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Securities Code: 5105

March 5, 2026

To our shareholders

Takashi Shimizu
Representative Director, President & CEO
Toyo Tire Corporation
2-2-13 Fujinoki, Itami City, Hyogo

NOTICE OF THE 110TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 110th Annual General Meeting of Shareholders of Toyo Tire Corporation (the “Company”), which will be held for the purposes as described below.

When convening this general meeting, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information as “Notice of the 110th Annual General Meeting of Shareholders” on the websites below. Please access one of the following websites using the internet addresses shown below to review the information.

Toyo Tire Corporation website

<https://www.toyotires.co.jp/ir/information/meeting/> (in Japanese)

Shareholder meeting materials website

<https://d.sokai.jp/5105/teiji/> (in Japanese)

Tokyo Stock Exchange website (listed company search)

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

(Please access the TSE website above, and for the Issue name (company name) enter “TOYO TIRE” or securities code “5105” in the Code field, and click Search. Then click “Basic Information” and select “Documents for public inspection/PR Information” where “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” are available to view.)

Instead of attending this General Meeting in person, you can exercise your voting rights via the Internet or in writing. In such case, please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6:00 p.m. on Thursday, March 26, 2026, Japan Standard Time.

1. **Date and Time:** Friday, March 27, 2026 at 10:00 a.m. Japan Standard Time
(Seating starts at 9:00 a.m.)
2. **Place:** Hall, 3rd floor at Headquarters of the Company located at
2-2-13 Fujinoki, Itami City, Hyogo

3. **Purpose of the Meeting:**

Matters to be reported:

1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the 110th business term (from January 1, 2025 to December 31, 2025)
2. Results of audits by the Accounting Auditors and the Audit & Supervisory Board of the Consolidated Financial Statements for the 110th business term

Proposals to be resolved:

Proposal No. 1: Appropriation of Surplus

Proposal No. 2: Election of Nine (9) Directors

Proposal No. 3: Determination of Remuneration for the Performance-Linked and Restricted Share-Based Remuneration to Directors (Excluding Non-executive Directors Including Outside Directors)

- If revisions to the matters for which measures for providing information in electronic format are to be taken arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on each of the aforementioned websites.
- For this General Meeting of Shareholders, a document containing the matters for which measures for providing information in electronic format are to be taken will be sent regardless of whether it was requested or not. Among matters for which measures for providing information in electronic format are to be taken, the following matters are not provided in the documents delivered as provided for by the provisions of laws and regulations, and the Articles of Incorporation of the Company.
 - (i) “Systems to Ensure that the Execution of Duties Complies with Laws and Regulations, and the Articles of Incorporation and Systems to Ensure the Propriety of Other Operations” and “Overview of Operational Status of System to Ensure the Propriety of Operations” in Business Report
 - (ii) “Consolidated Statements of Changes in Net Assets” and “Notes to Consolidated Financial Statements” in Consolidated Financial Statements
 - (iii) “Statements of Changes in Net Assets” and “Notes to Non-consolidated Financial Statements” in Non-consolidated Financial StatementsAccordingly, the business report, the consolidated and non-consolidated financial statements stated in the documents are part of the documents included in the scope of audits by the Accounting Auditors and the Audit & Supervisory Board Members when creating their respective audit reports.
- Please acknowledge that results of resolutions will be posted on the Company’s website (<https://www.toyotires.co.jp/ir/information/meeting/>) (in Japanese only) in lieu of sending a written notice of resolutions.
- If future developments up until the day of the General Meeting of Shareholders cause emergence of matters concerning the running of the meeting of which shareholders must be notified beforehand, the Company will post such matters on the Company’s website specified above.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

During the business term under review, the Company celebrated its 80th anniversary. We are sincerely grateful to our shareholders and all of our other stakeholders for their warm support. Moreover, taking into consideration factors such as the results of operation for the business term under review and future business development, as well as expressing our gratitude to our shareholders for their support over the years, it is proposed that the year-end dividend for the business term under review be 70 yen per share, comprising an ordinary dividend of 65 yen per share and a commemorative dividend of 5 yen per share for the 80th anniversary of the Company's foundation.

Accordingly, the amount of annual dividend for the business term under review will be 130 yen per share in total with 60 yen of interim dividend already paid.

1. Type of dividend property:

Cash

2. Matter related to allotment of dividend property to shareholders and its total amount:

70 yen per share of common stock of the Company (ordinary dividend of 65 yen, commemorative dividend of 5 yen for the 80th anniversary of the Company's foundation)

Total amount: 10,779,715,030 yen

3. Effective date for dividends of surplus:

March 30, 2026

Proposal No. 2: Election of Nine (9) Directors

The terms of office of all eight (8) Directors including four (4) Outside Directors will expire at the conclusion of this General Meeting.

Accordingly, in order to further enhance corporate governance, we will increase the number of Directors by one (1), and the election of nine (9) Directors including five (5) Outside Directors is proposed.

If this proposal is approved as proposed, the composition ratio of Outside Directors in the Board of Directors will constitute a majority.

The number of Directors and their candidates are determined by the Board of Directors based on recommendations by the Nomination and Compensation Committee, a voluntary advisory body of the Board of Directors, the majority of which consists of independent Outside Directors.

The candidates for Director are as follows:

Nominee No.	Name		Positions, assignment and significant concurrent positions	Attendance rate at meetings of the Board of Directors
1	Yasuhiro Yamada	(Male) Reappointment	Director, Chairman of the Board; Outside Director (Audit and Supervisory Committee Member), Fujikura Ltd.	100% (18/18 times)
2	Takashi Shimizu	(Male) Reappointment	Representative Director, President & CEO	100% (18/18 times)
3	Satoru Moriya	(Male) Reappointment	Director; Corporate Officer; Vice President, R&D Headquarters	100% (18/18 times)
4	Kiyohito Hasumi	(Male) Reappointment	Director; Corporate Officer; Vice President, Business Headquarters	100% (13/13 times)
5	Michio Yoneda	(Male) Reappointment <input checked="" type="button" value="Outside"/> Independent	Director; Outside Director (Audit & Supervisory Committee Member), Sumitomo Chemical Company, Limited	100% (18/18 times)
6	Yukiko Araki	(Female) Reappointment <input checked="" type="button" value="Outside"/> Independent	Director; Outside Director, Nakanishi Inc.	100% (18/18 times)
7	Takehiro Honjo	(Male) New appointment <input checked="" type="button" value="Outside"/> Independent	Chairman and Director, Osaka Gas Co., Ltd.; Outside Director, Asahi Broadcasting Group Holdings Corporation	—
8	Atsuko Ishii	(Female) New appointment <input checked="" type="button" value="Outside"/> Independent	Outside Director, Mitsui Sumitomo Insurance Company, Limited; Chairman of the Board, Daito Bunka Gakuen	—
9	Mikio Katayama	(Male) New appointment <input checked="" type="button" value="Outside"/> Independent	President and CEO, Kconcept Corporation; Outside Director, Roland Corporation; Outside Director, SRS Holdings Co., Ltd.; Outside Director, Star Micronics Co., Ltd.	—

Note: The attendance rate at meetings of the Board of Directors shown for Mr. Kiyohito Hasumi indicates the rate after his assumption of office on March 26, 2025.

Nominee No.	1	Yasuhiro Yamada	Date of birth: April 8, 1958	Reappointment
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Number of shares of the Company held 6,410	Career summary, positions, assignment and significant concurrent positions
Term of office as a Director 7 years (at the conclusion of this General Meeting)	Apr. 1983 Joined Mitsubishi Corporation June 2007 Director, Hokuetsu Paper Mills, Ltd. (currently, Hokuetsu Corporation) Apr. 2013 General Manager, Paper & Packaging Dept., Mitsubishi Corporation Apr. 2015 Senior Vice President; Division COO, Living Essential Products Division, Mitsubishi Corporation Apr. 2018 Adviser (full-time), the Company Mar. 2019 Director, Chairman of the Board (current position) June 2025 Outside Director (Audit and Supervisory Committee Member), Fujikura Ltd. (current position) [Significant concurrent positions] Outside Director (Audit and Supervisory Committee Member), Fujikura Ltd.

Reason for nomination as candidate for Director	Having extensive experience and deep knowledge mainly on business management in and outside Japan, Mr. Yasuhiro Yamada has managed the Board meeting for open-minded and disciplined discussions as Chairman of the Board of Directors since he was appointed to the Chairman of the Board in March 2019, while participating in discussions at the Board of Directors from diverse perspectives based on his experience to date, thereby enhancing the effectiveness of the Board of the Directors. In addition to these knowledge and track records, he has excellent personality and insight. As the Company believes that he can manage the Company in a way that contributes to the improvement of corporate value of the Company, the Company nominates him as a candidate for Director.
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Nominee No.	2	Takashi Shimizu	Date of birth: April 2, 1961	Reappointment
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Number of shares of the Company held 40,515	Career summary, positions, assignment and significant concurrent positions
Term of office as a Director 10 years and 4 months (at the conclusion of this General Meeting)	Apr. 1985 Joined the Company Apr. 2010 President, Toyo Tire Holdings of Americas Inc. Jan. 2013 Division General Manager, Tire Planning Division, the Company Mar. 2014 Corporate Officer; Division General Manager, Tire Planning Division, Tire Business Group Headquarters; General Manager, Europe Business Unit July 2015 Senior Corporate Officer; Division General Manager, Tire Planning Division, Tire Business Group Headquarters; General Manager, North America Business Unit Nov. 2015 Representative Director, President Mar. 2022 Representative Director, President & CEO (current position)

Reason for nomination as candidate for Director	Since assuming office as Representative Director, President & CEO, Mr. Takashi Shimizu has demonstrated strong leadership and has steadily strengthened our management foundation and promoted our growth strategy by solidifying our North American business, which is the source of our earnings, concentrating our business in the mobility field, changing our company name, building a global supply system, forming a capital and business alliance with Mitsubishi Corporation, promoting ESG management, and renewing our brand image. In addition to these knowledge and track records, he has excellent personality and insight. As the Company believes that he can manage the Company in a way that contributes to the improvement of corporate value of the Company, the Company nominates him as a candidate for Director.
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Nominee No.	3	Satoru Moriya	Date of birth: December 23, 1965	Reappointment
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Number of shares of the Company held	Career summary, positions, assignment and significant concurrent positions
13,907	Apr. 1989 Joined the Company
Term of office as a Director	Nov. 2014 General Manager, O.E. Tire Development Dept.
5 years	Apr. 2015 General Manager, O.E. Tire Development Dept.; General Manager, O.E. Tire Technical Service Dept.
(at the conclusion of this General Meeting)	Jan. 2017 Division General Manager, R&D Division No.1
	Feb. 2018 Corporate Officer; Division General Manager, R&D Division No.1, R&D Headquarters
	Jan. 2019 Corporate Officer; Division General Manager, Technology Development Division, R&D Headquarters; Division General Manager, Product Development Division
	Feb. 2020 Corporate Officer; Vice President, R&D Headquarters
	Mar. 2021 Director; Corporate Officer; Vice President, R&D Headquarters (current position)

Reason for nomination as candidate for Director	Having held important posts such as Division General Manager of Technology Development Division, and Vice President of R&D Headquarters, Mr. Satoru Moriya has extensive experience and knowledge mainly on technology in general. In addition to being familiar with the Company's business, he also has excellent personality and insight. As the Company believes that he can manage the Company in a way that contributes to the improvement of corporate value of the Company, the Company nominates him as a candidate for Director.
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Nominee No.	4	Kiyohito Hasumi	Date of birth: June 22, 1973	Reappointment
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Number of shares of the Company held	Career summary, positions, assignment and significant concurrent positions
8,711	Apr. 1996 Joined the Company
Term of office as a Director	Jan. 2014 President, Toyo Tire Canada Inc.
1 year	Jan. 2017 General Manager, North America Business Development Dept., North America Business Development Division; Executive Vice President, Toyo Tire Holdings of Americas Inc.
(at the conclusion of this General Meeting)	Jan. 2019 Division General Manager, Americas Business Development Division; Executive Vice President, Toyo Tire Holdings of Americas Inc.
	Apr. 2019 Division General Manager, Americas Business Development Division; Executive Vice President, Toyo Tire Holdings of Americas Inc.; President, NT Mexico S. de R.L. de C.V.
	Oct. 2019 Division General Manager, Americas Business Development Division, Sales Headquarters; Executive Vice President, Toyo Tire Holdings of Americas Inc.; Chairman, NT Mexico S. de R.L. de C.V.
	Oct. 2021 Corporate Officer; Vice President, Business Headquarters
	Mar. 2025 Director; Corporate Officer; Vice President, Business Headquarters (current position)

Reason for nomination as candidate for Director	Having held important posts such as President of overseas subsidiaries, Division General Manager of Americas Business Development Division, and Vice President of Business Headquarters, Mr. Kiyohito Hasumi has extensive experience and knowledge mainly on the management of the tire business in Japan and overseas. In addition to being familiar with the Company's business, he also has excellent personality and insight. As the Company believes that he can manage the Company in a way that contributes to the improvement of corporate value of the Company, the Company nominates him as a candidate for Director.
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Nominee No.	5	Michio Yoneda	Date of birth: June 14, 1949	Reappointment
				Outside
				Independent

Number of shares of the Company held	Career summary, positions, assignment and significant concurrent positions	
0	Apr. 1973	Joined Bank of Japan
	Dec. 2003	President & CEO, Osaka Securities Exchange Co., Ltd. (currently, Osaka Exchange, Inc.)
Term of office as Outside Director	Jan. 2013	Director & Representative Executive Officer, Group COO, Japan Exchange Group, Inc.
6 years	Dec. 2016	Special Advisor (part-time), the Company
(at the conclusion of this General Meeting)	June 2018	Outside Director, Asahi Broadcasting Group Holdings Corporation
	June 2018	Outside Corporate Auditor, Sumitomo Chemical Company, Limited
	Mar. 2020	Outside Director, the Company (current position)
	June 2025	Outside Director (Audit & Supervisory Committee Member), Sumitomo Chemical Company, Limited (current position)
	[Significant concurrent positions]	
	Outside Director (Audit & Supervisory Committee Member), Sumitomo Chemical Company, Limited	

Reason for nomination as candidate for Outside Director and overview of expected roles	Mr. Michio Yoneda has extensive experience and deep knowledge as a business executive, having served as Director & Representative Executive Officer, Group COO of Japan Exchange Group, Inc., and President & CEO of Osaka Securities Exchange Co., Ltd. (currently, Osaka Exchange, Inc.), and since assuming office as Outside Director of the Company, he has contributed to ensuring the appropriateness of decision making by the Board of Directors. Based on the aforementioned, the Company expects that he can continue to provide supervision, advice and suggestions for the Company's management from an independent position, and nominates him as a candidate for Outside Director.
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Nominee No.	6	Yukiko Araki	Date of birth: December 13, 1960	Reappointment Outside Independent
Number of shares of the Company held	0	Career summary, positions, assignment and significant concurrent positions		
Term of office as Outside Director	3 years (at the conclusion of this General Meeting)	Apr. 1983	Joined Ministry of International Trade and Industry (currently, Ministry of Economy, Trade and Industry)	
		July 2006	Director, Tourism Economy and International Affairs Division, Policy Bureau of Ministry of Land, Infrastructure and Transport (currently, Ministry of Land, Infrastructure, Transport and Tourism)	
		July 2008	Deputy Governor, Yamagata Prefecture	
		Dec. 2012	Joined Hitachi, Ltd.; General Manager, CSR Division, Legal and Communications Group; Member, Environmental Strategy Office	
		Apr. 2018	Corporate Officer; Executive General Manager, Sustainability Promotion Division, Government & External Relations Group, Hitachi, Ltd.	
		Dec. 2020	Outside Director, Fuji Pharma Co. Ltd.	
		Mar. 2021	Outside Director, Nakanishi Inc. (current position)	
		Mar. 2023	Outside Director, the Company (current position)	
		June 2023	Outside Director, Hirose Electric Co., Ltd.	
		[Significant concurrent positions]		
		Outside Director, Nakanishi Inc.		
Reason for nomination as candidate for Outside Director and overview of expected roles	While Ms. Yukiko Araki has never engaged in corporate management except as Outside Director, she has a wealth of experience in public administration over many years and a high level of knowledge in the promotion of sustainability, having served as the Executive General Manager of the Sustainability Promotion Division of Hitachi, Ltd., and since assuming office as Outside Director of the Company, she has contributed to ensuring the appropriateness of decision making by the Board of Directors. Based on the aforementioned, the Company expects that she can continue to provide supervision, advice and suggestions for the Company’s management from an independent position, and nominates her as a candidate for Outside Director.			

Nominee No.	7	Takehiro Honjo	Date of birth: April 13, 1954	New appointment Outside Independent
Number of shares of the Company held	0	Career summary, positions, assignment and significant concurrent positions		
		Apr. 1978	Joined Osaka Gas Co., Ltd.	
		June 2009	Director, Senior Executive Officer, Head of Commercial & Industrial Energy Business Unit, Osaka Gas Co., Ltd.	
		June 2010	Director, Senior Executive Officer, Head of Residential Energy Business Unit, Osaka Gas Co., Ltd.	
		Apr. 2013	Representative Director, Executive Vice-President, Osaka Gas Co., Ltd.	
		Apr. 2015	Representative Director and President, Executive President, Osaka Gas Co., Ltd.	
		Jan. 2021	Chairman and Director, Osaka Gas Co., Ltd. (current position)	
		June 2021	Outside Director, Asahi Broadcasting Group Holdings Corporation (current position)	
		Nov. 2023	Vice Chairman, Osaka Chamber of Commerce and Industry (current position)	
			[Significant concurrent positions]	
			Chairman and Director, Osaka Gas Co., Ltd.	
			Outside Director, Asahi Broadcasting Group Holdings Corporation	
Reason for nomination as candidate for Outside Director and overview of expected roles	Mr. Takehiro Honjo has deep knowledge on energy business and extensive experience as a business executive, having served as Representative Director and President of Osaka Gas Co., Ltd. and currently serves as its Chairman and Director. The Company expects that he can utilize these to provide supervision, advice and suggestions for the Company’s management from an independent position, and nominates him as a candidate for Outside Director.			

Nominee No.	8	Atsuko Ishii	Date of birth: November 17, 1957	New appointment Outside Independent
Number of shares of the Company held 0	Career summary, positions, assignment and significant concurrent positions Apr. 1980 Joined Ministry of Labour (currently, Ministry of Health, Labour and Welfare) July 2009 Director-General, Osaka Labour Bureau, Ministry of Health, Labour and Welfare July 2010 Deputy Director-General (in charge of equal employment, child and family policy, and measures for declining birthrate), Ministry of Health, Labour and Welfare Sep. 2012 Director-General, Equal Employment, Child and Family Policy Bureau, Ministry of Health, Labour and Welfare July 2014 Director-General for General Policy and Evaluation (in charge of labor), Ministry of Health, Labour and Welfare Oct. 2015 Director-General, Social Welfare and War Victims' Relief Bureau, Ministry of Health, Labour and Welfare June 2019 Outside Director, NS Solutions Corporation June 2020 Outside Director (Audit & Supervisory Committee Member), Kawasaki Heavy Industries, Ltd. June 2021 Outside Director, Mitsui Sumitomo Insurance Company, Limited (current position) June 2024 Chairman of the Board, Daito Bunka Gakuen (current position) June 2025 Chairman of the Board, Koushikai (current position) [Significant concurrent positions] Outside Director, Mitsui Sumitomo Insurance Company, Limited Chairman of the Board, Daito Bunka Gakuen			
Reason for nomination as candidate for Outside Director and overview of expected roles	While Ms. Atsuko Ishii has never engaged in corporate management except as Outside Director, she has a wealth of experience gained through many years of involvement in public administration, working on social issues such as labor policy, equal employment, and measures for declining birthrate. Combined with her experience at multiple companies and educational institutions, she has a broad perspective and deep knowledge. The Company expects that she can utilize these to provide supervision, advice and suggestions for the Company's management from an independent position, and nominates her as a candidate for Outside Director.			

Nominee No.	9	Mikio Katayama	Date of birth: December 12, 1957	New appointment Outside Independent
Number of shares of the Company held 0	Career summary, positions, assignment and significant concurrent positions Apr. 1981 Joined Sharp Corporation Apr. 2006 Representative Director and Corporate Senior Executive Director, Sharp Corporation Apr. 2007 President & COO, Sharp Corporation Apr. 2012 Director, Chairman, Sharp Corporation Sep. 2014 Joined Nidec Corporation Oct. 2014 Vice Chairman, Executive Officer, Chief Technology Officer, Nidec Corporation June 2015 Representative Director, Vice Chairman, Executive Officer, Chief Technology Officer, Nidec Corporation Apr. 2022 Research Advisor, Institute of Industrial Science, The University of Tokyo (current position); President and CEO, Kconcept Corporation (current position) Sep. 2022 Advisor, Yoshimoto Integrated Fund Co., Ltd. (current position) Mar. 2023 Outside Director, Roland Corporation (current position) June 2023 Outside Director, SRS Holdings Co., Ltd. (current position) Mar. 2025 Outside Director, Star Micronics Co., Ltd. (current position) [Significant concurrent positions] President and CEO, Kconcept Corporation Outside Director, Roland Corporation Outside Director, SRS Holdings Co., Ltd. Outside Director, Star Micronics Co., Ltd.			
Reason for nomination as candidate for Outside Director and overview of expected roles	Mr. Mikio Katayama has extensive experience as a business executive and deep knowledge in both corporate management and technology, having served as President & COO of Sharp Corporation and Representative Director and Vice Chairman of Nidec Corporation. The Company expects that he can utilize these to provide supervision, advice and suggestions for the Company's management from an independent position, and nominates him as a candidate for Outside Director.			

- Notes:
1. There is no special interest between each candidate for Director and the Company.
 2. Mr. Michio Yoneda, Ms. Yukiko Araki, Mr. Takehiro Honjo, Ms. Atsuko Ishii, and Mr. Mikio Katayama are candidates for Outside Director.
 3. The Company has registered Mr. Michio Yoneda and Ms. Yukiko Araki as Independent Directors in accordance with the provisions of the Tokyo Stock Exchange. Moreover, Mr. Takehiro Honjo, Ms. Atsuko Ishii, and Mr. Mikio Katayama meet the criteria for Independent Director in accordance with the provisions of the Tokyo Stock Exchange and if they are elected, the Company will register them with the exchange as Independent Directors.
 4. Although Mr. Michio Yoneda served as part-time Special Advisor of the Company from December 2016 to March 2019, his role during his tenure was limited to the provision of advice and suggestions mainly on the compliance and governance areas based on his extensive experience and deep knowledge gained at Osaka Securities Exchange Co., Ltd. and Japan Exchange Group, Inc., and he was not involved in business execution.
 5. The Company has entered into agreements with Mr. Michio Yoneda and Ms. Yukiko Araki in accordance with the Company's Articles of Incorporation to limit their liability for damages pursuant to Article 427, paragraph (1) of the Companies Act. The maximum amount of liability pursuant to the agreements is the minimum liability amount stipulated by laws and regulations. Moreover, if Mr. Takehiro Honjo, Ms. Atsuko Ishii, and Mr. Mikio Katayama are elected, the Company plans to enter into a similar agreement with each of them.
 6. Having concluded a Directors and Officers liability insurance policy, as defined in Article 430-3, paragraph (1) of the Companies Act, with an insurance company, the Company provides coverage under said insurance policy for damages borne by the insured due to claims for compensation of damages during the insurance period resulting from actions of the insured in the execution of duties as a Director of the Company. Each of the candidates, should they be elected and assume office as a Director, shall be included as a person insured under the insurance policy. Furthermore, the Company plans to renew the insurance policy in April 2026.

(Reference) Skills Matrix After This General Meeting (assuming the election of each candidate at this General Meeting)

The Company has set forth in our medium-term business plan the pursuit of industry-leading management speed and uniqueness, and we are working towards achieving this goal. In our value creation processes too, we recognize that our strength lies in inter-functional collaboration in business processes, and plan to achieve value creation through our business activities. To achieve this, the Company appropriately appoints directors with experience, knowledge, and capability in diverse areas such as “corporate management,” “sales and marketing,” “research and development,” “manufacturing and quality assurance,” “finance and accounting,” “legal and risk management,” “overseas experience,” “digital transformation,” and “sustainability,” ensures the effectiveness of management oversight and decision-making functions, while also deepening discussions on growth strategies.

If each candidate is elected at this General Meeting, the skills matrix for each Director (planned) will be as follows.

Name	Officer Category	Outside	Skills									Nomination and Compensation Committee
			Corporate management	Sales and marketing	Research and development	Manufacturing and quality assurance	Finance and accounting	Legal and risk management	Overseas experience	DX	Sustainability	
Yasuhiro Yamada	Director, Chairman of the Board		○	○				○	○			○
Takashi Shimizu	Representative Director, President & CEO		○	○	○	○	○	○	○	○	○	○
Satoru Moriya	Director, Senior Corporate Officer		○	○	○	○				○	○	
Kiyohito Hasumi	Director, Corporate Officer		○	○			○	○	○	○	○	
Michio Yoneda	Director	○	○				○	○			○	○
Yukiko Araki	Director	○	○						○		○	○
Takehiro Honjo	Director	○	○				○	○			○	○
Atsuko Ishii	Director	○	○					○			○	○
Mikio Katayama	Director	○	○		○	○				○		○

(Reference) Policy on Shares Held as Strategic Shareholdings

The Company holds shares strategically only in cases where such holding is deemed rational. Such cases include business alliances, and when such holding is deemed necessary in business activities for the purpose of maintaining or strengthening trading leverage. Moreover, the Company strives to reduce strategic shareholdings by having the Board of Directors conduct a review of each individual issue (security title) on an annual basis to confirm that such shareholdings are held on a rational basis, and to decide whether to continue holding shares of such issue (security title). If the Company judges that it is no longer necessary to continue to hold such shares, it will proceed with selling those shares.

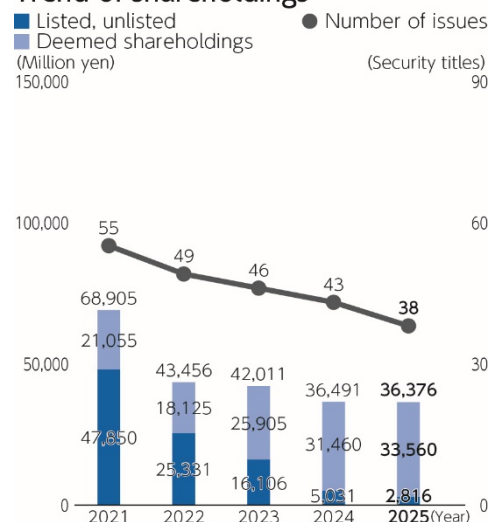
In fiscal 2025, the Company reduced strategic shareholdings (5 issues), reducing the number of issues to 38 as of December 31, 2025, representing 0.5% of consolidated net assets (6.8% if deemed shareholdings are included).

Moreover, in exercising voting rights for strategic shareholdings, the Company closely examines the purpose and details of each proposal separately, and appropriately exercises such voting rights after making a comprehensive judgment as to whether or not it will contribute to the enhancement of the corporate value of both the Company and the investee company.

(Number of Companies Whose Issues Are Held Strategically and Amount on Balance Sheet)

Category		2021	2022	2023	2024	2025
Number of issues (Security titles)	Listed	18	13	12	10	6
	Unlisted	37	36	34	33	32
	Total	55	49	46	43	38
Balance sheet amount (Millions of yen)	(i) Listed	47,499	24,983	15,764	4,701	2,486
	(ii) Unlisted	350	347	342	330	330
	(iii) Deemed shareholdings	21,055	18,125	25,905	31,460	33,560
Percentage of consolidated net assets	(i) + (ii)	17.0%	7.8%	4.1%	1.1%	0.5%
	(i) + (ii) + (iii)	24.5%	13.5%	10.6%	7.7%	6.8%

Trend of shareholdings



Proposal No. 3: Determination of Remuneration for the Performance-Linked and Restricted Share-Based Remuneration to Directors (Excluding Non-executive Directors Including Outside Directors)

The amount of remuneration for the Company's Directors was approved at the 109th Annual General Meeting of Shareholders held on March 26, 2025 as 900 million yen or less per year (including an annual amount of 100 million yen or less for Outside Directors; however, not including the portion of employee salaries of Directors who concurrently serve as employees). It was further approved that the compensation to be provided for the grant of shares with transfer restrictions (hereafter "Restricted Shares") to Directors (excluding Outside Directors) shall be monetary remuneration claims (hereafter "Monetary Remuneration Claims"), and that the total amount of said Monetary Remuneration Claims shall be paid within the remuneration framework for Directors and shall be 250 million yen or less per year (not including the portion of employee salaries of Directors who concurrently serve as employees).

As part of the ongoing revision of the remuneration system for Directors (excluding non-executive directors including Outside Directors; hereafter "Eligible Directors"), the Company proposes to introduce a new performance-linked and restricted share-based remuneration plan (hereafter the "Plan") to Eligible Directors within the above-mentioned amount of remuneration framework to be provided for the grant of Restricted Shares. This proposal aims to provide Eligible Directors an incentive to sustainably increase the Company's corporate value by achieving the performance targets set forth in the Company's medium-term business plan and improving performance over the medium to long term, and to further enhance the linkage with shareholders' interests and business performance.

The total amount of Monetary Remuneration Claims (including monetary remuneration claims to be provided for the grant of the Company's common stock and payment of funds to ensure tax payment) to be paid to Eligible Directors under this Plan shall be 200 million yen or less per year (not including the portion of employee salaries of Directors who concurrently serve as employees). The specific time to grant the remuneration and details thereof to each Eligible Director shall be determined separately by the Board of Directors. Note that the amount of such remuneration is, in principle, intended to represent the total consideration for the performance of duties over the five fiscal years covered by the medium-term business plan which will serve as the performance evaluation period (hereafter the "Performance Evaluation Period"), and to be paid in a lump sum after the final fiscal year of the five-year period. In substance, we consider this to correspond to a payment of 200 million yen or less per fiscal year.

The number of currently serving Directors is eight (including four Outside Directors). However, if Proposal No. 2: Election of Nine (9) Directors is approved as proposed, the number of Directors will be nine (including five Outside Directors).

Furthermore, Eligible Directors shall, based on a resolution of the Company's Board of Directors, contribute all the Monetary Remuneration Claims to be provided according to the Plan as property contributed in kind, and the Company's common stock shall either be issued or disposed of in return. The upper limit of the total number of shares of such common stock shall be set at 200,000 shares per year (not including the portion of employee salaries of Directors who concurrently serve as employees), (provided, however, that such total number may be adjusted within a reasonable range if, on or after the day on which this proposal is approved and resolved, a share split (including an allotment of the Company's common stock without contribution) or a share consolidation of the Company's common stock is conducted, or if, for any other reason, it becomes necessary to make adjustments to the total number of shares of the Company's common stock; the same shall apply hereafter). However, as stated above, the Monetary Remuneration Claims under the Plan are, in principle, intended to represent the total consideration for the performance of duties over the five fiscal years of the Performance Evaluation Period, and to be paid in a lump sum after the final fiscal year of the five-year period. The same is intended for the total number of the above-mentioned common stock. In substance, we consider this to correspond to a grant of 200,000 shares or less per fiscal year.

The amount to be contributed per share shall be determined by 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 prior to the date on which a resolution is made at each Board of Directors meeting (or the closing price on the transaction day immediately prior thereto if no transaction is made on such business day; the same shall apply hereafter) within the amount that would not be particularly favorable to the Eligible Directors receiving such common stock.

The upper limit of the remuneration amount in this proposal, the total number of shares of common stock of the Company to be issued or disposed of, and other conditions for granting shares of common stock to Eligible Directors based on this proposal are determined by taking into account the above objectives, the business conditions of the Company, the policy for the details of individual remuneration, etc. for Directors of the Company (if this proposal is approved, the policy will be changed to the content described in the [Reference] section later to be consistent with the content approved), and various other circumstances, and the Company considers them appropriate.

[Overview of the Plan]

Under the Plan, the Company will grant to Eligible Directors, based on the degree of achievement of performance targets set forth in its medium-term business plan, the Company's common stock and cash after the end of the Performance Evaluation Period. The specific Performance Evaluation Period shall be the five fiscal years covered by the medium-term business plan. The performance indicators (hereafter "Performance Evaluation Indicators") shall be one or more performance indicators adopted in the medium-term business plan, as well as other indicators predetermined by the Company's Board of Directors.

The initial Performance Evaluation Period is planned to be the five-year period from fiscal 2026 to fiscal 2030, and the Performance Evaluation Indicators will include TSR (total shareholder return) and other indicators that the Company's Board of Directors will specify from among the performance indicators in the Company's medium-term business plan. However, the Company may continue implementing the Plan within the scope approved under this proposal after the initial Performance Evaluation Period.

(1) Method for calculating the amount of Monetary Remuneration Claims

The number of shares of the Company's common stock to be granted to each Eligible Director will be calculated using formula (i) below, and the amount of Monetary Remuneration Claims for in-kind contributions to be paid to each Eligible Director will be calculated using formula (ii).

(i) Number of shares of the Company's common stock to be granted to each Eligible Director (*1)

Base number of shares to be granted (*2) × Level of achievement of performance targets (*3) × Tenure ratio (*4) × Position adjustment ratio (*5) × Share grant ratio (*6)

(ii) Amount of Monetary Remuneration Claims for in-kind contributions to be paid to each Eligible Director

Number of shares of the Company's common stock to be granted to each Eligible Director × Stock price at the time of grant (*7)

- (*1) Any fractional shares of less than one share resulting from the calculation shall be rounded down. However, if the Monetary Remuneration Claims to be paid to each Eligible Director based on the results calculated using formulas (i) and (ii) might exceed the maximum amount of Monetary Remuneration Claims to be granted under the Plan, the number of shares to be issued or disposed of to each Eligible Director shall be proportionally adjusted on a pro rata to the extent that the amount does not exceed said maximum amount.
- (*2) To be determined in advance by the Company's Board of Directors.
- (*3) To be determined in advance by the Company's Board of Directors based on the level of achievement of each Performance Evaluation Indicator during the Performance Evaluation Period.
- (*4) To be determined in advance by the Company's Board of Directors based on the tenure (the period for which the Eligible Director served in the position of either a Director of the Company or a Corporate Officer who does not concurrently serve as Director of the Company, during the applicable period of the Eligible Director's term of employment (hereafter, the "Applicable Period")).

- (*5) In the event of a change in position, the number of shares to be granted can be adjusted to correspond to the new position. Any adjustments due to a change in position shall be determined in advance by the Company's Board of Directors.
- (*6) The ratio of the Company's stock to be granted to the amount of remuneration under these regulations shall be 50%.
- (*7) To be based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately prior to the date of the Board of Directors meeting held after the end of the Performance Evaluation Period in which a resolution on the issuance or disposal of the Company's common stock (hereafter "Granting Board of Directors' Resolution") is made (or the closing price on the transaction day immediately prior thereto if no transaction is made on such business day). The amount shall be determined by the Granting Board of Directors' Resolution within the amount that would not be particularly favorable to the Eligible Director receiving the Company's common stock.

The number of shares of the Company's common stock to be granted to each Eligible Director will be calculated using formula (i) above, and the amount of funds to ensure tax payment to be granted to each Eligible Director will be calculated using formula (iii) below.

(iii) The amount of monetary claims as funds granted to ensure tax payment to be paid to each Eligible Director (*8)

Number of shares of the Company's common stock to be granted to each Eligible Director × Cash payment ratio (*9) × Fair market value at the time of resignation (*10)

- (*8) Any fraction of less than one yen resulting from the calculation shall be rounded down.
- (*9) The ratio of cash to be granted to the amount of remuneration under these regulations shall be 50%.
- (*10) The fair market value at the time of resignation shall be the closing price of the Company's common stock on the Tokyo Stock Exchange: on the date the transfer restrictions are lifted in accordance with the restricted share allotment agreement set forth below if the Eligible Director has entered into such agreement; or, on the date the Company's stock is granted (hereafter "Grant Date") if the Eligible Director has not entered into such agreement (or the closing price on the transaction day immediately prior thereto if no transaction is made on such dates).

(2) Conditions for payment to Eligible Directors

The Company shall issue or dispose of the Company's common stock to Eligible Directors according to the number of shares calculated based on (1) above after the end of the Performance Evaluation Period, provided, in principle, that the Eligible Director satisfies the following requirements.

- (i) That during the Applicable Period, the Eligible Director has continuously held the position of Director of the Company or Corporate Officer who does not concurrently serve as Director.
- (ii) That the Eligible Director has never conducted any unlawful acts determined by the Company's Board of Directors.
- (iii) That the Eligible Director fulfills any other requirements deemed necessary by the Company's Board of Directors to achieve the purpose of the Plan.

If, during the Applicable Period, there are any newly appointed Directors, or there are changes to the positions of Directors, the Company will issue or dispose of the Company's common stock at the Company's Board of Directors meeting as reasonably adjusted based on the tenure of said Director, etc.

Furthermore, in the event that an Eligible Director (i) resigns during the Applicable Period due to a justifiable reason (excluding cases where such Eligible Director assumes or is reappointed to a position of either a Director of the Company or a Corporate Officer who does not concurrently serve as Director

upon resignation, or resignation due to death), (ii) resigns from the one of the above positions due to death after the start of the Applicable Period but before the Grant Date, or (iii) is a non-resident of Japan on the date of the Granting Board of Directors' Resolution, the Eligible Director or the person who inherits the rights in accordance with predetermined procedures, shall be paid cash in lieu of the Company's shares of common stock. The amount of cash to be paid to such Director shall be within the scope of the total amount of the Monetary Remuneration Claims described above and obtained by multiplying the reasonably adjusted base number of shares, corresponding to such Director's tenure and other factors, by the closing price of the Company's shares of common stock on the Tokyo Stock Exchange on such Director's resignation date, or the closing price on the business day before the Granting Board of Directors' Resolution (if no transaction occurred on that day, the closing price on the immediately prior business day).

The issuance or disposal of the Company's common stock and payment of Monetary Remuneration Claims as property contributed in kind based on the Plan shall be on the condition that the Eligible Director agrees to the above contribution in kind, and that a restricted share allotment agreement which includes the provisions stated in (3) below (hereafter the "Allotment Agreement") be concluded between the Company and said Eligible Director: provided, however, that this shall not be the case if, at the time of such issuance or disposal of the Company's common stock and payment of Monetary Remuneration Claims as property contributed in kind, an Eligible Director is no longer a Director of the Company nor is in any of the positions determined by the Board of Directors of the Company.

(3) Overview of the restricted share allotment agreement

(i) Transfer restriction period

Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of the Company's common stock (hereafter "Transfer Restriction") allotted to them under the Allotment Agreement (hereafter "Allotted Shares") for a period of time, from the payment date of such Allotted Shares to the point of time immediately after resigning or retiring from the managerial positions of the Company or its subsidiaries that were predetermined by the Company's Board of Directors (hereafter the "Transfer Restriction Period").

(ii) Lifting of the Transfer Restriction

In the event Eligible Directors, before the expiration of the Transfer Restriction Period, resign or retire from the managerial positions of the Company or its subsidiaries that were predetermined by the Company's Board of Directors, the Company will acquire the Allotted Shares, by right, unless such resignation or retirement is due to expiration of term of office, death, or other justifiable reasons. However, in the event Eligible Directors resign or retire from the positions set forth above for reasons deemed justifiable, including expiration of term of office and death, the Company will lift Transfer Restriction in accordance with the predetermined timing and number of Allotted Shares for which Transfer Restriction will be lifted.

(iii) Treatment in reorganization, etc.

Notwithstanding the provision in (i) above, if, during the Transfer Restriction Period, matters concerning a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or any other matter concerning reorganization, etc. are approved at a General Meeting of Shareholders (or by the Board of Directors in cases where approval at a General Meeting of Shareholders is not required for the reorganization, etc.), the Company will, by resolution of the Board of Directors, lift Transfer Restriction prior to the effective date of such reorganization, etc. for all Allotted Shares.

(iv) Other matters

Other matters concerning the Allotment Agreement will be determined at the Board of Directors of the Company.

(4) Treatment in reorganization, etc.

If, during the Applicable Period, matters concerning a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or any other matter concerning reorganization, etc. are approved at a General Meeting of Shareholders (or by the Board of Directors in cases where approval at a General Meeting of Shareholders is not required for the reorganization, etc.) (provided that the effective date of such reorganization, etc. is scheduled to occur prior to the date of issuance or disposal of the Company's common stock under the Plan), the Company will pay, in lieu of the Company's common stock, cash in an amount calculated by multiplying the reasonably adjusted base number of shares to be granted, determined based on such factors as the period from the first day of the Performance Evaluation Period to the date of approval of such reorganization, etc., by the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately prior to the date the of approval of such reorganization, etc.

[Reference] Introduction of a performance-linked and restricted share-based remuneration plan for Corporate Officers

If this proposal is approved as proposed, the Company intends to introduce, by a resolution of its Board of Directors, a plan not only for Eligible Directors, but for Corporate Officers who do not concurrently serve as Directors of the Company, similar to that for Eligible Directors.

[Reference] Proposed changes to the policy on determining the details of individual remuneration, etc. for Directors

If this proposal is approved as proposed, the "Policy on determining the details of individual remuneration, etc. for Directors" shall be revised as follows.

1. Basic policy

The Company's basic policy for remuneration for Directors is to establish a remuneration system that is linked to shareholder interests, ensuring it sufficiently functions as an incentive for the sustainable enhancement of corporate value, and to determine the individual remuneration of Directors at an appropriate level based on their position. Specifically, remuneration for the Executive Directors and the Director, Chairman of the Board shall comprise base remuneration as a fixed-amount remuneration, as well as share-based remuneration and performance-linked remuneration on both short-term and medium- and long-term bases (limited to Executive Directors) and remuneration for Outside Directors who are responsible for supervisory functions shall be paid only base remuneration in consideration of their duties.

2. Policy for determining the amount, award period, and terms of individual basic remuneration

Basic remuneration for the Company's Directors shall be monthly fixed remuneration paid in accordance with a remuneration table for each position. The Company intends to revise the amount of base remuneration when deemed appropriate in light of the Company's business performance, remuneration levels at other companies, and societal conditions, etc.

3. Policy for determining the content of key performance indicators, amount, calculation method, award period, and terms of performance-based remuneration

The short-term performance-linked remuneration is designed to enhance a mindset of seeking improvement in business performance each fiscal year and making steady progress in the medium-term business plan's execution. It is provided as a cash award (hereafter "bonus") that reflects the key Performance Evaluation Indicators (KPIs) of the medium-term business plan, such as operating profit, operating profit margin, ROE, and ROIC. Based on the standard amount for each position, the bonus is calculated according to the achievement level of the annual targets and personal goals, as well as the evaluation of individual qualities, and is paid annually at a specified time.

The medium- to long-term performance-linked remuneration aims to provide incentives for achieving the performance targets set in the medium-term business plan and for enhancing corporate value through medium- to long-term improvement in business performance. To further strengthen the linkage with shareholder interests and business performance, it is provided as performance-linked restricted share-based remuneration (hereafter "PSU") that reflects the key performance indicators (KPIs) of the medium-term business plan, such as operating profit, operating profit margin, ROE, and ROIC. Each fiscal year, the Company grants units corresponding to the standard amount for each position, and after the Performance Evaluation Period (fiscal 2026 to fiscal 2030), the Company grants shares at a number calculated based on the number of units and the degree of achievement of each KPI.

4. Policy for determining the content, amount, calculation method, award period, and terms of share-based remuneration

The Company grants non-monetary remuneration in the form of non-performance-linked restricted share-based remuneration (hereafter "RS") and performance-linked PSU in order to share value with shareholders and to instill motivation to contribute to the enhancement of medium- to long-term corporate value and shareholder value.

The Company grants RS at a certain time each year in the number of shares equivalent to the standard amount, which it sets beforehand, corresponding to position and responsibilities.

Regarding PSU, as described in "3. Policy for determining the content of key performance indicators, amount, calculation method, award period, and terms of performance-based remuneration," if it is deemed inappropriate to grant Restricted Shares, such as when a PSU grantee resigns as a Director during the Performance Evaluation Period due to the expiration of the Director's term, cash will be paid in lieu of granting shares. Additionally, of the shares to be granted for PSU, 50% will instead be paid in cash for the purpose of funding tax payment.

The remuneration provided for the granting of Restricted Shares shall be in the form of a monetary claims. The total amount shall be paid within the remuneration framework for Directors and shall be 250 million yen or less per year (not including the portion of employee salaries of Directors who concurrently serve as employees). Additionally, the total number of the Company's shares of common stock to be issued or disposed of shall be 250,000 shares or less per year. Of this, the remuneration framework related to PSU will be 200 million yen or less per year (not including the portion of employee salaries of Directors who concurrently serve as employees). Additionally, the total number of the Company's shares of common stock to be issued or disposed of shall be 200,000 shares or less per year.

5. Policy for determining the ratio of the amounts of monetary remuneration, performance-linked, and share-based remunerations to the amount of individual remuneration for Directors

Percentages of types of remuneration for the Executive Directors and the Director, Chairman of the Board are determined in consideration of remuneration levels benchmarked against companies in similar industries and lines of business and of similar scale to the Company.

In the event that the KPIs (as previously mentioned) are 100% achieved, the ratio of each type of remuneration for Executive Directors will be approximately set be the ratio shown below.

base salary: bonus: RS: PSU = 33:33:8:25

6. Matters regarding procedures for determining details of individual remuneration, etc. of Directors

The contents of individual remuneration, etc. of Directors shall be determined by the Representative Director, President & CEO based on delegation by a resolution of the Board of Directors. To further strengthen the independence, objectivity, and accountability of the Board of Directors' function in determining the remuneration, etc. of Directors, the draft proposal for remuneration of Directors prepared by the Representative Director, President & CEO shall be submitted to the Nomination and Compensation Committee, the majority of which consists of Outside Directors. The Board of Directors, after receiving the committee's recommendations, makes a resolution to delegate authority to the Representative Director, President & CEO, who then determines the content of individual remuneration for Directors based on this resolution and in respect of the committee's recommendations.