

Translation: Please note that the following purports to be an accurately translated excerpt of the original Japanese version prepared for the convenience of investors outside Japan. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

Securities Code: 1885

June 5, 2025

(Commencement of electronic provision measures: May 28, 2025)

To Those Shareholders with Voting Rights

TOA CORPORATION

3-7-1, Nishi-shinjuku, Shinjuku-ku, Tokyo

Takeshi Hayakawa

President and Representative Director

**NOTICE OF
THE 135th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

You are cordially invited to the 135th Ordinary General Meeting of Shareholders (the “Meeting”) of TOA CORPORATION (the “Company”).

In convening this General Meeting of Shareholders, the Company has taken measures for providing information electronically. The Company is posting electronic provision measures matters as the “NOTICE OF THE 135th ORDINARY GENERAL MEETING OF SHAREHOLDERS” and “OTHER ELECTRONIC PROVISION MEASURES MATTERS FOR THE 135th ORDINARY GENERAL MEETING OF SHAREHOLDERS (MATTERS OMITTED IN DOCUMENTS DELIVERED IN A PAPER FORM)” on the following website on the Internet.

Company website	Tokyo Stock Exchange website	Net de Shoshu (online convocation) website
https://www.toa-const.co.jp/eng/ir/	https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show	https://s.srdb.jp/1885/ (available in Japanese only)

* If you use the Tokyo Stock Exchange website, please access the above website, and then search by entering our company name or securities code, and select “Basic information” and then “Documents for public inspection/PR information” to confirm the details.

If you are unable to attend the Meeting, you may exercise your voting rights via the internet or in writing (by mail). Please exercise your voting rights before 5:30 p.m., Japan Standard Time (JST) on Thursday, June 26, 2025.

1. **Date and Time:** Friday, June 27, 2025, at 10:00 a.m., JST
(The reception will begin at 9:00 a.m.)
2. **Venue:** PARK TOWER HALL, 3rd Floor, SHINJUKU PARK TOWER
at 3-7-1, Nishi-shinjuku, Shinjuku-ku, Tokyo, Japan
(Please refer to the map of the Meeting venue at the end of this document.)
3. **Meeting Agenda:**
Matters to be reported:
 1. The Business Report and Consolidated Financial Statements for the Company's 135th Fiscal Year (from April 1, 2024, to March 31, 2025) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 135th Fiscal Year (from April 1, 2024, to March 31, 2025)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Partial Amendments to the Articles of Incorporation
- Proposal No. 3:** Election of Five (5) Directors (Excluding Directors Who are Audit & Supervisory Committee Members)
- Proposal No. 4:** Election of Four (4) Directors Who are Audit & Supervisory Committee Members
- Proposal No. 5:** Election of Two (2) Substitute Directors Who are Audit & Supervisory Committee Members
- Proposal No. 6:** Amount of Remuneration for Directors (Excluding Directors Who are Audit & Supervisory Committee Members)
- Proposal No. 7:** Revision of Performance-linked Stock-based Remuneration for Directors (Excluding Directors Who are Audit & Supervisory Committee Members and Outside Directors Who are Not Audit & Supervisory Committee Members)

4. Other Matters related to the Meeting

Shareholders who will be absent from the Meeting may exercise voting rights by nominating an agent who is also a shareholder with voting rights. In this situation, a document verifying the power of attorney shall be submitted to the Company.

- Shareholders who attend the Meeting in person are requested to submit the enclosed voting form at the reception.
- In case a revision becomes necessary for electronic provision measures matters, the contents of the revision will be posted on the websites shown above.

[Reference Materials for the General Meeting of Shareholders]

Proposals and References

Proposal No. 1 Appropriation of Surplus

As for appropriation of retained earnings, as announced in the ‘Notice Concerning Establishment of "Action Plan to Improve Price-to-Book Ratio"’ dated May 12, 2023, the Company has set the target dividend payout ratio for FY2024 and FY2025, during which we pursue the Medium-term Management Plan, to 40% or more, aiming for stable and further improvement of shareholder returns.

The Company proposes appropriation of surplus as follows in comprehensive consideration of business results for the fiscal year under review, the business conditions, and business environment surrounding the Company, etc.

Year-end Dividend

- (1) Type of dividend property
Cash
- (2) Allocation of dividend property to shareholders and total amount thereof
¥76 per common stock of the Company
¥6,251,217,056 in total
- (3) Effective date of dividend payment
June 30, 2025

Proposal No. 2 Partial Amendments to the Articles of Incorporation

(1) Reasons for Amendments

Aiming to enable a flexible operation of the Board of Directors and to improve the objectivity and transparency of its decision-making, the Company proposes to make necessary amendments to allow Outside Directors, who are independent of business execution, to chair at the meetings of the Board of Directors.

The Company also proposes to make necessary amendments to allow distribution of dividends from retained earnings (interim dividends) by resolution of the Board of Directors, on the basis of the provisions of Article 454, Paragraph 5 of the Companies Act, with the aim of increasing opportunities to return profit to shareholders.

(2) Contents of Amendments

Contents of the amendments are as follows.

(Underlined parts are amended.)


Current Articles of Incorporation	Proposed Amendments
<p>(Board of Directors)</p> <p>Article 24. The Board of Directors shall make decisions on the management of the Company.</p> <p>2 <u>The Company's chairman</u> shall convene the Board of Directors and chair at their meetings unless otherwise required by laws and regulations. <u>However, if the post of chairman is vacant or the chairman cannot convene or chair at a meeting of the Board of Directors, the president shall convene or chair at the meeting. If the post of president is also vacant or the president cannot convene or chair at the meeting,</u> one of the other directors shall, in an order predetermined by the Board of Directors, convene or chair at the meeting.</p> <p><u>3</u> The operating procedures of the Board of Directors shall be established by the Board of Directors.</p> <p>(Record Date of Dividends of Retained Earnings)</p> <p>Article 36. The Company shall <u>pay retained earnings</u> to registered or recorded shareholders in the latest Registry of Shareholders of Record and the like as of March 31 of each year, registered share pledge holders, and custodians of trust assets.</p> <p><u>However, the Company's liability for payment of dividends shall lapse after three full years from the day when the payment of that dividend was commenced.</u></p>	<p>(Board of Directors)</p> <p>Article 24. The Board of Directors shall make decisions on the management of the Company.</p> <p>2 <u>A director designated in advance by the Board of Directors</u> shall convene the Board of Directors and chair at their meetings unless otherwise required by laws and regulations.</p> <p><u>3 If the director designated pursuant to the preceding paragraph cannot convene or chair at a meeting of the Board of Directors, one of the other directors shall, in an order predetermined by the Board of Directors, convene or chair at the meeting.</u></p> <p><u>4</u> (Unchanged)</p> <p>(Dividends of Retained Earnings)</p> <p>Article 36. The Company shall, <u>by resolution of a general meeting of shareholders, pay dividends out of retained earnings</u> to registered or recorded shareholders in the latest Registry of Shareholders of Record and the like as of March 31 of each year, registered share pledge holders, and custodians of trust assets.</p>

Proposal No. 3**Election of Five (5) Directors (Excluding Directors Who are Audit & Supervisory Committee Members)**

The terms of office of all eight (8) Directors (excluding Directors who are Audit & Supervisory Committee Members; the same shall apply hereinafter in this proposal) will expire upon the close of this General Meeting of Shareholders.


Accordingly, in order to develop and establish a system that enables the flexible adoption of management strategy, the Company proposes to reduce the number of Directors by three (3) and elect five (5) Directors (including two (2) Outside Directors).


The candidates for the positions of Director are as follows:

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Takeshi Hayakawa (June 12, 1965) 	April 1989 Joined the Company April 2015 General Manager of Engineering Department, Osaka Branch Office October 2016 General Manager of Civil Engineering Department, Civil Engineering General Headquarters April 2020 Branch Manager of Osaka Branch Office April 2021 Executive Officer and Branch Manager, Osaka Branch Office April 2022 Executive Officer and President June 2022 Representative Director and President (to present)	37,200 shares
Reason for Nomination as Candidate for Director Mr. Takeshi Hayakawa has strong leadership with ability to take initiatives based on abundant experience at worksites and management experience at the forefront of worksites. The Company thus believes that he is capable of continuing to appropriately perform the duties of Directors of the Company to continue to instruct and supervise the whole Group as the leader of the Group to promote the Medium-term Management Plan and achieve medium- to long-term increase in the corporate value of the Group. Accordingly, the Company hereby proposes his appointment as a Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p>Takeshi Nakao (September 27, 1967)</p> 	<p>April 1991 Joined the Company</p> <p>April 2015 Deputy General Manager of Personnel Department and Manager of Personnel Section, Administration General Headquarters</p> <p>April 2016 General Manager of General Affairs Department, Yokohama Branch Office</p> <p>April 2017 General Manager of Personnel Department, Administration General Headquarters</p> <p>April 2019 General Manager of Management Planning Department</p> <p>April 2022 Executive Officer (Head of Administration General Headquarters)</p> <p>June 2022 Director and Executive Officer (Head of Administration General Headquarters)</p> <p>April 2023 Director and Executive Officer (Head of Administration General Headquarters, Responsible for Secretarial Office)</p> <p>April 2024 Representative Director and Managing Executive Officer (Head of Administration General Headquarters, Responsible for Secretarial Office)</p> <p>November 2024 Representative Director and Managing Executive Officer (Head of Administration General Headquarters, Responsible for Internal Audit Department and Secretarial Office)</p> <p>April 2025 Representative Director and Senior Executive Officer (Head of Corporate Management General Headquarters, Responsible for Digital Transformation Strategy Department, Internal Audit Department, and Secretarial Office) (to present)</p>	13,300 shares
<p>Reason for Nomination as Candidate for Director</p> <p>Mr. Takeshi Nakao has strong leadership with ability to take initiatives based on his experiences having belonged to administration business unit for considerable period of time after joining the Company, including administration, personnel, and management planning business units.</p> <p>The Company thus believes that he is capable of continuing to appropriately perform the duties of Directors of the Company to instruct and supervise the whole Group as a leader of the administration business unit to promote the Medium-term Management Plan and achieve medium- to long-term increase in the corporate value of the Group. Accordingly, the Company hereby proposes his appointment as a Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<p>Katsuhisa Kimura (February 11, 1963)</p> 	<p>April 1990 Joined the Company</p> <p>April 2014 General Manager of Civil Engineering Department, International Business Unit</p> <p>April 2017 General Manager of Sales Department, International Business Unit</p> <p>April 2020 Executive Officer (Deputy Head of International General Headquarters)</p> <p>April 2022 Executive Officer (Head of International General Headquarters)</p> <p>April 2023 Managing Executive Officer (Head of International General Headquarters)</p> <p>June 2023 Director and Managing Executive Officer (Head of International General Headquarters)</p> <p>April 2025 Director and Senior Executive Officer (Head of International General Headquarters) (to present)</p>	24,500 shares
<p>Reason for Nomination as Candidate for Director</p> <p>Mr. Katsuhisa Kimura has strong leadership with ability to take initiatives based on his overseas worksite and management experiences, having belonged to international business unit for considerable period of time after joining the Company.</p> <p>The Company thus believes that he is capable of continuing to appropriately perform the duties of Directors of the Company to instruct and supervise the whole Group as a leader of the international business to promote the Medium-term Management Plan and achieve medium- to long-term increase in the corporate value of the Group. Accordingly, the Company hereby proposes his appointment as a Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<div>Outside Independent</div> <div>Shiro Kuniya (February 22, 1957)</div> 	<p>April 1982 Registered as attorney-at-law (Osaka Bar Association)</p> <p>April 1982 Joined Oh-Ebashi Law Offices (currently Oh-Ebashi LPC & Partners)</p> <p>May 1987 Registered as attorney-at-law at New York Bar Association</p> <p>June 1997 External Corporate Auditor of Sunstar Inc.</p> <p>April 2002 Managing Partner of Oh-Ebashi LPC & Partners</p> <p>June 2006 External Corporate Auditor of NIDEC CORPORATION</p> <p>March 2012 External Director of NEXON Co., Ltd.</p> <p>June 2012 External Director of EBARA CORPORATION</p> <p>June 2013 External Director of Sony Financial Group Inc.</p> <p>June 2013 External Corporate Auditor of Takeda Pharmaceutical Company Limited</p> <p>June 2016 External Director and Audit & Supervisory Committee Member of Takeda Pharmaceutical Company Limited</p> <p>March 2018 External Director (Audit & Supervisory Committee Member) of NEXON Co., Ltd. (to present)</p> <p>June 2019 External Director of Takeda Pharmaceutical Company Limited</p> <p>June 2021 Outside Director of the Company</p> <p>February 2023 Partner of Oh-Ebashi LPC & Partners (to present)</p> <p>[Significant concurrent positions]</p> <p>Partner of Oh-Ebashi LPC & Partners</p> <p>External Director (Audit & Supervisory Committee Member) of NEXON Co., Ltd.</p>	0 shares
<p>Reason for Nomination as Candidate for Outside Director and Overview of Expected Roles</p> <p>Mr. Shiro Kuniya has abundant experience and profound insight on corporate legal affairs and international legal affairs as a legal professional, having served as Partner of Oh-Ebashi LPC & Partners and a New York State licensed attorney-at-law. He has also served as External Corporate Auditor and External Director at other companies for many years and has therefore gained global and advanced knowledge on corporate management. The Company thus believes that he is more than capable of fulfilling the role of enhancing supervision over the execution of duties by Directors of the Company. Accordingly, the Company hereby proposes his appointment as an Outside Director. If his reappointment is approved, the Company expects him to make decisions on important managerial issues, such as the expansion of international territories through the potential enhancement of alliances with local partners, and to appropriately perform his duties of supervising business execution for the Company. He will have served for four years as an Outside Director at the close of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	<div>Outside</div> <div>Independent</div> <p>Kanako Sekine (September 16, 1959)</p> 	<p>March 1984 Corporate Finance, Tokyo Branch Office, Smith Barney, Harris Upham & Co. Inc.</p> <p>September 1988 Investment Banking, New York Headquarters, Smith Barney, Harris Upham & Co. Inc.</p> <p>April 1993 London Headquarters, European Bank for Reconstruction and Development</p> <p>November 1998 External Director of Sevryba International Shipping Ltd.</p> <p>August 1999 Director of Financial Institutions, London Headquarters, European Bank for Reconstruction and Development</p> <p>May 2000 External Director of SKB Banka D.D.</p> <p>April 2002 External Director and Remuneration and Nomination Committee Member of Ceskoslovenska obchodni banka, a.s. (ČSOB)</p> <p>August 2008 COO, Managing Director of Troika Capital Partners</p> <p>February 2011 Managing Director of Banking, Portfolio, London Headquarters, European Bank for Reconstruction and Development</p> <p>May 2016 External Director of Sompo Sigorta A.S.</p> <p>May 2018 Retired from European Bank for Reconstruction and Development</p> <p>March 2019 External Director of Kyrgyz Investment and Credit Bank (to present)</p> <p>June 2021 Consultant to the Board of Directors (part-time) of European Fund for Southeast Europe, SA SICAV-SIF</p> <p>April 2024 Outside Director (Audit & Supervisory Committee Member) of the Company</p> <p>June 2024 Outside Director of the Company</p> <p>[Significant concurrent positions] External Director of Kyrgyz Investment and Credit Bank</p>	0 shares
<p>Reason for Nomination as Candidate for Outside Director and Overview of Expected Roles</p> <p>Ms. Kanako Sekine has held senior positions at financial institutions and international organizations in the U.S., Europe, and other countries that are at the forefront of multinational, multicultural, and diversity. She has profound insight, global sensibility and abundant experience in the areas of investment, corporate governance, and risk management based on the principles of sustainability. The Company thus believes that she has the ability to enhance the supervision of the execution of duties by Directors of the Company. Accordingly, the Company hereby proposes her appointment as an Outside Director. If her reappointment is approved, the Company expects her to appropriately make decisions on important managerial issues, and to perform her duties of supervising business execution for the Company. She will have served for one year and three months as an Outside Director at the close of this General Meeting of Shareholders.</p>			

(Notes)


1. There are no special interests between any of the candidates and the Company.
2. Directors and officers liability insurance contract
The Company has concluded with an insurance company a directors and officers liability insurance contract to cover legal damages or other expenses that might arise due to an act committed by the insured in the course of their respective duties. If the appointment of each candidate for Director is approved, he/she will be included as the insured under this insurance policy. The term of the said contract is one (1) year, and the Company plans to renew it with a resolution by the Board of Directors before it expires. Insurance premiums for the said contract are all borne by the Company.
3. Mr. Shiro Kuniya and Ms. Kanako Sekine are candidates for the positions of Outside Directors.
4. Independence of Outside Director
The Company does not have special relationships with Oh-Ebashi LPC & Partners, where Mr. Shiro Kuniya serves as Partner, or NEXON Co., Ltd., where he serves as External Director. The Company has notified the Tokyo Stock Exchange, Inc. (TSE) and Sapporo Securities Exchange (SSE) about his appointment as Independent Officer as prescribed in the TSE/SSE regulations.
The Company does not have special relationships with Kyrgyz Investment and Credit Bank, where Ms. Kanako Sekine serves as External Director. The Company has notified the Tokyo Stock Exchange, Inc. (TSE) and Sapporo Securities Exchange (SSE) about her appointment as Independent Officer as prescribed in the TSE/SSE regulations.
5. Liability limitation contract
The Company has, pursuant to Article 427, Paragraph (1) of the Companies Act, concluded contracts with Directors who do not execute business which sets a certain limit to their liability as provided in Article 423, Paragraph (1) of the said Act, if they have incurred any liability in the course of executing their duties in good faith and without gross negligence. The maximum amount of liability under the contracts will be the minimum liability amount stipulated by laws and regulations.
If the reappointment of Mr. Shiro Kuniya and Ms. Kanako Sekine is approved, the Company plans to continue the said contracts with them.


Proposal No. 4 Election of Four (4) Directors Who are Audit & Supervisory Committee Members


The terms of office of all four (4) Directors who are Audit & Supervisory Committee members will expire upon the close of this General Meeting of Shareholders. Accordingly, shareholders are requested to elect four (4) Directors who are Audit & Supervisory Committee Members.


The Company has obtained the approval of the Audit & Supervisory Committee for submitting this proposal to this Meeting.

The candidates for the positions of Directors who are Audit & Supervisory Committee Members are as follows:

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<div> <div>Outside</div> <div>Independent</div> <div>Masahiko Okamura</div> <div>(July 21, 1951)</div>  </div>	<div> <div>April 1976</div> <div>October 2004</div> <div>April 2007</div> <div>April 2009</div> <div>March 2011</div> <div>June 2014</div> <div>June 2019</div> </div> <div> <div>Joined Mitsui & Co., Ltd.</div> <div>General Manager, Mitsui Urban Planning & Development Division, Consumer Service Business Unit, Main Office</div> <div>Chief Operating Officer, General Manager, Second Consumer Service Business Unit</div> <div>Executive Managing Officer, General Manager, Osaka Office</div> <div>Retired from Mitsui & Co., Ltd.</div> <div>Outside Director of the Company</div> <div>Outside Director (Audit & Supervisory Committee Member) of the Company (to present)</div> </div>	0 shares
Reason for Nomination as Candidate for Outside Director Who is an Audit & Supervisory Committee Member and Overview of Expected Roles <p>Mr. Masahiko Okamura held important positions at a leading trading company over many years. The Company thus believes that he has sufficient insight to enhance the audit and supervision of the execution of duties by Directors of the Company based on his abundant experiences. Accordingly, the Company hereby proposes his appointment as an Outside Director. If his reappointment is approved, the Company expects him to appropriately make decisions on important managerial issues, and to perform his duties of supervising business execution for the Company. He will have served for 11 years as an Outside Director and for six years as an Outside Director who is an Audit & Supervisory Committee Member respectively at the close of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<div>Outside Independent</div> <div>Michi Handa (Michi Sasano) (October 19, 1970)</div> 	<div>March 1998 Registered as Certified Public Accountant</div> <div>September 1998 Joined KPMG LLP New York Office</div> <div>February 2003 Joined KPMG AZSA LLC</div> <div>February 2006 Founded Biz Consulting Co., Ltd. Representative Director and President</div> <div>June 2008 Representative Director and Senior Vice President of Control Solutions International K.K. (currently Control Solutions K.K.)</div> <div>January 2009 Representative Director and President (to present)</div> <div>June 2019 Outside Director (Audit & Supervisory Committee Member) of the Company</div> <div>March 2022 Outside Director (Audit & Supervisory Committee Member) of AUCNET INC. (to present)</div> <div>[Significant concurrent positions] Representative Director and President of Control Solutions K.K. Outside Director (Audit & Supervisory Committee Member) of AUCNET INC.</div>	0 shares
Reason for Nomination as Candidate for Outside Director Who is an Audit & Supervisory Committee Member and Overview of Expected Roles Ms. Michi Handa has abundant experience and profound insight as a certified public accountant and certified tax accountant, having served as top management of a consulting company specializing in internal control, risk management, etc. and having been involved in support for the establishment of internal control. The Company thus believes that she has the ability to enhance the audit and supervision of the execution of duties by Directors of the Company. Accordingly, the Company hereby proposes her appointment as an Outside Director. If her reappointment is approved, the Company expects her to appropriately make decisions on important managerial issues, and to perform her duties of supervising business execution for the Company. She will have served for six years as an Outside Director who is an Audit & Supervisory Committee Member at the close of this General Meeting of Shareholders.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
3	<p>Tetsuya Kimura (June 1, 1966)</p> 	<p>April 1990</p> <p>April 2012</p> <p>July 2014</p> <p>April 2017</p> <p>April 2018</p> <p>April 2022</p> <p>April 2024</p> <p>June 2024</p>	<p>Joined the Company</p> <p>General Manager of Administration Department, Chugoku Branch Office</p> <p>General Manager of Administration Department, Tokyo Metropolitan Area Building Construction Business Unit</p> <p>General Manager of Administration Department, East Japan Building Construction Branch Office</p> <p>General Manager of General Affairs Department, Administration General Headquarters and General Manager of Secretarial Office, General Affairs Department</p> <p>General Manager of General Affairs Department, Administration General Headquarters</p> <p>Assistant to Internal Audit Department</p> <p>Director (Audit & Supervisory Committee Member) (to present)</p>	8,800 shares
<p>Reason for Nomination as Candidate for Director Who is an Audit & Supervisory Committee Member</p> <p>Mr. Tetsuya Kimura has belonged to administrative business unit for considerable period of time after joining the Company. The Company thus believes that he has sufficient insight to execute the duties of Directors who are Audit & Supervisory Committee Members and strengthen the audit of the execution of the duties of Directors of the Company based on his knowledge and experiences that he has acquired at the unit. Accordingly, the Company hereby proposes his appointment as a Director who is an Audit & Supervisory Committee Member of the Company. The Company considers that he is capable of appropriately performing the duties of Directors who are Audit & Supervisory Committee Member at the Company.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<div>Outside</div> <div>Independent</div> <div>New appointment</div> <p>Satoshi Tamai (June 12, 1960)</p> 	<p>April 1984 Joined Sumitomo Corporation</p> <p>October 1991 Joined Century Audit Corporation (currently Ernst & Young ShinNihon LLC)</p> <p>March 1995 Registered as Certified Public Accountant</p> <p>May 2007 Representative Partner</p> <p>July 2008 Senior Partner</p> <p>July 2017 Established Satoshi Tamai Certified Public Accountant Office</p> <p>October 2017 Senior Advisor of accrea Inc. (to present)</p> <p>March 2018 Outside Auditor of TOHO LAMAC. Co., Ltd. (to present)</p> <p>June 2020 Outside Audit & Supervisory Board Member of Inabata & Co., Ltd. Outside Auditor of PC DEPOT CORPORATION</p> <p>June 2022 Outside Director who is an Audit and Supervisory Committee Member of Inabata & Co., Ltd.</p> <p>[Significant concurrent positions]</p> <p>Representative of Satoshi Tamai Certified Public Accountant Office</p> <p>Outside Auditor of TOHO LAMAC. Co., Ltd.</p>	0 shares
<p>Reason for Nomination as Candidate for Outside Director Who is an Audit & Supervisory Committee Member and Overview of Expected Roles</p> <p>Mr. Satoshi Tamai has abundant experience and profound insight as a certified public accountant. The Company thus believes that he has the ability to enhance the audit and supervision of the execution of duties by Directors of the Company. Accordingly, the Company hereby proposes his appointment as an Outside Director. If his appointment is approved and he assumes the office of Outside Director, the Company expects him to appropriately make decisions on important managerial issues, and to perform his duties of supervising business execution for the Company.</p>			

(Notes)

1. The name under which Ms. Michi Handa is registered as a certified public accountant is shown in parentheses.
2. There are no special interests between the Company and any of the candidates for Directors who are Audit & Supervisory Committee Members.
3. Directors and officers liability insurance contract

The Company has concluded with an insurance company a directors and officers liability insurance contract to cover legal damages or other expenses that might arise due to an act committed by the insured in the course of their respective duties. If the reappointment of each candidate for Director who is an Audit & Supervisory Committee Member is approved, he/she will be included as the insured under this insurance policy. The term of the said contract is one (1) year, and the Company plans to renew it with a resolution by the Board of Directors before it expires. Insurance premiums for the said contract are all borne by the Company.

4. Mr. Masahiko Okamura, Ms. Michi Handa, and Mr. Satoshi Tamai are candidates for the positions of Outside Directors who are Audit & Supervisory Committee Members.
5. Independence of Outside Director

Mr. Masahiko Okamura previously worked at Mitsui & Co., Ltd. There had been business relationships between Mitsui & Co., Ltd., such as construction work subcontracting agreement and service consignment agreement. However, currently we are not engaged in any business with the company. Accordingly, he does not violate the Independence Standards for External Directors stipulated by the Company. The Company has notified the Tokyo Stock Exchange, Inc. (TSE) and Sapporo Securities Exchange (SSE) about his appointment as Independent Officer as prescribed in the TSE/SSE regulations.

The Company does not have special relationships with Control Solutions K.K., where Ms. Michi Handa serves as Representative Director and President, or AUCNET INC., where she serves as External Director who is an Audit & Supervisory Committee Member. The Company has notified the Tokyo Stock Exchange, Inc. (TSE) and Sapporo Securities Exchange (SSE) about her appointment as Independent Officer as prescribed in the TSE/SSE regulations.

The Company does not have special relationships with Satoshi Tamai Certified Public Accountant Office, where Mr. Satoshi Tamai serves as Representative, or TOHO LAMAC. Co., Ltd., where he serves as Outside Auditor. He joined Century Audit Corporation (currently Ernst & Young ShinNihon LLC) in October 1991 and retired from the audit firm in June 2017. Approximately eight years have elapsed since the retirement. In the corporate governance report submitted to the Tokyo Stock Exchange, the Company sets a cooling-off period of five years as an independence criterion applicable to candidates who have previously belonged to an accounting firm, based on which the Company has decided that there is no problem with Mr. Tamai's independence. Accordingly, if he assumes the office of Director who is an Audit & Supervisory Committee Member, the Company intends to notify the Tokyo Stock Exchange, Inc. (TSE) and Sapporo Securities Exchange (SSE) about his appointment as Independent Officer, since he meets the requirements of independent officer prescribed by the TSE.

6. Liability limitation contract


The Company has, pursuant to Article 427, Paragraph (1) of the Companies Act, concluded contracts with Directors who do not execute business which sets a certain limit to their liability as provided in Article 423, Paragraph (1) of the said Act, if they have incurred any liability in the course of executing their duties in good faith and without gross negligence. The maximum amount of liability under the contracts will be the minimum liability amount stipulated by laws and regulations.


If the reappointment of Mr. Masahiko Okamura, Ms. Michi Handa, and Mr. Tetsuya Kimura is approved, the Company plans to continue the said contracts with them. If Mr. Satoshi Tamai's appointment is approved, the Company plans to conclude the said contract with him.

Proposal No. 5**Election of Two (2) Substitute Directors Who are Audit & Supervisory Committee Members**

The election of Substitute Directors who are Audit & Supervisory Committee Members, which was approved at the 134th Ordinary General Meeting of Shareholders held on June 27, 2024, will be effective until the beginning of this General Meeting of Shareholders. Accordingly, to prepare for a situation where the number of Directors who are Audit & Supervisory Committee Members falls short of the number provided for in laws and regulations or the Articles of Incorporation of the Company, this proposal is to request the election of two (2) Substitute Directors who are Audit & Supervisory Committee Members in advance. The candidates are as follows. The order of priority, if the candidates assume the office of Director who is an Audit & Supervisory Committee Member, is as follows. If Proposal No. 4 “Election of Four (4) Directors Who are Audit & Supervisory Committee Members” is approved as originally proposed, and in the event of the retirement of Mr. Masahiko Okamura, Mr. Noriaki Isa shall be given the first priority and Ms. Junko Taki the second priority, and in the event of the retirement of Ms. Michi Handa, Mr. Tetsuya Kimura, or Mr. Satoshi Tamai, Ms. Junko Taki shall be given the first priority and Mr. Noriaki Isa the second priority. The validity of the election of a Substitute Director may be cancelled, only prior to the Substitute Director’s assumption of the position, by resolution of the Board of Directors with the consent of the Audit & Supervisory Committee. The Company has obtained the approval of the Audit & Supervisory Committee for submitting this proposal to this Meeting.

The candidates for the positions of Substitute Directors who are Audit & Supervisory Committee Members are as follows:

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<div>Outside Independent</div> <div>Noriaki Isa (July 14, 1957)</div> 	<p>April 1980 Joined Marubeni Corporation</p> <p>April 2006 General Manager of General Power Department, Power Division</p> <p>April 2010 President of Marubeni Thailand Co., Ltd., Deputy Managing Director of Marubeni ASEAN Pte. Ltd., and General Manager of Bangkok Branch, Marubeni Corporation</p> <p>April 2013 Executive Officer and General Manager of Human Resources Department</p> <p>April 2017 Executive Officer and Assistant CSO Outside Audit & Supervisory Board Member of Avanti Staff Corporation</p> <p>April 2018 Director and Chairman of Marubeni Power Retail Corporation.</p> <p>April 2021 Advisor of NSG Holdings Inc. (to present)</p> <p>May 2021 Advisor of Sun Village Co., Ltd.</p> <p>January 2022 Visiting Professor of Kaishi Professional University (to present) Visiting Professor of Niigata Agro-Food University (to present)</p> <p>June 2022 Outside Director of RAIZNEXT Corporation (to present)</p> <p>July 2022 Director and Chairman of Power Retail Niigata K.K. (to present)</p> <p>[Significant concurrent positions] Outside Director of RAIZNEXT Corporation Director and Chairman of Power Retail Niigata K.K.</p>	0 shares
<p>Reason for Nomination as Candidate for Substitute Director Who is an Audit & Supervisory Committee Member and Overview of Expected Roles</p> <p>Mr. Noriaki Isa held important positions at a leading trading company over many years. The Company thus believes that he has sufficient insight to enhance the audit and supervision of the execution of duties by Directors of the Company based on his abundant experiences, and considers that he is capable of appropriately performing the duties of Directors who are Audit & Supervisory Committee Members at the Company. Accordingly, the Company hereby proposes his appointment as a Substitute Director who is an Audit & Supervisory Committee Member. If his appointment is approved and he assumes the office of Director who is an Audit & Supervisory Committee Member, the Company expects him to appropriately make decisions on important managerial issues, and to perform his duties of supervising business execution for the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<div>Outside Independent</div> <div>Junko Taki (July 17, 1967)</div> 	<p>April 1990 Joined ORIX Corporation</p> <p>October 1997 Joined Asahi & Co. (currently KPMG AZSA LLC)</p> <p>March 2001 Registered as Certified Public Accountant</p> <p>November 2017 Joined Suminoe Textile Co., Ltd. (currently SUMINOE Co., Ltd.)</p> <p>June 2018 General Manager of Global Strategies Department, Administration Headquarters</p> <p>August 2019 General Manager of Global Strategies Department, Administration Headquarters and General Manager of Corporate Planning Department</p> <p>February 2021 Established Taki Certified Public Accountants Office</p> <p>May 2022 Outside Director of AEON MALL Co., Ltd. (to present) (scheduled to retire in May 2025)</p> <p>June 2022 Outside Audit & Supervisory Board Member of Nitta Gelatin Inc.</p> <p>June 2022 Outside Director of NIHON KAGAKU SANGYO CO., LTD. (to present)</p> <p>June 2024 Outside Director who is an Audit & Supervisory Committee Member of Odakyu Electric Railway Co., Ltd. (to present)</p> <p>[Significant concurrent positions]</p> <p>Representative of Taki Certified Public Accountants Office</p> <p>Outside Director of Nihon Kagaku Sangyo Co., Ltd.</p> <p>Outside Director who is an Audit & Supervisory Committee Member of Odakyu Electric Railway Co., Ltd.</p>	0 shares
<p>Reason for Nomination as Candidate for Substitute Director Who is an Audit & Supervisory Committee Member and Overview of Expected Roles</p> <p>Ms. Junko Taki has abundant experience and profound insight as a certified public accountant and a certified internal auditor, as well as experience in executive positions close to management at several companies. The Company thus believes that she has sufficient insight to enhance the audit and supervision of the execution of duties by Directors of the Company, and considers that she is capable of appropriately performing the duties of Directors who are Audit & Supervisory Committee Members at the Company. Accordingly, the Company hereby proposes her appointment as a Substitute Director who is an Audit & Supervisory Committee Member. If her appointment is approved and she assumes the office of Director who is an Audit & Supervisory Committee Member, the Company expects her to appropriately make decisions on important managerial issues, and to perform her duties of supervising business execution for the Company.</p>			

(Notes)

1. There are no special interests between the Company and any of the candidates for Substitute Directors who are Audit & Supervisory Committee Members.
2. Directors and officers liability insurance contract
The Company has concluded with an insurance company a directors and officers liability insurance contract to cover legal damages or other expenses that might arise due to an act committed by the insured in the course of their respective duties. If the appointment of candidate for Substitute Director who is an Audit & Supervisory Committee Member is approved and he/she assumes the position, he/she will be included as the insured under this insurance policy. The term of the said contract is one (1) year, and the Company plans to renew it with a resolution by the Board of Directors before it expires. Insurance premiums for the said contract are all borne by the Company.
3. Mr. Noriaki Isa and Ms. Junko Taki are candidates for the position of Substitute Outside Director who is an Audit & Supervisory Committee Member.
4. Independence of Outside Director
The Company does not have special relationships with RAIZNEXT Corporation, where Mr. Noriaki Isa serves as Outside Director, or Power Retail Niigata K.K., where he serves as Director and Chairman. The Company does not have special relationships with Taki Certified Public Accountants Office, where Ms. Junko Taki serves as Representative, Nihon Kagaku Sangyo Co., Ltd., where she serves as Outside Auditor, or Odakyu Electric Railway Co., Ltd., where she serves as Outside Director who is an Audit & Supervisory Committee Member.
If each candidate assumes the office of Director who is an Audit & Supervisory Committee Member, the Company intends to notify the Tokyo Stock Exchange, Inc. (TSE) and Sapporo Securities Exchange (SSE) about the person's appointment as Independent Officer as prescribed in the TSE/SSE regulations.
5. Liability limitation contract
The Company has, pursuant to Article 427, Paragraph (1) of the Companies Act, concluded contracts with Directors who do not execute business which sets a certain limit to their liability as provided in Article 423, Paragraph (1) of the said Act, if they have incurred any liability in the course of executing their duties in good faith and without gross negligence. The maximum amount of liability under the contracts will be the minimum liability amount stipulated by laws and regulations.
If the appointment of each candidate for Substitute Director who is an Audit & Supervisory Committee Member is approved and he/she assumes the position, the Company plans to conclude the said contract with him/her.

Proposal No. 6**Amount of Remuneration for Directors (Excluding Directors Who are Audit & Supervisory Committee Members)**

Amount of remuneration for Directors of the Company (excluding Directors who are Audit & Supervisory Committee Members; hereinafter the same in this proposal) is up to 300 million yen per year (including up to 25 million yen for Outside Directors), as resolved at the 132nd Ordinary General Meeting of Shareholders held on June 29, 2022.

If Proposal No. 3 is approved as originally proposed, the number of Directors who are subject to the amount of remuneration will decrease by three to five, including two Outside Directors. In this context, the Company requests approval to set the amount of remuneration for Directors to up to 300 million yen per year (including up to 25 million yen for Outside Directors) as before, by taking into account the expansion of Directors' responsibilities and expected roles along with the strengthening of corporate governance, changes in the economic situation and management environment, remuneration standards at other companies, changes in the Company's business results, and other factors.

The Nomination & Remuneration Committee, a majority of whose members comprises Outside Directors who are Audit & Supervisory Committee Members and which is chaired by an Outside Director who is an Audit & Supervisory Committee Member, deliberated on the contents of this proposal, and the Board of Directors finalized them based on reports from the Nomination & Remuneration Committee.

Proposal No. 7**Revision of Performance-linked Stock-based Remuneration for Directors (Excluding Directors Who are Audit & Supervisory Committee Members and Outside Directors Who are Not Audit & Supervisory Committee Members)****(1) Reasons for proposal**

The Company introduced a performance-linked stock-based remuneration plan called the Board Benefit Trust (hereinafter the “Plan”) for its Directors (excluding Directors who are Audit & Supervisory Committee Members as well as Outside Directors who are not Audit & Supervisory Committee Members; hereinafter the same in this proposal unless otherwise noted) and Executive Officers who are not concurrently serving as Directors (Directors as well as Executive Officers who are not concurrently serving as Directors hereinafter collectively referred to as “Directors, etc.”), as resolved at the 129th Ordinary General Meeting of Shareholders held on June 27, 2019. This Plan was introduced to further motivate Directors, etc. toward contributing to improvements in business results and increases of corporate value over a medium to long term by further clarifying the link between remuneration for Directors, etc. and the Company’s business results and value of its shares and having Directors, etc. share with shareholders both the benefits of increasing stock prices and the risk of falling stock prices. Subsequently, as resolved at the 132nd Ordinary General Meeting of Shareholders held on June 29, 2022, the maximum number of points to be granted to Directors, etc. for each fiscal year was increased to 243,200 points (including 87,200 points for Directors), which remains in effect today. As a result of the stock split of the Company’s common stock (the ratio of split is 1 to 4) effective April 1, 2024, the number of points shown above is fourfold the number of points resolved at the 132nd Ordinary General Meeting of Shareholders held on June 29, 2022.

Under this proposal, in view of changes in the number of Directors, etc. and improvements in the Company’s business results, the Company requests approval to revise the maximum number of points to be granted to Directors, etc. for each fiscal year from 243,200 points (including 87,200 points for Directors) to 350,000 points (including 80,000 points for Directors); set the maximum number of points for the target period (three fiscal years from the fiscal year ending March 31, 2026 through the fiscal year ending March 31, 2028) and each of the subsequent three-year periods that begin after the lapse of the target period to 1,050,000 points (including 240,000 points for Directors); and set the maximum number of the Company’s shares to be acquired by a trust established under the Plan to 1,050,000 shares. The remuneration framework to be established under this proposal is separate from the amount of remuneration for Directors that would be set to up to 300 million yen per year (including up to 25 million yen for Outside Directors) if Proposal No. 6 is approved as originally proposed.

The Company believes the contents of this proposal are necessary, reasonable, and appropriate, as they would motivate Directors, etc. even further toward contributing to increases in corporate value and value of its shareholders, thereby leading to further improvements in corporate business results.

The Nomination & Remuneration Committee, a majority of whose members comprises Outside Directors who are Audit & Supervisory Committee Members and which is chaired by an Outside Director who is an Audit & Supervisory Committee Member, deliberated on the contents of this proposal, and the Board of Directors finalized them based on reports from the Nomination & Remuneration Committee. If Proposal No. 3 is approved as originally proposed, the number of Directors eligible for the Plan will be three.

(2) Amount of remuneration pertaining to the Plan and reference information**1) Outline of the Plan**

This Plan is a performance-linked stock-based remuneration plan, under which the Company’s shares are acquired through a trust (the trust established under the Plan hereinafter referred to as the “Trust”) using funds contributed by the Company and the Company’s shares and cash equivalent to the market value of the Company’s shares (hereinafter the “Company Shares, etc.”) are delivered to Directors, etc. through the Trust pursuant to the Executive Share Delivery Regulations established by the Company. In principle, Directors, etc. receive Company Shares, etc. upon their retirement from office.

2) Recipients eligible for the Plan

Directors (Directors who are Audit & Supervisory Committee Members as well as Outside Directors who are not Audit & Supervisory Committee Members are outside the scope of this Plan.) and Executive Officers who are not concurrently serving as Directors.

3) Trust period

From August 2019 (when the Plan was introduced) through the termination of the Trust (There is no specific end date specified for the trust period of the Trust, and the Trust will be maintained as long as the Plan continues. The Plan will be terminated in case of events such as delisting of the Company's shares or abolishment of the Executive Share Delivery Regulations.).

4) Trust amount (amount of remuneration)

Subject to this proposal being approved, the Company will contribute funds for acquiring the Company's shares to the Trust during the target period (three fiscal years from the fiscal year ending March 31, 2026 through the fiscal year ending March 31, 2028) and each of the subsequent three-year periods that begin after the lapse of the target period. In principle, every three fiscal years until the Plan is terminated, the Company will contribute funds for acquiring the Company's shares to the Trust. For reference, if the closing price on May 13, 2025 of 1,428 yen is applied, funds required for the above acquisition of shares would be approximately 1,500 million yen (including approximately 343 million yen for Directors). The amount of actual funds to be contributed to the Trust by the Company will include the expected amount of necessary expenses such as trust fees, in addition to the abovementioned funds for acquiring shares.

If the Company decides to make additional contributions, relevant details will be appropriately disclosed in a timely manner.

5) Means of acquiring the Company's shares and number of shares to be acquired

The Trust will acquire the Company's shares through stock exchange markets or by receiving treasury shares disposed of by the Company, using funds contributed as per the above 4). The maximum number of the Company's shares to be acquired during the target period (three fiscal years from the fiscal year ending March 31, 2026 through the fiscal year ending March 31, 2028) will be 1,050,000 shares. In principle, for each period of three fiscal years after the lapse of the target period until the Plan is terminated, the Trust will acquire additional shares in the Company up to 1,050,000 shares (including 240,000 shares for Directors). However, when making such additional acquisitions, if there are any shares in the Company (excluding shares corresponding to points granted to Directors, etc. for target periods prior to the acquisition that have not been delivered to Directors, etc.) and money remaining as trust assets (hereinafter "Remaining Shares, etc."), the total number of Remaining Shares, etc. and additional shares to be acquired shall not exceed 1,050,000 shares (including 240,000 shares for Directors).

Whenever the Trust acquires the Company's shares, relevant details will be appropriately disclosed in a timely manner.

6) Method of calculating the number of Company Shares, etc. to be delivered to Directors, etc.

Directors, etc. will be granted points for each fiscal year in a number to be determined by taking into account their position, attainment of business results, and other factors pursuant to the Executive Share Delivery Regulations.

(Formula) Base points for each position × Performance-linked multiplier (*1)

(*1) Performance-linked multiplier will be determined within the range of 0% to 150% using a predetermined formula based on the degree of attainment of targets for evaluation items stipulated in the Executive Share Delivery Regulations (orders

received, consolidated operating profit, consolidated profit, stock price relative to TOPIX), with 100% as the standard amount.

The total number of points to be granted to Directors, etc. for each fiscal year will be up to 80,000 points for Directors and up to 270,000 points for Executive Officers who are not concurrently serving as Directors. Accordingly, the maximum total number of points to be granted for three fiscal years will be 1,050,000 points. The Board of Directors has determined this number by comprehensively taking into account the current level of remuneration for Directors, etc., trends in the number of Directors, etc., future outlook, and other factors, and the Company believes it is appropriate.

Points granted to Directors, etc. will be converted into common shares in the Company at a rate of one share per point when Company Shares, etc. are delivered as per 7) below (provided, however, that in case of a share split, gratis allotment of shares, share consolidation, etc. of the Company's shares after obtaining approval of this proposal, the maximum number of points as well as the number of points granted or the conversion rate will be reasonably adjusted according to the relevant ratio, etc.).

Number of points held by Directors, etc. that forms the basis for delivering Company Shares, etc. as per 7) below will be, in principle, the cumulative number of points granted to such Directors, etc. by the time of their retirement (points calculated in this manner hereinafter referred to as the "Finalized Points").

7) Delivery of Company Shares, etc.

When a Director, etc. retires, if they meet the beneficiary requirements stipulated in the Executive Share Delivery Regulations, such Director, etc., upon carrying out a certain procedure for finalizing the beneficiary, will receive a delivery of the Company's shares in a number based on Finalized Points determined in principle in accordance with the above 6) from the Trust after their retirement. However, if certain requirements stipulated in the Executive Share Delivery Regulations are met, for a certain portion of the shares, they will receive a payment of cash equivalent to the market value of the Company's shares in lieu of a delivery of the Company's shares. The Trust may sell the Company's shares to make monetary payments.

8) Exercise of voting rights

Voting rights pertaining to the Company's shares held in the Trust account will not be exercised at all, pursuant to instructions of the trust administrator. By adopting this policy, the Trust intends to remain neutral to business management of the Company in terms of exercise of voting rights pertaining to the Company's shares held in the Trust account.

9) Handling of dividends

Dividends pertaining to the Company's shares held in the Trust account will be received by the Trust, and used as funds for acquiring the Company's shares and for trust fees paid to the trustee of the Trust and other expenses related to the Trust. If the Trust is terminated, dividends, etc. remaining within the Trust will be paid to Directors, etc. who are in office at the time, prorated according to the number of points held by each Director, etc., pursuant to the provisions of the Executive Share Delivery Regulations.

10) Handling when the Trust is terminated

The Trust will be terminated in case of events such as delisting of the Company's shares or abolishment of the Executive Share Delivery Regulations.

Among remaining assets of the Trust at the time of termination of the Trust, all of the Company's shares (excluding shares to be delivered to executives in accordance with the above 7)) is planned to be acquired by the Company free of charge, then cancelled by a resolution of the Board of Directors. Among

remaining assets of the Trust at the time of termination of the Trust, remaining money after deducting the dividends, etc. to be paid to Directors, etc. in accordance with the above 9) will be paid to the Company.

[Reference] Skills Matrix

		Corporate management	Safety/Environment/Quality	Finance/Accounting	Technology	Sales	Legal affairs	Global	HR development		Board of Directors	Audit & Supervisory Committee Member	Nomination & Remuneration Advisory Committee Member	Management Council	ESG Committee Member
	Takeshi Hayakawa	○	○		○	○		○			◎		○	◎	◎
	Takeshi Nakao	○		○			○		○		○		○	○	○
	Katsuhisa Kimura		○		○	○		○	○		○			○	○
	Shiro Kuniya [Outside] [Independent]	○					○	○			○				
	Kanako Sekine [Outside] [Independent]	○		○			○	○			○				
	Masahiko Okamura [Outside] [Independent]	○				○		○			○	◎	◎		○
	Michi Handa [Outside] (Michi Sasano) [Independent]	○		○			○	○	○		○	○	○		
	Tetsuya Kimura			○			○				○	○		○	○
[New]	Satoshi Tamai [Outside] [Independent]			○			○				○	○	○		

- (Notes) 1. The above matrix is not an exhaustive summary of the knowledge and experience of each Director.
2. ◎ indicates the Chairperson of the Committee/Council.
3. At the meeting of the Board of Directors after the close of this General Meeting of Shareholders, an Outside Director is scheduled to be assigned to chair meetings.

Skill	Definition
Corporate management	Based on socioeconomic trends, establish management policies and strategies from a medium- to long-term perspective, make timely and appropriate decisions, and operate and promote the overall business of the Company.
Safety /Environment /Quality	Promote the elimination of accidents with specialized knowledge and sufficient experience to prevent occupational accidents and environmental accidents at construction sites. Understand societal demands for the global environment, such as decarbonization, and have the knowledge to lead them into business opportunities.
Finance/Accounting	Objectively analyze corporate management from a financial perspective, formulate financial policies, such as the review of required financing means based on the situation of capital investment, etc., and provide appropriate financial/accounting information to the outside of the Company.
Technology	Possess advanced specialized knowledge and sufficient experience in civil engineering and construction technologies, and utilize digital technology, etc. to promote each business and research and development.
Sales/Marketing	Formulate and promote sales strategy, utilizing extensive knowledge on the market trends of the civil engineering, construction, and overseas businesses.
Legal affairs/Risk management	Be well versed in corporate legal affairs, and be responsible for important decisions on risk control and the legal evaluation of management strategy. Prevent compliance violations with sound ethics.
Global	Possess a wealth of knowledge and experience in the global construction market, risk trends, and overseas business, and promote overseas business strategy.
HR development /Diversity	Possess the knowledge and experience to develop human resources that will enable business continuity of the Company toward the future. Possess the knowledge and experience to develop diverse human resources, such as women, foreigners, and people with disabilities.

Directors' Diversity

The Board of Directors makes decisions on important issues relating to corporate management policy and execution of relevant duties. Accordingly, the Company elects Directors from among persons of character who have specialized knowledge, experience, and skills in the fields such as technology, sales, legal affairs, finance, and human resource development, which are necessary to execute each business, taking into account diverse aspects including gender, internationality, career, and age. The Company believes that such diversity benefits companies by providing them with a wide range of perspectives and insights.

If the proposal No. 3 and proposal No. 4 are approved at this General Meeting of Shareholders and comes into effect, the composition of the Board of Directors will be five Independent Outside Directors out of nine (of which two are female Directors, accounting for 22.2% of the total) Directors. The Company will continue to strive to strengthen the functions of the Board of Directors and ensure its diversity.

Our policy concerning strategic shareholdings and the state of their reduction

Under a policy of reducing strategic shareholdings, of which continued holding is not justified, the Company annually examines such shareholdings by conducting a quantitative assessment, looking at whether the benefits and risks of each shareholding is commensurate with the capital cost, and a qualitative assessment, looking at whether the shareholding will help increase our medium-to long-term corporate value. Based on those assessments, the Company determines whether it should continue to own or sell strategic shareholdings.

In the Medium-term Management Plan (FY2023-2025), the Company has adopted a policy of reducing strategic shareholdings to not more than 10% of net assets during the period of the Management Plan.

As of the end of March 2025, the ratio of strategic shareholdings to net assets stood at 11.6%, and the ratio was 16.8% when strategic shareholdings include deemed holdings.

<State of holding (holding amount) as of the end of the past three fiscal years>

	133rd term As of March 31, 2023		134th term As of March 31, 2024		135th term As of March 31, 2025	
	Number of stocks	Total amounts on the balance sheet (Millions of yen)	Number of stocks	Total amounts on the balance sheet (Millions of yen)	Number of stocks	Total amounts on the balance sheet (Millions of yen)
Unlisted shares	40	1,477	40	1,477	38	1,461
Shares other than unlisted shares	32	8,178	32	11,431	33	11,013

<Results of reduction (sales amount) in strategic shareholdings in the past three years>

	133rd term FY2022		134th term FY2023		135th term FY2024	
	Number of stocks	Sales amounts (Millions of yen)	Number of stocks	Sales amounts (Millions of yen)	Number of stocks	Sales amounts (Millions of yen)
Unlisted shares	1	2	-	-	2	50
Shares other than unlisted shares	6	717	5	354	7	1,801