

This English translation is made for reference purposes only, and in the event of any discrepancies between the English version and the Japanese version, the Japanese version prevails.

Securities Code: 5988

June 4, 2024

Start date of measures for electronic provision: June 3, 2024

To Our Shareholders:

145, 6-chome, Hanasaki-cho,
Nishi-ku, Yokohama-shi,
Kanagawa

Piolax, Inc.

Yukihiko Shimazu, President

Notice of the 108th Annual Meeting of Shareholders

The Company would hereby like to inform you that the Company's 108th Annual Meeting of Shareholders will be held as described below.

We would like to convey our deepest sympathy to the victims of the Noto Peninsula earthquake, and sincerely hope for the earliest possible restoration.

The Company would hereby like to inform you that the Company's 108th Annual Meeting of Shareholders will be held as described below.

You may exercise your voting rights in writing or via electromagnetic means (the Internet, etc.). We kindly request that you read the following Reference Document for the Annual Meeting of Shareholders and exercise your voting rights by no later than the close of business at 5:30 p.m. on Monday, June 24, 2024.

In convening this Annual Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the shareholders' meeting, etc., in electronic format (items for which the measures for providing information in electronic format will be taken), and has posted the information on the Company's website on the Internet. Please access the website by using the Internet address shown below to review the information.

- Company's website (<https://www.piolax.co.jp/en/shareholder/meeting/>)

In addition to the Company's website, the items for which the measures for providing information in electronic format will be taken have been posted on the website of Tokyo Stock Exchange (TSE) at the Internet address shown below.

Tokyo Stock Exchange's website (Listed Company Search):
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please access the TSE website by using the internet address shown above, enter "Piolax" in "Issue name (company name)" or the Company's securities code "5988" in "Code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].")

Sincerely yours,

1. **Date:** 10 a.m. on Tuesday, June 25, 2024
(Reception start: 9 a.m.)
2. **Venue:** Hall A, TKP Garden City PREMIUM Yokohama Station Shin-Takashima (Reception at Hall B)
2nd Floor, Yokohama Grand Gate, 1-1 Minato Mirai 5-chome, Nishi-ku, Yokohama-shi, Kanagawa
3. **Purposes:**
 - Items to be reported:**
 1. The Business Report, the Consolidated Financial Statements and the Results of Consolidated Financial Statement Audits by the Accounting Auditor and the Audit and Supervisory Committee for the 108th business period (April 1, 2023 to March 31, 2024)
 2. The Non-Consolidated Financial Statements for the 108th business period (April 1, 2023 to March 31, 2024)
 - Items to be resolved:**
 - Agenda No. 1:** Appropriation of Retained Earnings
 - Agenda No. 2:** Election of Six (6) Directors (excluding Directors who are Audit and Supervisory Committee members)
 - Agenda No. 3:** Election of Three (3) Directors who are Audit and Supervisory Committee members
 - Agenda No. 4:** Election of One (1) Director who is a Substitute Audit and Supervisory Committee member
4. **Information on exercise of voting rights, etc.** Please see Information on Exercise of Voting Rights, etc. listed on Page 4.
 - When you attend the meeting, we kindly request that you submit the voting form to the receptionist at the venue.
 - If there are any revisions to the items for which the measures for providing information in electronic format will be taken, a notice to that effect as well as information before and after the revisions will be posted on the Company's website and TSE's website.
 - Among the items for which the measures for providing information in electronic format will be taken, the following are not included in documents delivered to shareholders in accordance with the provisions of laws and regulations and Article 19 of the Articles of Incorporation of the Company.
 - System for ensuring the appropriateness of business activities
 - Summary of the operational status of the system for ensuring the appropriateness of business activities
 - Basic approach to corporate governance
 - Consolidated Statements of Changes in Net Assets
 - Notes to Consolidated Financial Statements
 - Statements of Changes in Net Assets
 - Notes to Non-Consolidated Financial Statements

Accordingly, the information contained in paper-based documents to be delivered to shareholders represents part of the documents audited by the Audit and Supervisory Committee while preparing the audit report, and by the Accounting Auditor while preparing the accounting audit report.

Information on Exercise of Voting Rights, etc.

Voting rights at the Annual Meeting of Shareholders are valuable rights of our shareholders.

We kindly request you to read the following Reference Document for the Annual Meeting of Shareholders and exercise your voting rights.

You may exercise your voting rights by any of the following three methods.

If you exercise your voting rights in writing (by mail):

Please indicate “for” or “against” on each agenda item on the voting form and return it by mail.

Voting deadline: Must arrive by 5:30 p.m. on Monday, June 24, 2024

If you exercise your voting rights via the Internet, etc.:

Please enter “for” or “against” on each agenda according to the guidance on the following page.

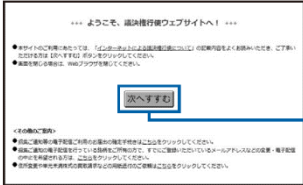
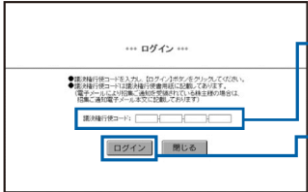
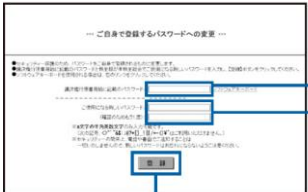
Voting deadline: Must complete entries by 5:30 p.m. on Monday, June 24, 2024

If you attend the Annual Meeting of Shareholders:

Please submit the voting form to the receptionist at the venue.

Date: 10 a.m. on Tuesday, June 25, 2024 (Reception start: 9 a.m.)

Information on Exercise of Voting Rights via the Internet, etc.

How to enter your voting rights exercise code and password	
Voting right exercise website: https://www.web54.net	
1. Please access the voting right exercise site.	 <p>Click “Continue to the next.”</p>
2. Please enter your voting rights exercise code listed on the voting form.	 <p>Enter your voting rights exercise code.</p> <p>Click “Login.”</p>
3. Please enter your password listed on the voting form.	 <p>Enter password.</p> <p>Set a new password that you will actually use.</p> <p>Click “Register.”</p>
4. Please enter “for” or “against” according to input guidance on the screen for the following.	
*Operation screen images are for illustration purposes only.	
When you have any questions on how to operate a computer or a smartphone to exercise voting rights via the Internet, please get in touch with the contact point listed on the right.	<p>Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Web Support 0120-652-031 (toll free, only in Japan) (Operating hours: 9:00 a.m. to 9:00 p.m.)</p>

Institutional investors can utilize the electronic voting platform operated by ICJ, Inc.

Reference Document for the Annual Meeting of Shareholders

Meeting Agenda and Referential Matters

Agenda No. 1: Appropriation of Retained Earnings

The Company follows the fundamental principle of returning profits upon taking into account capital efficiency while securing investment for growth that contributes to increasing the corporate value, because the Company regards appropriately returning profits to shareholders to be the most important management policy. The year-end dividend and other appropriations of retained earnings for the 108th business period are stated below.

1. Year-end dividend

- (1) Type in which dividends are paid

Cash payment

- (2) Allocation of dividends and total amount of dividends

The Company would like to disburse 59 yen per common share of the Company.

In this case, the total amount of dividends shall be 2,090,327,874 yen.

As a result, the dividends on an annual basis will be 128 yen per share including the interim dividends (69 yen per share inclusive of 10 yen of the 90th anniversary dividends).

- (3) Effective date on which dividends are disbursed from retained earnings

June 26, 2024

2. Other matter concerning retained earnings

To implement agile and stable return of profits responding to the upcoming changes in the business environment, the Company will reverse some of the general reserve to transfer to retained earnings brought forward.

- (1) Item and amount of retained earnings to be decreased

General reserve: 6,000,000,000 yen (6 billion yen)

- (2) Item and amount of retained earnings to be increased

Retained earnings brought forward: 6,000,000,000 yen (6 billion yen)

- (3) Effective date

June 25, 2024

Agenda No. 2: Election of Six (6) Directors (excluding Directors who are Audit and Supervisory Committee members)

The term of office of all seven (7) Directors (excluding Directors who are Audit and Supervisory Committee members; hereinafter the same applies in this agenda) will expire upon conclusion of this Annual Meeting of Shareholders. Accordingly, the Company hereby proposes the election of six (6) Directors.

In appointing candidates for Directors (excluding a Director who is an Audit and Supervisory Committee member), the voluntary Nomination and Remuneration Advisory Committee, which is chaired by an outside Director and the majority of whose members are Independent Outside Directors, deliberated and consulted on the matter.

With respect to this agenda, the Audit and Supervisory Committee considers that both candidates are appropriate as Directors of the Company.

The candidates for Directors are as follows.


Candidate No.	Name	Current position and responsibility, etc.	Attributes
1	Yukihiko Shimazu	President and Representative Director President Executive Officer Chairman of the Board of Directors CEO, Piolax (China) Co., Ltd.	Re-election
2	Satoshi Yamada	Executive Officer General Manager, Design Department General Manager, eProduct Development Department	Newly appointed
3	Masaaki Kaji	Director Senior Executive Officer Supervision of Administration Department, Quality Assurance Department, Information Technology Department and affiliated companies General Manager, Human Resources Department President, Piolax (China) Co., Ltd. President & CEO, Dongguan Piolax Co., Ltd. President & CEO, Wuhan Piolax Co., Ltd.	Re-election
4	Shigeru Masuda	Director Senior Executive Officer Supervision of Production and Logistics Department	Re-election
5	Hiroyuki Ochiai	Director President, Social Welfare Corporation <i>Toyota Hikari-no-sato</i>	Re-election External Independent
6	Makiko Akabane	Director Representative Director, CSR Asia Kabushiki-kaisha External Director, UACJ Corporation	Re-election External Independent


Re-election The candidate for Director to be re-elected

Newly appointed The candidate for Director

External The candidate for External Director


Independent Independent Director in conformity with the regulation of the Stock Exchange

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
1	 <p>Yukihiro Shimazu (September 10, 1957) <u>Re-election</u></p>	<p>March 1981 Joined Piolax, Inc. July 1999 General Manager, Overseas Sales Department, Piolax, Inc. August 2001 President, Piolax Corporation June 2005 Director, Piolax, Inc. June 2006 Director Executive Officer, Sales SBU General Manager, Overseas Sales Department, Piolax, Inc. April 2010 President and Representative Director, Piolax, Inc. June 2016 President and Representative Director, President Executive Officer, Piolax, Inc. (incumbent)</p> <p>(Responsibility) Chairman of the Board of Directors (Significant concurrent positions) CEO, Piolax (China) Co., Ltd.</p>	<p>63,523 (Of the above shares, the number of those to be issued under the share-based compensation system) 16,4223</p>	<p>18/18</p>	
<p>Reason for the Election of Director and Expected Role Mr. Yukihiro Shimazu has served as President and Representative Director of the Company since April 2010 up to the present and has expressed an excellent leadership for our domestic and overseas Company group under the slogan, "ONE PIOLAX," toward growth. He had acted as President of a subsidiary in the U.S. from August 2001 to May 2006, and currently has the concurrent position of CEO (Chairman) of a Chinese-based general subsidiary of the Company, thus having made contributions to transforming the Company as a global entity. The Company expects that Mr. Shimazu will continue to make use of his abundant experience, considerable insight and extensive networks gained over the years to contribute to decision-making of the Board of Directors, and bring benefits for business development on a global scale, as well as improvement in the corporate value of the Company. Accordingly, the Company proposes that he be a candidate for Director.</p>					


Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
2	 <p>Satoshi Yamada (December 29, 1964) <u>Newly appointed</u></p>	<p>March 1987 Joined Piolax, Inc. April 2010 General Manager in charge of Design and Development, Piolax Corporation January 2014 Group Leader, Development Group, Fasteners SBU April 2018 Director and President, Piolax Mexicana S.A. de C.V. June 2021 Executive Officer and General Manager, Design Department April 2022 Executive Officer and General Manager, Design Department, General Manager, eProduct Development Department (incumbent)</p> <p>(Responsibility) General Manager, Design Department, General Manager, eProduct Development Department</p>	<p>300 (Of the above shares, the number of those to be issued under the share-based compensation system) -</p>		
<p>Reason for the Election of Director and Expected Role Mr. Satoshi Yamada took office as General Manager of the Design Department of a subsidiary in the U.S. in April 2010, Group Leader, Development Group, Fasteners SBU in January 2014, and Director and President of the Company's subsidiary in Mexico in April 2018. Following that, he has been serving as Executive Officer and concurrently acting as General Manager of the Design Department since June 2021 up to now, and General Manager of the eProduct Development Department, which is responsible for the future growth of the Company, since 2022. Thus, he has numerous track records ranging from the management of overseas subsidiaries to the launch of a new product development department and has been contributing to the Company's expansion. The Company expects that Mr. Yamada will make use of his experience, insight and networks gained over the years to contribute to decision-making of the Board of Directors and become a new leader to drive the Company group's further growth and development with his abundant international experience and strong execution ability for new product development. Accordingly, the Company proposes that he be a candidate for Director.</p>					


Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
3	 Masaaki Kaji (March 1, 1963) <u>Re-election</u>	<p>April 1985 Joined Japan Development Bank (current Development Bank of Japan Inc.)</p> <p>April 2005 Chief Representative, New York Office, Development Bank of Japan Inc.</p> <p>June 2010 General Manager, Information Resources Department, Development Bank of Japan Inc.</p> <p>April 2014 Joined Piolax Inc.</p> <p>June 2014 Advisor General Manager, ERP Promotion Department, Piolax Inc.</p> <p>June 2016 Executive Officer General Manager, Human Resources Department General Manager, Global IT Department, Piolax, Inc.</p> <p>June 2019 Senior Executive Officer, Piolax, Inc. President, Shanghai Piolax Co., Ltd. President, Dongguan Piolax Co., Ltd. President, Wuhan Piolax Co., Ltd.</p> <p>December 2020 Senior Executive Officer, Piolax, Inc. CEO, Piolax (China) Co., Ltd. President, Dongguan Piolax Co., Ltd. President, Wuhan Piolax Co., Ltd. (incumbent)</p> <p>June 2022 Director, Senior Executive Officer, General Manager, Human Resources Department, Piolax, Inc. President, Piolax (China) Co., Ltd. President & CEO, Dongguan Piolax Co., Ltd. President & CEO, Wuhan Piolax Co., Ltd.</p> <p>June 2023 Director and Senior Executive Officer, Piolax, Inc. President, Piolax (China) Co., Ltd. President & CEO, Dongguan Piolax Co., Ltd. President & CEO, Wuhan Piolax Co., Ltd (incumbent)</p> <p>(Responsibility) Supervision of Administration Department, Quality Assurance Department, Information</p>	2,685 (Of the above shares, the number of those to be issued under the share-based compensation system) 885	18/18	

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
		Technology Department and affiliated companies (Significant concurrent positions) CEO, Piolax (China) Co., Ltd. President, Dongguan Piolax Co., Ltd. President, Wuhan Piolax Co., Ltd.			
<p>Reason for the Election of Director and Expected Role</p> <p>Mr. Masaaki Kaji took office as Executive Officer of the Company in June 2016 to assume the responsibility for the Human Resources and IT divisions. He took office in June 2019 as Senior Executive Officer in charge of China, which is the largest automobile market, and has been promoting sales since then. He has been a Director of the Company since June 2022, thereby contributing to the development of the Company group as the person in charge of the Administration Department, Information Technology Department, Quality Assurance Department, and affiliated companies. Prior to joining the Company, he worked in corporate credit and other divisions at Development Bank of Japan Inc., and also served as a management executive after having worked in the U.S., making him thoroughly familiar with corporate management, IT, and finance matters.</p> <p>The Company expects that Mr. Kaji would make use of his abundant experience, considerable insight and extensive networks gained over the years to contribute to decision-making of the Board of Directors, and continue to bring benefits for business development on a global scale, as well as improvement in the corporate value of the Company. Accordingly, the Company proposes that he be a candidate for Director.</p>					

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
4	 Shigeru Masuda (August 12, 1963) <u>Re-election</u>	March 1987 Joined Piolax, Inc. April 2004 General Manager, Production Engineering Department, Piolax, Inc. April 2006 Group Leader, Production Group, Fuel Parts SBU, Piolax, Inc. June 2010 Group Leader, Production Group, Fasteners SBU Manager, Moka Plant, Piolax, Inc. June 2011 Executive Officer Executive Officer, Open/Close Mechanism Parts SBU, Piolax, Inc. January 2014 Executive Officer Executive Officer, Open/Close Mechanism Parts SBU General Manager, Production Engineering Department, Piolax, Inc. June 2016 Senior Executive Officer Executive Officer, Open/Close Mechanism Parts SBU General Manager, Production Engineering Department, Piolax, Inc. June 2018 Senior Executive Officer Executive Officer, Fasteners SBU General Manager, Production Engineering Department, Piolax, Inc. August 2020 Director Senior Executive Officer Executive Officer, Fasteners SBU, Piolax, Inc. June 2022 Director Senior Executive Officer, Piolax, Inc. President, P.M.T. Inc. April 2024 Director and Senior Executive Officer, Piolax, Inc. (incumbent) (Responsibility) Supervision of Production and Logistics Division	23,734 (Of the above shares, the number of those to be issued under the share-based compensation system) 3,234	18/18	
<p>Reason for the Election of Director and Expected Role</p> <p>Mr. Shigeru Masuda served as Executive Officer in charge of Open/Close Mechanism Parts SBU from June 2011, has held the positions of Senior Executive Officer and Fasteners SBU Executive Officer, as well as General Manager of the Production Engineering Department, since June 2018, and has been a Director of the Company since August 2020. In this way, he has contributed to the development of the Company group as the person in charge of supervision of the Production and Distribution Division. He has also been serving as president of P.M.T. INC., a subsidiary specializing in metal-mold production since June, and working on improving the corporate characteristics of the subsidiaries of the Company.</p> <p>The Company expects that Mr. Masuda will continue to make use of his abundant experience, considerable insight and extensive networks gained over the years to contribute to decision-making of the Board of Directors, and bring</p>					

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
	benefits for business development on a global scale, as well as improvement in the corporate value of the Company. Accordingly, the Company proposes that he be a candidate for Director.				

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
5	 Hiroyuki Ochiai (October 24, 1956) <div style="border: 1px solid black; padding: 2px; display: inline-block;">Re-election</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">External</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div>	April 1979 Joined Toyota Motor Co., Ltd June 2008 Managing Officer, Toyota Motor Corporation July 2008 Executive Vice President, Toyota Motor Europe S.A./N.V. April 2012 General Manager, Kamigo Plant and Shimoyama Plant, Toyota Motor Corporation June 2013 Representative Director and President, FTS Co., Ltd. July 2013 Executive Director, Aichi Employers' Association (incumbent) March 2018 Board Member, The Chubu Association of Corporate Executives (incumbent) June 2022 External Director, Piolax, Inc. (incumbent) October 2022 President, Social Welfare Corporation Toyota Hikari-no-sato (incumbent) (Significant concurrent positions) President, Social Welfare Corporation <i>Toyota Hikari-no-sato</i>	-	18/18	
<p>Reason for the Election of External Director and Expected Role</p> <p>After taking office as Managing Officer of Toyota Motor Corporation in June 2008, Mr. Hiroyuki Ochiai served as EVP at Toyota Motor Europe S.A./N.V. and General Manager of Kamigo Plant and Shimoyama Plant, and took office as President of FTS Co., Ltd. in June 2013.</p> <p>He assumed public offices such as Executive Director of Aichi Employers' Association and Board Member of the Chubu Association of Corporate Executives and has assumed the office of president of Social Welfare Corporation <i>Toyota Hikari-no-sato</i> since June 2022, in addition to having worked in Europe as a management executive, to gain extensive experience in and knowledge on management beyond the automobile industry. He has also been serving as External Director of the Company (incumbent) since June 2022.</p> <p>The Company expects that Mr. Ochiai will make use of his abundant experience, considerable insight, and extensive networks gained over the years to contribute to decision-making at the Board of Directors and bring benefits for business development on a global scale, and improvement in the corporate value of the Company. He also satisfies the independence criteria as External Director of the Company. Accordingly, the Company proposes that he be a candidate for External Director.</p>					

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
6	 Makiko Akabane (November 21, 1969) Re-election External Independent	April 1993 Joined the Mitsubishi Bank, Ltd. (current MUFG Bank, Ltd.) January 2001 Environment Project Team, Public Relations, Starbucks Coffee Japan, Limited August 2003 General Manager, Social Contribution Department, Salesforce.com, Co., Ltd. November 2006 General Manager, CSR Office, Nikko Asset Management Co., Ltd. April 2010 Representative Director , CSR Asia Kabushiki-kaisha (incumbent) June 2022 External Director, Piolax Inc. (incumbent) June 2023 External Director, UACJ Corporation (incumbent) (Significant concurrent positions) Representative Director, CSR Asia Kabushiki-kaisha External Director, UACJ Corporation	-	18/18	
<p>Reason for the Election of External Director and Expected Role</p> <p>Ms. Makiko Akabane served as the manager of the Environment Project Team, Public Relations, of Starbucks Coffee Japan, Limited since January 2001, General Manager of the Social Contribution Department, Salesforce.com, Co., Ltd. since 2003, and General Manager of the CSR Office, Nikko Asset Management Co., Ltd. since November 2006, and has been acting as Representative Director, CSR Asia Kabushiki-kaisha (incumbent) since April 2010 and External Director, UACJ Corporation (incumbent) since June 2023. She gives lectures at the Ministry of Environment, World Bank, universities and others as an expert on sustainability, and provides third-party opinions and guidance on CSR reports issued by companies to lead sustainability and CSR initiatives in the Japanese business circle. She has also been serving as External Director of the Company (incumbent) since June 2022.</p> <p>The Company expects that Ms. Akabane will make use of her abundant experience, considerable insight, and extensive networks gained over the years to contribute to decision-making at the Board of Directors and bring benefits for improvement in non-financial value for promoting ESG management at the Company. She also satisfies the independence criteria as External Director of the Company. Accordingly, the Company proposes that she be a candidate for External Director.</p>					

Notes:

- Resolutions in writing are not included in attendance at the Board of Directors meetings for each candidate.
- There are no special conflicts of interests between the candidates and the Company.
- Mr. Hiroyuki Ochiai and Ms. Makiko Akabane are the candidates for External Directors.
- Mr. Hiroyuki Ochiai and Ms. Makiko Akabane currently serve as External Director of the Company, and their tenure as External Director will have been two years upon the closure of the Annual Meeting of Shareholders.
- The Company has entered into a contract with Mr. Hiroyuki Ochiai and Ms. Makiko Akabane to limit the liability for damages prescribed in Article 423, Paragraph 1 of the Companies Act in accordance with the provision of Article 427, Paragraph 1 thereof. The limited amount of liability under such contracts is the amount stipulated in laws and regulations. Provided that their re-election is approved, the Company plans to continue the said contracts.
- The Company has entered into directors and officers liability insurance with an insurance company based on the provisions of Article 430-3, paragraph 1 of the Companies Act to cover damage that the insured, including Directors of the Company and eligible subsidiaries, may be liable for. (However, excluding cases that were caused by intention and grave negligence.) The Company is responsible for paying the

premium in full, and the insured are effectively not subject to payment. Provided that each candidate is elected and takes office, they will become insured. The Company plans to renew the insurance with the same terms and conditions before it expires.

7. Mr. Hiroyuki Ochiai and Ms. Makiko Akabane satisfy the requirements for independent directors as per the regulations of Tokyo Stock Exchange, Inc. The Company plans to continue to designate them as Independent Directors provided that they are elected as Directors.

Agenda No. 3: Election of Three (3) Directors who are Audit and Supervisory Committee members

The term of office of all three (3) Directors who are Audit and Supervisory Committee members will expire upon conclusion of this Annual Meeting of Shareholders. Accordingly, the Company hereby proposes the election of three (3) Directors who are Audit and Supervisory Committee members.

In appointing candidates for Directors who are Audit and Supervisory Committee members, the voluntary Nomination and Remuneration Advisory Committee, which is chaired by an outside Director and the majority of whose members are Independent Outside Directors, deliberated and consulted on the matter.

With respect to this agenda, consent by the Audit and Supervisory Committee has been obtained.

The candidates for Directors who are Audit and Supervisory Committee members are as follows.


Candidate No.	Name	Current position and responsibility, etc.	Attributes
1	Genichi Ishikawa	Director Chairman of Audit and Supervisory Committee External Auditor, Saga Tekkohsho Co., Ltd.	Re-election
2	Sakae Komiyama	Director Employee, Imanishi Tax and Accounting Corporation Member of the Board of Governors and the Audit Committee, Government Pension Investment Fund Outside corporate auditor, NARUMIYA INTERNATIONAL Co., Ltd. Auditor, Medical Science Lab	Re-election External Independent
3	Tetsu Hirowatari	Representative, Hirowatari Law Firm External Auditor, Kuribayashi Steamship Co., Ltd.	Newly appointed External Independent


Re-election The candidate for Director to be re-elected


Newly appointed The candidate for Director

External The candidate for External Director

Independent Independent Director in conformity with the regulation of the Stock Exchange

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
1	 Genichi Ishikawa (April 18, 1963) <u>Re-election</u>	April 1987 Joined The Industrial Bank of Japan, Limited (current Mizuho Bank, Ltd.) November 2008 Deputy Director, Overseas Sales Promotion Department, Mizuho Corporate Bank, Ltd. April 2010 Director, Industry Research Department, Mizuho Corporate Bank, Ltd. April 2012 General Manager, Kansai Financial Institution Department, Mizuho Corporate Bank, Ltd. May 2014 Joined Piolax, Inc. December 2014 Executive Officer, Piolax, Inc., President, Piolax Corporation June 2018 Managing Director, PIOLAX MEDICAL DEVICES, INC. June 2019 Executive Officer, General Manager, Human Resources Department and General Manager, Global Business Administration Department, Piolax, Inc. June 2022 Director of Piolax, Inc. (Full-time Audit and Supervisory Committee member), External Auditor, Saga Tekkohsho Co., Ltd. (incumbent) (Responsibility) Chairman of Audit and Supervisory Committee (Significant concurrent positions) External Auditor, Saga Tekkohsho Co., Ltd.	1,100	18/18	12/12
<p>Reason for the Election of Director and Expected Role</p> <p>Mr. Genichi Ishikawa took office as Executive Officer of the Company in December 2014, and served as President of a subsidiary in the U.S., an important base. He further served as Managing Director of a subsidiary in the medical devices business from June 2018 and has been acting as Executive Officer, General Manager of the Human Resources Department, and General Manager of the Global Business Administration Department since June 2019. He has been serving as a Director who is an Audit and Supervisory Committee member (incumbent, full-time) of the Company since June 2022. He conducts audits on the business execution of the Company, and provides appropriate advice and suggestions on the occasions of important management decisions. Prior to joining the Company, he worked in the corporate credit division and others at Mizuho Corporate Bank, Ltd. He also served as a management executive, after having worked in the U.S. He is thoroughly familiar with corporate management, international affairs, and finance matters.</p> <p>The Company expects that Mr. Ishikawa will continue to make use of his experience and insight that he accumulated over the years to conduct audits on and provide oversight on the business execution of the Company from an objective standpoint. Accordingly, the Company proposes that he be a candidate for Director who is an Audit and Supervisory Committee member.</p>					

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
2	 <p>Sakae Komiyama (October 3, 1965)</p> <p>Re-election External Independent</p>	<p>October 1988 Joined Eiwa Audit Corporation (current KPMG AZSA LLC)</p> <p>October 1992 Joined Tomy Co., Ltd. (current Tomy Company, Ltd.)</p> <p>March 2000 Joined Ota Showa Audit Corporation (current Ernst & Young ShinNihon LLC)</p> <p>April 2014 Joined Imanishi Tax and Accounting Corporation (incumbent)</p> <p>July 2015 Auditor, Government Pension Investment Fund</p> <p>October 2017 Governor and Auditor, Government Pension Investment Fund (incumbent)</p> <p>August 2020 External Director (Audit and Supervisory Committee member), Piolax, Inc. (incumbent)</p> <p>June 2022 Outside corporate auditor, NARUMIYA INTERNATIONAL Co., Ltd. (incumbent)</p> <p>October 2022 Auditor, Medical Science Lab (incumbent)</p> <p>(Significant concurrent positions) Employee, Imanishi Tax and Accounting Corporation Governor and Auditor, Government Pension Investment Fund Outside corporate auditor, NARUMIYA INTERNATIONAL Co., Ltd. Auditor, Medical Science Lab</p>	-	18/18	12/12
<p>Reason for the Election of External Director and Expected Role</p> <p>Ms. Sakae Komiyama has been serving as an External Director who is an Audit and Supervisory Committee member of the Company since August 2020, to conduct audits on the business execution of the Company and provide appropriate advice and suggestions on the occasions of important management decisions.</p> <p>Ms. Komiyama has never been directly involved in corporate management. However, the Company expects that Ms. Komiyama will continue to make use of her insight and experience gained over the years in areas related to accounting and tax as a certified public accountant to conduct audits on and provide oversight on the business execution of the Company from an objective standpoint. Accordingly, the Company proposes that she be a candidate for External Director who is an Audit and Supervisory Committee member.</p> <p>Ms. Sakae Komiyama worked at the predecessor (EY Ota Showa Audit Corporation) of Ernst & Young ShinNihon LLC, the Accounting Auditor of the Company, in the past. However, she was not in charge of the Company while in office, and a reasonable number of years have passed since she resigned from EY Ota Showa Audit Corporation in 2014. Accordingly, she is judged to be independent in light of the Company's independence criteria.</p>					

Candidate No.	Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
3	 <p>Tetsu Hirowatari (November 28, 1958)</p> <p>Newly appointed External Independent</p>	<p>April 1992 Registered as attorney at law at the Dai-ichi Tokyo Bar Association Joined Takashi Ueno Law Office</p> <p>April 1999 Representative, Hirowatari Law Office (incumbent)</p> <p>June 2000 External Auditor, Shibaura Electronics Co., Ltd.</p> <p>June 2006 External Auditor, Kuribayashi Steamship Co., Ltd. (incumbent)</p> <p>(Significant concurrent positions) Representative, Hirowatari Law Office External Auditor, Kuribayashi Steamship Co., Ltd.</p>	-		
<p>Reason for the Election of External Director and Expected Role</p> <p>After having joined Takashi Ueno Law Office at the same time as being registered as an attorney at law at the Dai-ichi Tokyo Bar Association in April 1992, Mr. Tetsu Hirowatari opened Hirowatari Law Office in April 1999. In addition, he was appointed as External Auditor of Shibaura Electronics Co., Ltd. in June 2000 and has been serving as External Auditor of Kuribayashi Steamship Co., Ltd. since June 2006 and to the present. From June 2022 to the present, he has been serving as an observer at the Nomination and Remuneration Advisory Committee as a Director who is a Substitute Audit and Supervisory Committee member of the Company.</p> <p>Mr. Hirowatari has never been directly involved in corporate management. However, the Company expects that he will make use of his insight and experience gained over the years in areas related to law as an attorney to conduct audits on and provide oversight on the business execution of the Company from an objective standpoint. Accordingly, at this timing of the re-election of Directors who are Audit and Supervisory Committee members, the Company proposes that he be a candidate for External Director who is an Audit and Supervisory Committee member.</p>					

Notes:

- There are no special conflicts of interests between the candidates and the Company.
- Ms. Sakae Komiya and Mr. Tetsu Hirowatari are candidates for External Directors.
- Ms. Sakae Komiya currently serves as a Director who is an Audit and Supervisory Committee member of the Company, and she will have held office for three (3) years and 10 months at the closing of this Annual Meeting of Shareholders.
- The Company has entered into a contract with Ms. Sakae Komiya to limit the liability for damages prescribed in Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 thereof. The limited amount of liability under such contract is the amount stipulated in laws and regulations. Provided that the candidate is approved at the re-election of Director, the Company plans to continue such contract. If the election of Mr. Tetsu Hirowatari is approved, the Company plans to enter into a contract with him to limit the liability for damages with similar provisions.
- The Company has entered into directors and officers liability insurance with an insurance company based on the provisions of Article 430-3, paragraph 1 of the Companies Act to cover damage that the insured, including Directors of the Company and eligible subsidiaries, may be liable for. (However, excluding cases that were caused by intention and grave negligence.) The Company is responsible for paying the premium in full, and the insured are effectively not subject to payment. Provided that each candidate is elected and takes office, they will become insured. The Company plans to renew the insurance with the same terms and conditions before it expires.
- The Company designated Ms. Sakae Komiya as Independent Director in conformity with the regulations of Tokyo Stock Exchange, Inc. and submit a notification to the said exchange. Provided that she is approved at the re-election of Director, she will continue to be an Independent Director. Furthermore, Mr. Tetsu Hirowatari meets the requirements for an Independent Director in conformity with the regulations of Tokyo Stock Exchange, Inc. and provided that he is approved at the election of Director, the company will designate him as an Independent Director.


Agenda No. 4: Election of One (1) Director who is a Substitute Audit and Supervisory Committee member

In order to prepare for a vacancy arising in the legally required number of Directors who are Audit and Supervisory Committee members, the Company proposes the election of one (1) substitute Audit and Supervisory Committee member.

In appointing a candidate for Director who is a Substitute Audit and Supervisory Committee member, the voluntary Nomination and Remuneration Advisory Committee, which is chaired by an outside Director and the majority of whose members are Independent Outside Directors, deliberated and consulted on the matter.

With respect to this agenda, consent by the Audit and Supervisory Committee has been obtained.

The candidate for Director who is a Substitute Audit and Supervisory Committee member is as follows.

Name (Date of birth)	Brief profile, position and responsibility at the Company (Significant concurrent positions)	Number of the Company's shares owned	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee
 Naho Isomura (January 8, 1986) <u>External</u>	December 2008 Joined KPMG AZSA & Co. (current KPMG AZSA LLC) December 2012 Registered as a certified public accountant December 2017 Full-time Audit & Supervisory Board Member, CyberBuzz, Inc. April 2020 Representative, WEsplor LLC (incumbent) December 2022 External Director (Audit and Supervisory Committee member), CyberBuzz, Inc. (incumbent) March 2023 External Statutory Auditor, adish Co., Ltd. (incumbent) (Significant concurrent positions) Representative, WEsplor LLC External Director (Audit and Supervisory Committee member), CyberBuzz, Inc. External Statutory Auditor, adish Co., Ltd	-		

Reason for the Election of Substitute External Director and Expected Role
 After having joined KPMG AZSA & Co. (current KPMG AZSA LLC) in December 2008 and being registered as a certified public accountant in December 2012, Ms. Naho Isomura was appointed as a full-time Audit and Supervisory Committee member of CyberBuzz, Inc. in December 2017, and has been serving External Director (Audit and Supervisory Committee member) of CyberBuzz, Inc. since 2022, Representative of WEsplor LLC since April 2020 and External Statutory Auditor of adish Co., Ltd. since March, 2023 to the present, gaining extensive experience and expertise in corporate management. The Company expects that Ms. Naho Isomura will make use of her insight and experience gained over the years in areas related to accounting and tax as a certified public accountant to conduct audits on and provide oversight on the business execution of the Company from an objective standpoint. Accordingly, at this timing of the re-election of Directors who are Audit and Supervisory Committee members, the Company proposes that she be a candidate for External Director who is a substitute Audit and Supervisory Committee member.

Notes:

1. There are no special conflicts of interests between the candidates and the Company.
2. Ms. Naho Isomura is a candidate for substitute External Director.
3. If Ms. Naho Isomura assumes office as an External Director who is an Audit and Supervisory Committee

member, the Company plans to enter into a contract with her to limit the liability for damages prescribed in Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 thereof. The limited amount of liability under such contract is the amount stipulated in laws and regulations.

4. Ms. Naho Isomura satisfies the requirements for Independent Director as per the regulations of Tokyo Stock Exchange, Inc. The Company plans to designate her as an Independent Director and submit a notification to the said exchange if she assumes office as a Director who is an Audit and Supervisory Committee member.
5. The Company has entered into directors and officers liability insurance with an insurance company based on the provisions of Article 430-3, paragraph 1 of the Companies Act to cover damage that the insured, including Directors who are Audit and Supervisory Committee members of the Company, may be liable for. (However, excluding cases that were caused by intention and grave negligence.) The Company is responsible for paying the premium in full, and the insured are effectively not subject to payment. Provided that Ms. Naho Isomura is elected and takes office as a Director who is an Audit and Supervisory Committee member, she will become insured. The Company plans to renew the insurance with the same terms and conditions before it expires.

[Reference]

Basic policy for election of candidates for Director

The Company, following the slogan of “Pioneer in Creating Elasticity”, aspires to be a development/creation-oriented enterprise that makes great use of the “elasticity” of raw materials as the core technology in the automotive, medical, life-related, and other industries. Having already expanded into the global market centering on the U.S. and Asia, the Company sets an eye on the new movements of the automotive industry represented by “CASE,” and is determined to aggressively deepen and expand its business domain and aims at the sustainable growth and the medium to long-term enhancement of corporate value through incorporating “ESG” into its corporate management. Based on this basic policy, the Company has set forth the election criteria for candidates for Director.

Procedure for election of candidates for Director

In appointing candidates for Director, the Nomination and Remuneration Advisory Committee will make a proposal to the Board of Directors, and the Board of Directors will deliberate, decide on the proposal of the Nomination and Remuneration Advisory Committee, and submit an agenda item for election of Directors to a general meeting of shareholders.

Independence criteria for External Director

The Company has formulated the “independence criteria for External Director” and will select Independent Directors who do not fall under any of the following items to lack independence.

- (1) Any person who currently belongs or at any point in the past has belonged to the Company, subsidiaries, and affiliates as one who executes business
- (2) Any person who currently belongs to an organization, such as a corporation of which the Company is a main shareholder, as one who executes business
- (3) Any person who currently belongs to an organization, such as a corporation of which the Company is a main shareholder or one that is a main shareholder of the Company, as one who executes business
- (4) Any person who currently is a main business partner of the Company or to whom the Company is a main business partner (in the case of an organization, such as corporations, any person who currently belongs to that organization and executes business)
- (5) Any person who currently is a main lender or an important creditor to the Company (in the case of an organization, such as corporations, any person who currently belongs to that organization and executes business)
- (6) Any person who currently is the accounting auditor of the Company or a certified public accountant who is the accounting advisor to the Company or currently belongs to the accounting firm of the Company
- (7) Any person who currently receives a large amount of compensation through providing legal, financial, tax and other professional services or consulting to the Company (in the case of an organization, such as corporations, any person who currently belongs to that organization)
- (8) Any person who currently receives a large amount of donations from the Company (in the case of an organization, such as corporations, any person who currently belongs to that organization)
- (9) Any person who has been External Director whose number of years in office exceeds the period stipulated by the Company
- (10) Any person who falls under any of (2) to (8) above in the past five years
- (11) Any person who has a special reason that may be judged as likely to cause a conflict of interest with general shareholders, notwithstanding the provisions of the preceding paragraphs

Notes:

- 1: Main shareholder: A shareholder who has 10% or more of the total voting rights
- 2: Main business partner: A business partner whose transactions with the Company total a monetary amount exceeding 2% or more of the consolidated net sales of the Company
- 3: Main lender (other large creditor): A lender whose lending exceeds 2% or more of the total consolidated assets of the Company (large creditor)
- 4: Large amount of compensation: A monetary amount exceeding an annual 10 million yen in average in the past three fiscal years
- 5: Large amount of donations: A monetary amount exceeding an annual 10 million yen in the past fiscal year
- 6: Number of years in office: The tenure for External Director who is not an Audit and Supervisory Committee member and who is an Audit and Supervisory Committee member is six years and 12 years, respectively

[Reference] The structure of the Board of Directors if Agenda No. 2 and 3 are approved

If Agenda No. 2 and 3 are approved as they are proposed, the structure of the Board of Directors at the close of the Annual General Meeting of Shareholders will be as below:

	Name	Independence	Gender	Tenure as Director	Position at the Company (Planned)
Re-election	Yukihiko Shimazu		Male	19 years	President and Representative Director
Newly appointed	Satoshi Yamada		Male	-	President and Representative Director
Re-election	Masaaki Kaji		Male	2 years	Managing Director
Re-election	Shigeru Masuda		Male	3 years and 10 months	Director
Re-election	Hiroyuki Ochiai	Independent Director	Male	2 years	External Director
Re-election	Makiko Akabane	Independent Director	Female	2 years	External Director
Re-election	Genichi Ishikawa		Male	2 years	Director Full-time Audit and Supervisory Committee member
Re-election	Sakae Komiyama	Independent Director	Female	3 years and 10 months	External Director Audit and Supervisory Committee member
Newly appointed	Tetsu Hirowatari	Independent Director	Male	-	External Director Audit and Supervisory Committee member

- *1. The tenure of each Director is described as the total number of years in office regardless of their titles.
2. Ms. Sakae Komiyama worked at the predecessor (EY Ota Showa Audit Corporation) of Ernst & Young ShinNihon LLC, the Accounting Auditor of the Company, in the past. However, she was not in charge of the Company while in office, and a reasonable number of years have passed since she resigned from EY Ota Showa Audit Corporation in 2014. Accordingly, she is judged to be independent in light of the Company's independence criteria.

[Reference] Skill matrix of the Board of Directors if Agenda No. 2 and 3 are approved

If Agenda No. 2 and 3 are approved as they are proposed, the skill matrix of the Board of Directors at the close of the Annual General Meeting of Shareholders will be as below:

Position at the Company (Planned)	Name	Corporate management	Sales/marketing	Technology/development	Manufacturing/quality	Finance/accounting	Legal/risk management	Global business	ESG/sustainability	DX/IT	Innovation/new business
President and Representative Director	Yukihiko Shimazu	●	●					●	●		●
President and Representative Director	Satoshi Yamada	●		●				●		●	●
Managing Director	Masaaki Kaji	●				●		●		●	
Director	Shigeru Masuda			●	●					●	
External Director	Hiroyuki Ochiai	●			●			●	●		
External Director	Makiko Akabane	●							●		
Director Full-time Audit and Supervisory Committee member	Genichi Ishikawa	●				●		●			
External Director Audit and Supervisory Committee member	Sakae Komiyama					●					
External Director Audit and Supervisory Committee member	Tetsu Hirowatari						●				