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(Stock Exchange Code 5352)
June 6, 2022

To Shareholders with Voting Rights:

Kazuhiro Egawa
Representative Director,
President
KROSAKI HARIMA
CORPORATION
1-1, Higashihama-machi,
Yahatanishi-ku, Kitakyushu City

**NOTICE OF THE 131ST ANNUAL GENERAL MEETING OF
SHAREHOLDERS**

We are pleased to inform you that the 131st Annual General Meeting of Shareholders (the “Meeting”) of KROSAKI HARIMA CORPORATION (the “Company,” together with its subsidiaries, the “Group”) will be held for the purposes described below.

To prevent the spread of the COVID-19 infection, we ask you to exercise your voting rights in advance, if possible, in writing or by electromagnetic means such as the Internet for this Meeting.

Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights so that it is received by 5:00 p.m. Japan time, Tuesday, June 28, 2022.

1. **Date and time:** Wednesday, June 29, 2022 at 10:00 a.m. Japan time
(Reception starts at 9:00 a.m.)
2. **Venue:** Royal Hall (2nd floor), Active Resorts Fukuoka Yahata
1-1-1, Edamitsu, Yahatahigashi-ku, Kitakyushu City

To prevent the spread of the COVID-19 infection, we will space the seats further apart. Therefore, there will only be around half the number of seats available compared to the average year. We appreciate your understanding in advance.

Depending on the situation of the spread of the infection, we may have to change the date and time or venue. In that case, we will announce it by posting it on the Company’s website (<https://www.krosaki.co.jp/>) (in Japanese).

If you intend to attend the Meeting in person, please check the Company’s website beforehand.

3. **Purpose of the Meeting**
Matters to be reported
 1. Business report and consolidated financial statements for the 131st fiscal year (April 1, 2021 to March 31, 2022) and results of audits of consolidated financial statements by the Accounting Auditor and the Audit & Supervisory Board
 2. Non-consolidated financial results for the 131st fiscal year (April 1, 2021 to March 31, 2022)

Matters to be resolved

Proposal 1:	Dividend of Surplus
Proposal 2:	Partial Amendments to the Articles of Incorporation
Proposal 3:	Election of 9 Directors
Proposal 4:	Election of 2 Audit & Supervisory Board Members
Proposal 5:	Election of 3 Substitute Audit & Supervisory Board Members

4. Decisions made in convocation

- (1) If you do not indicate your approval or disapproval of each proposal, we will treat it as an approval.
- (2) Voting rights exercised multiple times

If you exercise your voting rights both in writing and via the Internet, etc., the exercise via the Internet, etc. will be treated as the valid one. If you exercise your voting rights multiple times via the Internet, etc. or both on a PC and a smartphone, your last exercise will be treated as the valid one.

5. Other matters regarding this Notice

Of the documents to be provided with this Notice, “Structure and Policy of the Company” of the business report, notes to the consolidated financial statements, and notes to the non-consolidated financial statements are posted on the Company’s website (<https://www.krosaki.co.jp/>) (in Japanese) pursuant to provisions of laws and regulations and Article 15 of the current Articles of Incorporation of the Company, and therefore are not presented in the attachments to this Notice.

The attachments to this Notice and the aforementioned documents posted on the Company’s website are documents that the Accounting Auditor audited in preparing the Accounting Auditor Report and the Audit & Supervisory Board Members audited in preparing the Audit Report.

Any revisions to the Reference Documents for General Meeting of Shareholders, the business report, non-consolidated financial statements, and consolidated financial statements will be posted on the Company’s website (<https://www.krosaki.co.jp/>) (in Japanese).

[Requests to shareholders]

- The above arrangements are subject to change depending on factors such as the status of the spread of the infection and the announcements made by the government and other bodies up to the day of the Meeting. Please check updates provided on the Company’s website (<https://www.krosaki.co.jp/>) (in Japanese).
- As exercise of voting rights in writing poses an infection risk in the process of returning it and tallying work, please exercise your voting rights via the Internet, etc., if possible, when you exercise your voting rights in advance.
- Face masks and disinfectant will be available at the reception of the venue. We may take your temperature. We appreciate your understanding in advance.
- You may not be allowed to enter the venue if you have a fever, if you seem unwell, or if it has been less than seven days since you came back to Japan from abroad. Please tell the receptionist if it has been less than seven days since you came back to Japan from abroad.
- Officers attending the Meeting may give you a briefing with a face mask on.

Reference Documents for General Meeting of Shareholders

Proposal and Reference

Proposal 1 Dividend of Surplus

The Company proposes to pay a year-end dividend of surplus as follows:

The Company has a policy of paying dividends of surplus to distribute profit commensurate with the business performance for each fiscal year, in principle, taking into account factors such as future business development, financial standing and the business environment.

The Company proposes to pay a year-end dividend for the fiscal year under review as follows:

- (1) Allotment of dividend property to shareholders and its total amount
Cash in an amount of 100 yen per share of the Company's common stock at a total of 842,168,300 yen
- (2) Effective date of the dividend of surplus
June 30, 2022

If this proposal is approved and resolved as originally proposed, the annual dividend for the fiscal year under review including the interim dividend will be 200 yen per share.

1. Reasons for amendments

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for the general meeting of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- (1) Proposed Article 15, Paragraph 1 provides that information contained in the Reference Documents for General Meeting of Shareholders, etc. shall be provided electronically.
- (2) The purpose of proposed Article 15, Paragraph 2 is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the Internet disclosure and deemed provision of the Reference Documents for General Meeting of Shareholders, etc. (Article 15 of the current Articles of Incorporation) will become unnecessary and will therefore be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date, etc. shall be established.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for General Meeting of Shareholders, Etc.)</u></p> <p><u>Article 15 The Company may, when convening a General Meeting of Shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the Reference Documents for General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements, by disclosing such information through the internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u></p> <p>(Newly established)</p>	<p>(Deleted)</p> <p><u>(Measures for Electronic Provision, Etc.)</u></p> <p><u>Article 15 The Company shall, when convening a General Meeting of Shareholders, provide information contained in the Reference Documents for General Meeting of Shareholders, etc. electronically.</u></p> <p><u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p>
<p>(Newly established)</p>	<p><u>(Supplementary provisions)</u></p> <p><u>(Transitional Measures Concerning Electronic Provision, etc. of Reference Documents for General Meeting of Shareholders)</u></p>

1. The deletion of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for General Meeting of Shareholders, Etc.) of the current Articles of Incorporation and the establishment of proposed Article 15 (Measures for Electronic Provision, Etc.) shall come into effect on September 1, 2022, the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019).
2. Notwithstanding the provisions of the preceding paragraph, Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for General Meeting of Shareholders, Etc.) of the current Articles of Incorporation shall remain in force with respect to a General Meeting of Shareholders to be held on a date within six (6) months from the date of enforcement.
3. These supplementary provisions shall be deleted after the lapse of six months from the date of enforcement or the lapse of three months from the date of the General Meeting of Shareholders set forth in the preceding paragraph, whichever is later.

Proposal 3 Election of 9 Directors

The terms of office of all Directors (9 in all) will expire at the conclusion of this Meeting. The Company proposes the election of 9 Directors.

If this proposal is approved and resolved as originally proposed, 3 of the 9 Directors will be Independent Directors as stipulated by Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange. Consequently, one third of our Directors will be Independent Directors.

The candidates for Directors are as follows:

[Reference] Structure of Directors*

Candidate No.	Name	New/ Reappointment	Positions and responsibilities
1	Kazuhiro Egawa	Reappointment	Representative Director, President
2	Masakazu Soejima	Reappointment	Director, Executive Managing Corporate Officer In charge of promotion of sustainability and carbon neutrality Management concerning Furnace Unit, Headquarters (Purchasing, Accounting & Finance)
3	Takeshi Yoshida	Reappointment	Director, Managing Corporate Officer Management concerning Ceramics Unit, Headquarters (General Administration, Human Resources, Risk Management, Corporate Planning) General Manager, Corporate Planning Department
4	Junpei Konishi	Reappointment	Director, Managing Corporate Officer Management concerning Refractories Manufacturing Unit; Coke Oven business in general; human & plant safety, health, environment and accident prevention; Research & Development Unit, Headquarters (Technical Management, Quality Assurance)
5	Masafumi Takeshita	New	Director, Managing Corporate Officer Management concerning Refractories Domestic Sales Unit, Headquarters (Digital Innovation) Cooperating with Managing Corporate Officer Mr. Yoshida concerning Headquarters (General Administration, Human Resources)
6	Hisatake Okumura	New	Director, Managing Corporate Officer Management concerning Refractories Overseas Sales Unit General Manager, Overseas Business Division
7	Matsuji Nishimura	Reappointment	Director Outside Director Independent Director
8	Yukinori Michinaga	Reappointment	Director Outside Director Independent Director
9	Masako Narita	New	Director Outside Director Independent Director

*The structure if this proposal is approved and resolved as originally proposed (plan)

■ **Career summary, positions and responsibilities, and significant concurrent positions**

April 1981 Joined Nippon Steel Corporation
June 2019 Representative Director, President, the Company (to present)

■ **Reasons for nomination as a candidate for Director**

Mr. Kazuhiro Egawa has many years of experience in the overseas business of Nippon Steel Corporation, and has been involved in management as Director, the Company since June 2019. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the steel industry, which is the major customer market of the Group, the business of the Group, and corporate management.



■ **Number of shares of the Company held**

6,900 shares

■ **Years served as Director**

3 years (at the conclusion of this Meeting)

■ **Attendance at Board of Directors**

13 / 13 times (100%)

■ Career summary, positions and responsibilities, and significant concurrent positions

April 1983 Joined the Company
April 2022 Director, Executive Managing Corporate Officer
In charge of promotion of sustainability and carbon
neutrality
Management concerning Furnace Unit, Headquarters
(Purchasing, Accounting & Finance) (to present)

■ Reasons for nomination as a candidate for Director

Mr. Masakazu Soejima has many years of experience in the sales and corporate planning divisions of the Company, and has been involved in management as Director, the Company since June 2017. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the business of the Group and corporate management.

**■ Number of shares of the Company held**

2,300 shares

■ Years served as Director

5 years (at the conclusion of this Meeting)

■ Attendance at Board of Directors

13 / 13 times (100%)

■ **Career summary, positions and responsibilities, and significant concurrent positions**

April 1985 Joined Nippon Steel Corporation
April 2022 Managing Corporate Officer, the Company
Management concerning Ceramics Unit, Headquarters
(General Administration, Human Resources, Risk
Management, and Corporate Planning)
General Manager, Corporate Planning Department (to
present)

■ **Reasons for nomination as a candidate for Director**

Mr. Takeshi Yoshida has many years of experience in the purchasing division of Nippon Steel Corporation and the corporate planning division of the Company. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the steel industry, which is the major customer market of the Group, and the business of the Group.



■ **Number of shares of the Company held**

400 shares

■ **Years served as Director**

1 year (at the conclusion of this Meeting)

■ **Attendance at Board of Directors**

10 / 10 times (100%) (after assuming office on June 29, 2021)

■ Career summary, positions and responsibilities, and significant concurrent positions

April 1988 Joined Nippon Steel Corporation
April 2022 Director, Managing Corporate Officer, the Company
Management concerning Refractories Manufacturing Unit;
Coke Oven business in general; human & plant safety,
health, environment and accident prevention; Research &
Development Unit, Headquarters (Technical Management,
Quality Assurance) (to present)

■ Reasons for nomination as a candidate for Director

Mr. Junpei Konishi has many years of experience in the technical division of Nippon Steel Corporation, and served as a Director, the Company from June 2015 to June 2020. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the steel industry, which is the major customer market of the Group, and the business of the Group.

**■ Number of shares of the Company held**

400 shares

■ Years served as Director

6 years (at the conclusion of this Meeting)

■ Attendance at Board of Directors

10 / 10 times (100%) (after assuming office on June 29, 2021)

Candidate

No.

5

Masafumi Takeshita

(Date of Birth: May 8, 1961)

New

■ Career summary, positions and responsibilities, and significant concurrent positions

April 1986	Joined the Company
April 2022	Managing Corporate Officer, the Company Management concerning Refractories Domestic Sales Unit, Headquarters (Digital Innovation) Cooperating with Managing Corporate Officer Mr. Yoshida concerning Headquarters (General Administration, Human Resources) (to present)

■ Reasons for nomination as a candidate for Director

Mr. Masafumi Takeshita has many years of experience in the sales division of the Company. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the business of the Group.



■ Number of shares of the Company held

400 shares

Candidate
No.
6

Hisatake Okumura

(Date of Birth: November 22, 1962)

New

■ Career summary, positions and responsibilities, and significant concurrent positions

October 2004	Joined the Company
April 2022	Managing Corporate Officer, the Company Management concerning Refractories Overseas Sales Unit General Manager, Overseas Business Division (to present)

■ Reasons for nomination as a candidate for Director

Mr. Hisatake Okumura has many years of experience in the manufacturing and overseas sales divisions of the Company. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the business of the Group.



■ Number of shares of the
Company held
300 shares

Candidate
No.
7

Matsuji Nishimura

(Date of Birth: August 5, 1947)

Reappointment

Outside Director

Independent Director

■ Career summary, positions and responsibilities, and significant concurrent positions

April 1971 Joined Kyudenko Corporation
June 2021 Outside Director, the Company (to present)
(Significant concurrent positions)
Director, Chairman, Kyudenko Corporation

■ Reasons for nomination as a candidate for Outside Director and the outline of the roles expected to be fulfilled

Mr. Matsuji Nishimura was and has been involved in management as a Director, Kyudenko Corporation from June 2004 to June 2008 and since June 2009. The Company has nominated him as a candidate for Outside Director as it expects him to utilize his knowledge on and experience in management cultivated in this career in supervising the management of the Company. In addition, the Company has established voluntary advisory councils (Executive Compensation Advisory Council, Executive Personnel Advisory Council) in order to strengthen the independence, objectivity, and accountability of the functions of the Board of Directors with respect to compensation and nomination of officers. The Company also expects him to be involved in the process of compensating and nominating officers as a member of the councils.



■ Number of shares of the Company held

0 shares

■ Years served as Director

1 year (at the conclusion of this Meeting)

■ Attendance at Board of Directors

10 / 10 times (100%) (after assuming office on June 29, 2021)

Candidate
No.
8

Yukinori Michinaga

(Date of Birth: November 1, 1957)

Reappointment

Outside Director

Independent Director

■ Career summary, positions and responsibilities, and significant concurrent positions

- April 1981 Joined Saibu Gas Co., Ltd. (now SAIBU GAS HOLDINGS CO., LTD.)
 - April 2019 Representative Director, President, Saibu Gas Co., Ltd. (now SAIBU GAS HOLDINGS CO., LTD.) (to present)
 - June 2019 Outside Audit & Supervisory Board Member, Kyudenko Corporation (to present)
 - April 2021 Representative Director, President, Saibu Gas Co., Ltd (to present)
 - June 2021 Outside Director, the Company (to present)
- (Significant concurrent positions)
Representative Director, President, SAIBU GAS HOLDINGS CO., LTD.
Representative Director, President, Saibu Gas Co., Ltd.
Outside Audit & Supervisory Board Member, Kyudenko Corporation

■ Reasons for nomination as a candidate for Outside Director and the outline of the roles expected to be fulfilled

Mr. Yukinori Michinaga has been involved in management as a Director, Saibu Gas Co., Ltd. (now SAIBU GAS HOLDINGS CO., LTD.) since June 2016. The Company has nominated him as a candidate for Outside Director as it expects him to utilize his knowledge on and experience in management cultivated in this career in supervising the management of the Company. In addition, the Company has established voluntary advisory councils (Executive Compensation Advisory Council, Executive Personnel Advisory Council) in order to strengthen the independence, objectivity, and accountability of the functions of the Board of Directors with respect to compensation and nomination of officers. The Company also expects him to be involved in the process of compensating and nominating officers as a member of the councils.



■ Number of shares of the Company held

0 shares

■ Years served as Director

1 year (at the conclusion of this Meeting)

■ Attendance at Board of Directors

10 / 10 times (100%) (after assuming office on June 29, 2021)

Candidate
No.
9

Masako Narita

(Date of Birth: October 2, 1959)

New

Outside Director

Independent Director

■ Career summary, positions and responsibilities, and significant concurrent positions

- April 1982 Joined Japan Associated Finance Co., Ltd. (now JAFCO Co., Ltd.)
- December 1987 Joined Japan ASEAN Investment Co., Ltd. (now Japan Asia Investment Company, Limited)
- October 1998 Established Mirai Securities K.K.,
Director
- May 2003 Established Socially Responsible Investment Laboratory,
Limited
Representative Director, President



■ Reasons for nomination as a candidate for Outside Director and the outline of the roles expected to be fulfilled

For many years, Ms. Masako Narita has executed important business including selection and development of investees and engaged in management as a director at venture capitals in Japan and other countries. The Company has nominated her as a candidate for Outside Director as it expects her to utilize her knowledge on and experience in management cultivated in this career in supervising the management of the Company. In addition, the Company has established voluntary advisory councils (Executive Compensation Advisory Council, Executive Personnel Advisory Council) in order to strengthen the independence, objectivity, and accountability of the functions of the Board of Directors with respect to compensation and nomination of officers. The Company also expects her to be involved in the process of compensating and nominating officers as a member of the councils.

■ Number of shares of the Company held

0 shares

Notes:

1. There are no special interests between any of the candidates and the Company.
2. Independence of candidates for Outside Directors

- (1) Mr. Matsuji Nishimura

The Company has registered Mr. Matsuji Nishimura as an Independent Director with Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange.

Mr. Matsuji Nishimura has been served as an executive (executive Director) at Kyudenko Corporation for 10 years now.

The Company has transactions with Kyudenko Corporation of ordering electricity work and the transaction amount is 760 thousand yen (on a non-consolidated basis for the fiscal year ended March 31, 2022). However, as the amount of the transactions is immaterial when compared with the business scale of the Company and Kyudenko Corporation, the Company believes that these transactions will not affect his independence.

- (2) Mr. Yukinori Michinaga

The Company has registered Mr. Yukinori Michinaga as an Independent Director with Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange.

Mr. Yukinori Michinaga has served an executive (executive Director) at Saibu Gas Co., Ltd. (now SAIBU GAS HOLDINGS CO., LTD.) for 10 years now.

As the Company has no special relationships with SAIBU GAS HOLDINGS CO., LTD., the Company believes that there is no circumstance that will affect his independence.

- (3) Ms. Masako Narita

Ms. Masako Narita will be an Independent Director stipulated by Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange if she is elected as originally proposed.

3. Outline of the content of liability limitation agreements

The Company has entered into an agreement to limit the liability under Article 423, Paragraph 1 of the Companies Act with Mr. Matsuji Nishimura and Mr. Yukinori Michinaga (The limit of liability under the agreement is the amount stipulated by laws and regulations.). The Company intends to extend the agreements with Mr. Matsuji Nishimura and Mr. Yukinori Michinaga if they are elected as originally proposed.

In addition, Article 27, Paragraph 2 of the current Articles of Incorporation of the Company stipulates that the Company may enter into agreements to limit the liability under Article 423, Paragraph 1 of the Companies Act with Directors (excluding executive Directors) (The limit of liability under the agreement is the amount stipulated by laws and regulations.). The Company intends to enter into the agreement with Ms. Masako Narita if she is elected as originally proposed.

4. Outline of the content of a directors and officers liability insurance contract

The Company has entered into a directors and officers liability insurance contract with an insurance company with all Directors as the insured. The contract will cover damages (legal damages and litigation expenses) that may arise due to the insured Directors assuming liability for the execution of their duties or receiving a claim related to the pursuit of such liability. If the candidates are elected as originally proposed, they will be covered by the insurance contract. In addition, the Company intends to renew the policy during the terms of office of the Directors.

[Reference] Composition of the Board of Directors

In order to establish a system for flexible decision-making and effective corporate governance in response to changes in the business environment, the Board of Directors shall be of a size that is suitable for the business and management issues of the Group and its members shall be selected taking into consideration the balance and diversity of experience, insight, and expertise in the Board of Directors as a whole.

Of the experience, insight, and expertise, the Company has defined the areas that are particularly important in corporate management as shown below. The Company expects Directors to fully demonstrate their abilities.

*Composition of Board of Directors if this proposal is approved and resolved as originally proposed (plan)

Candidate No.	Name	①	②	③	④	⑤	⑥	⑦
1	Kazuhiro Egawa	●	●	●	●			●
2	Masakazu Soejima	●	●		●		●	
3	Takeshi Yoshida	●	●					●
4	Junpei Konishi	●	●	●		●		
5	Masafumi Takeshita	●	●		●			
6	Hisatake Okumura	●		●	●	●		
7	Matsuji Nishimura	●			●	●		
8	Yukinori Michinaga	●				●		●
9	Masako Narita	●		●			●	

Notes:

- ① Knowledge/experience regarding management
- ② Knowledge/experience regarding customer industries
- ③ Internationality
- ④ Sales/marketing
- ⑤ Manufacturing/technology/R&D
- ⑥ Finance/accounting
- ⑦ Legal affairs/risk management

Proposal 4**Election of 2 Audit & Supervisory Board Members**

At the conclusion of this General Meeting of Shareholders, Mr. Kinji Matsushita and Mr. Yasuhiro Sukegawa will resign as Audit & Supervisory Board Member. Accordingly, the Company proposes the election of two Audit & Supervisory Board Members to substitute them.

The terms of office of the Audit & Supervisory Board Members to be elected at this General Meeting of Shareholder shall expire at the expiration of the terms of office of the resigning Audit & Supervisory Board Members pursuant to the provision of Article 31, Paragraph 2 of the current Articles of Incorporation of the Company.

The Company has obtained consent of the Audit & Supervisory Board to this proposal.

The candidates for Audit & Supervisory Board Members are as follows:

[Reference] Structure of Audit & Supervisory Board Members*

Candidate No.	Name	New/Reappointment	Positions		
1	Masaya Honda	New	Standing Audit & Supervisory Board Member		
2	Takaki Goto	New	Audit & Supervisory Board Member		
-	Yuji Hiya		Audit & Supervisory Board Member	Outside Audit & Supervisory Board Member	Independent Auditor
-	Morio Matsunaga		Audit & Supervisory Board Member	Outside Audit & Supervisory Board Member	Independent Auditor

*The structure if this proposal is approved and resolved as originally proposed (plan)

Candidate
No.
1

Masaya Honda

(Date of Birth: January 13, 1960)

New

■ Career summary, positions and responsibilities, and significant concurrent positions

April 1982 Joined the Company
April 2022 Director, special assignment to Representative Director,
President, the Company (to present)



■ Reasons for nomination as a candidate for Audit & Supervisory Board Member

Mr. Masaya Honda has many years of experience in the accounting and finance divisions of the Company, and has been involved in management as Director, the Company since June 2017. The Company has nominated him as a candidate for Audit & Supervisory Board Member as it expects him to utilize his knowledge concerning finance and accounting cultivated in this career and the experience and insight concerning business in strengthening the audit structure of the Company which supplies refractories indispensable for steel manufacturing processes globally.

■ Number of shares of the Company held

3,118 shares

■ Attendance at Board of Directors

13 / 13 times (100%)

■ Career summary, positions and responsibilities, and significant concurrent positions

April 1992 Joined Nippon Steel Corporation
April 2022 General Manager, Group Companies Planning Division,
Nippon Steel Corporation (to present)

■ Reasons for nomination as a candidate for Audit & Supervisory Board Member

Mr. Takaki Goto has many years of experience in the accounting and finance division of Nippon Steel Corporation. The Company has nominated him as a candidate for Audit & Supervisory Board Member as it expects him to utilize his knowledge on and experience in finance and accounting cultivated in this career in strengthening the audit structure of the Company.



■ Number of shares of the Company held
0 shares

Notes:

1. There are no special interests between any of the candidates and the Company.

2. Outline of the content of liability limitation agreements

Article 36, Paragraph 2 of the current Articles of Incorporation of the Company stipulates that the Company may enter into agreements to limit the liability under Article 423, Paragraph 1 of the Companies Act with Audit & Supervisory Board Members (The limit of liability under the agreement is the amount stipulated by laws and regulations.). The Company intends to enter into the agreements with Mr. Masaya Honda and Mr. Takaki Goto if they are elected as originally proposed.

3. Outline of the content of a directors and officers liability insurance contract

The Company has entered into a directors and officers liability insurance contract with an insurance company with all Audit & Supervisory Board Members as the insureds. The contract will cover damages (legal damages and litigation expenses) that may arise due to the insured Audit & Supervisory Board Members assuming liability for the execution of their duties or receiving a claim related to the pursuit of such liability. If the candidates are elected as originally proposed, they will be covered by the insurance policy. In addition, the Company intends to renew the contract during the terms of office of the Audit & Supervisory Board Members.

In case the number of Audit & Supervisory Board Members falls short of the number stipulated by Article 28 of the current Articles of Incorporation of the Company, the Company proposes the election of Mr. Kosuke Kajihara as Substitute Audit & Supervisory Board Member to Mr. Masaya Honda, Audit & Supervisory Board Member, and Mr. Takahiro Tomoda as Substitute Audit & Supervisory Board Member to Mr. Takaki Goto, Audit & Supervisory Board Member, on condition that Proposal 4 is approved as originally proposed.

In addition, Mr. Noriaki Ayukawa, who was elected at the 130th Annual General Meeting of Shareholders as Substitute Outside Audit & Supervisory Board Member to Mr. Morio Matsunaga, Outside Audit & Supervisory Board Member, notified the Company that he would like to resign as Substitute Audit & Supervisory Board Member at the commencement of this General Meeting of Shareholders. Accordingly, in case the number of Audit & Supervisory Board Members falls short of the number stipulated by Article 28 of the current Articles of Incorporation of the Company, the Company proposes the election of Mr. Haruyuki Ezoe as Substitute Outside Audit & Supervisory Board Member to Mr. Morio Matsunaga, Outside Audit & Supervisory Board Member.

The Company has obtained consent of the Audit & Supervisory Board to this proposal.

The candidates for Substitute Audit & Supervisory Board Members are as follows:

Candidate
No.
1

Kosuke Kajihara

(Date of Birth: December 8, 1963)

Substitute Audit & Supervisory Board Member to
Mr. Masaya Honda

■ Career summary, positions, and significant concurrent positions

April 1986	Joined the Company
April 2022	General Manager, Office of Audit & Supervisory Board Members (to present)

■ Reasons for nomination as a candidate for Substitute Audit & Supervisory Board Member

Mr. Kosuke Kajihara has many years of experience in the accounting and finance divisions of the Company, and has been involved in audit by Audit & Supervisory Board Members as General Manager of the Office of Audit & Supervisory Board Members since April 2022. The Company has nominated him as a candidate for Substitute Audit & Supervisory Board Member as it expects him to utilize his knowledge and experience cultivated in this career in strengthening the audit structure of the Company.



■ Number of shares of the
Company held
100 shares

Candidate
No.
2

Takahiro Tomoda

(Date of Birth: January 5, 1971)

Substitute Audit & Supervisory Board Member to
Mr. Takaki Goto

■ **Career summary, positions, and significant concurrent positions**

April 1995 Joined Nippon Steel Corporation
April 2021 Deputy General Manager, Group Companies Planning
Division, Nippon Steel Corporation (to present)

■ **Reasons for nomination as a candidate for Substitute Audit & Supervisory Board Member**

Mr. Takahiro Tomoda has many years of experience in the accounting division of Nippon Steel Corporation. The Company has nominated him as a candidate for Substitute Audit & Supervisory Board Member as it expects him to utilize his knowledge on and experience in accounting cultivated in this experience in strengthening the audit structure of the Company, which globally supplies refractories that are indispensable for the steelmaking process.



■ **Number of shares of the Company held**
0 shares

Notes:

1. There are no special interests between any of the candidates and the Company.
2. Independence of the candidate for Substitute Outside Audit & Supervisory Board Member
If Mr. Haruyuki Ezoe assumes office of Audit & Supervisory Board Member, the Company intends to register him as an Independent Auditor with Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange.
Mr. Haruyuki Ezoe was an employee of City of Kitakyushu in the past 10 years, and is currently an executive (Managing Director) of Kitakyushu Forum on Asian Women (scheduled to retire from office in June 2022). Mr. Haruyuki Ezoe is scheduled to assume office of an executive (Senior Managing Director) of Kitakyushu Foundation for the Advancement of Industry, Science and Technology in June 2022.
The Company has transactions with City of Kitakyushu of using water and sewage supplied by the city and purchasing commuter passes for the busses operated by the city for the Company's employees. The transaction amount is 30,000 thousand yen (on a non-consolidated basis for the fiscal year ended March 31, 2022). The Company also makes donations to projects, etc. sponsored by the city. The donation amount is 8,840 thousand yen (on a non-consolidated basis for the fiscal year ended March 31, 2022). However, the amounts of these transactions and donations are immaterial when compared with the business scale of the Company and the city, and the Company has no special relationships with Kitakyushu Foundation for the Advancement of Industry, Science and Technology. The Company therefore believes that these transactions and donations will not affect his independence.
3. Outline of the content of liability limitation agreements
Article 36, Paragraph 2 of the current Articles of Incorporation of the Company stipulates that the Company may enter into agreements to limit the liability under Article 423, Paragraph 1 of the Companies Act with Audit & Supervisory Board Members (The limit of liability under the agreement is the amount stipulated by laws and regulations.). The Company intends to enter into the agreements with Mr. Kosuke Kajihara, Mr. Takahiro Tomoda, and Mr. Haruyuki Ezoe if they assume office of Audit & Supervisory Board Members.
4. Outline of the content of a directors and officers liability insurance contract
The Company has entered into a directors and officers liability insurance contract with an insurance company with all Audit & Supervisory Board Members as the insureds. The contract will cover damages (legal damages and litigation expenses) that may arise due to the insured Audit & Supervisory Board Members assuming liability for the execution of their duties or receiving a claim related to the pursuit of such liability. If the candidates assume office of Audit & Supervisory Board Members, they will be covered by the insurance contract. In addition, if the candidates assume office of Audit & Supervisory Board Members, the Company intends to renew the contract during the terms of office of the Audit & Supervisory Board Members.

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