audit & Supervisory Board Member to serve in the event that the number of Audit & Supervisory Board Members falls below the statutory requirement. The consent of the Audit & Supervisory Board has been obtained for the submission of this proposal. The following candidate is proposed as Substitute Audit & Supervisory Board Member.

Name (Date of Birth)	Positions in the Company	Biography and Status of Important Concurrent Positions	Number of the Company's Shares Held
 Yuichiro Sai (May 2, 1975) [Outside] [Independent]	—	September 2006    Passed the bar exam December 2007    Registered as a lawyer (Tokyo Bar Association) Joined Hibiyamitsuke Law Office January 2013      Partner, Hibiyamitsuke Law Office April 2019          Lawyer, Gobancho Law Office (current position)	0 shares

Reason for nomination as a candidate for Substitute Outside Audit & Supervisory Board Member  
 Mr. Yuichiro Sai has highly technical knowledge and deep insight accumulated in his career as a lawyer. The Company nominated him as a candidate for Substitute Outside Audit & Supervisory Board Member because he is expected to utilize these for the auditing systems of Kyosan and to fulfill his role as Audit & Supervisory Board Member. Mr. Yuichiro Sai does not have any direct experience in corporate management, but is considered to be fully capable of performing his duties as an Outside Audit & Supervisory Board Member for the reason stated above.

(Notes)

1. Mr. Yuichiro Sai has no specific interest with Kyosan.
2. Mr. Yuichiro Sai is a candidate for Substitute Outside Audit & Supervisory Board Member.
3. If the election of Mr. Yuichiro Sai is approved and he is appointed Outside Audit & Supervisory Board Member, the Company intends to designate him as an independent officer stipulated by Tokyo Stock Exchange, and notify the Exchange to that effect.
4. If the election of Mr. Yuichiro Sai is approved and he is appointed as Outside Audit & Supervisory Board Member, the Company intends to enter into an agreement with him limiting his liability for damages in accordance with Article 423, Paragraph 1 of the Companies Act; provided, however, that such limit of liability amount is the amount stipulated by laws and regulations.
5. The Company has entered into a corporate directors and officers liability insurance agreement with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act, and damages for legal liabilities and litigation expenses such as attorney's fees to be borne by the insured Directors, Audit & Supervisory Board Members, and Executive Officers will be covered by the said insurance agreement. If the election of Mr. Yuichiro Sai is approved and he is appointed as Outside Audit & Supervisory Board Member, he will be insured under the said insurance agreement. There is no premium to be borne by the insured.
6. If the election of Mr. Yuichiro Sai is approved and he is appointed as Outside Audit & Supervisory Board Member, the Company plans to enter into an indemnification agreement, under which the Company will cover the expenses set forth in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the loss set forth in Item 2 of the same Paragraph within the extent stipulated by laws and regulations.