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(Stock Exchange Code 6013)
June 2, 2022

To Shareholders with Voting Rights:

Hiroaki Nanjo
President and CEO
TAKUMA CO., LTD.
2-2-33, Kinrakuji-cho, Amagasaki, Hyogo,
Japan

**NOTICE OF CONVOCATION OF
THE 118TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage. Please be informed that the 118th Annual General Meeting of Shareholders of TAKUMA CO., LTD. (the “Company”) will be held for the purposes as described below.

In order to prevent the spread of coronavirus disease (COVID-19), we would like to ask all our shareholders to refrain from attending this General Meeting of Shareholders, and exercise your voting rights in advance in the following methods as much as possible.

[Exercise of Voting Rights by Mail]

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by 5:00 p.m. on Thursday, June 23, 2022 Japan time.

[Exercise of Voting Rights via the Internet, etc.]

Please see the “Guide to Exercising Voting Rights via the Internet, etc.” on page 3, and input your vote for or against the proposals on the designated website by 5:00 p.m. Thursday, June 23, 2022 Japan time. The website is available only in Japanese.

- 1. Date and Time:** Friday, June 24, 2022 at 10:00 a.m. Japan time
(Reception begins at 9:40 a.m. Japan time)
- 2. Place:** Main Meeting Room, 1st Floor, Takuma Bldg. (Main Building)
2-2-33, Kinrakuji-cho, Amagasaki, Hyogo, Japan
- 3. Agenda of the Meeting:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company’s 118th Fiscal Year (April 1, 2021 - March 31, 2022)
 2. The results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements for the Company’s 118th Fiscal Year
 - Matters for resolution:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Partial Amendments to the Articles of Incorporation
 - Proposal 3:** Election of Six (6) Directors (excluding Audit & Supervisory Committee Members)
 - Proposal 4:** Election of Three (3) Directors who are Audit & Supervisory Committee Members

- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- ◎ On the day of the meeting, representatives of the Company will be dressed in light attire (“Cool Biz”).
- ◎ On the day of the meeting, in order to prevent the spread of COVID-19, our officers and operation staff will be wearing masks. We appreciate your understanding to this response. For our shareholders, we would like to seek your cooperation to prevent the spread of the disease by wearing your mask, etc.
In addition, before entering the venue, we will place hand sanitizer for disinfection and take temperatures. We request your cooperation to this matter.
Please kindly note, that for shareholders who may not cooperate in wearing mask at the venue and disinfecting your hand, and those who seem to be in poor physical condition may be requested not to enter the venue from the perspective of preventing the spread of COVID-19.
- ◎ Should the Reference Documents for the General Meeting of Shareholders, the Business Report and the Consolidated Financial Statements and Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company’s website (<https://www.takuma.co.jp/>).
- ◎ The Notes to Consolidated Financial Statements and the Notes to Non-consolidated Financial Statements are posted on the Company’s website on the Internet (<https://www.takuma.co.jp/>) in accordance with laws and regulations and Article 17 of the Company’s Articles of Incorporation.

Guide to Exercising Voting Rights via the Internet, etc.

1. Exercising voting rights via the Internet, etc.

(1) By using “Smart Voting”

(i) Please scan the QR code*¹ printed along the right side of the attached Voting Rights Exercise Form by smartphones, etc.*², access to the “Smart Voting” website as designated by the Company and follow the on-screen instructions to enter your vote for or against the proposals (no need to enter voting rights exercise code (ID) and password).

(ii) Exercising your voting rights using “Smart Voting” is limited to one time.

If you wish to revise your vote after exercising your voting rights by “Smart Voting, please follow the instruction (2) described below.

(2) By entering voting rights exercise code (ID) and password

Please access “Voting Rights Exercise Website” (URL below) designated by the Company, login with the voting rights exercise code and password printed along the right side of the attached Voting Rights Exercise Form, and follow the on-screen instructions. To ensure security, you are required to change the password upon the initial login.

<https://soukai.mizuho-tb.co.jp/>

(3) The exercise deadline is 5:00 p.m. on Thursday, June 23, 2022, Japan time. We suggest that you exercise your voting rights ahead of time.

(4) In the event that voting rights are exercised both by mail and via the Internet, etc., the vote cast via the Internet, etc. shall be deemed valid. If votes are cast multiple times via the Internet, etc., the most recent vote cast shall be deemed valid.

(5) The password (including those changed by the shareholder) is valid only for this meeting. A new password will be issued at the time of the next general meeting of shareholders.

(6) Expenses associated with connecting to the Internet, etc. shall be borne by the shareholder.

(Attention)

- The password is a method to confirm the identity of the person voting. The Company will never ask for your password.
- If the password is mistaken a certain number of times, it will become locked and unusable. In the event of a lock, please follow the on-screen instructions.
- Although the Voting Rights Exercise Website has been tested to function with general Internet connection devices, it may not be available depending on the device used.

(Reference)

If an application has been made in advance, shareholders may use the “Electronic Voting System Platform” for institutional investors managed by ICJ, Inc.

2. Inquiries

For any inquiries, please contact the Stock Transfer Agency Department, Mizuho Trust & Banking Co., Ltd. (below), the shareholder registry administrator.

(1) For inquiries regarding how to use “Smart Vote” and “Voting Rights Exercise Website”

Toll-free (within Japan): 0120-768-524 (Weekdays, 9:00 to 21:00)

(2) For all other inquiries regarding the administration of shares

Toll-free (within Japan): 0120-288-324 (Weekdays, 9:00 to 17:00)

*1. “QR code” is a registered trademark of DENSO WAVE INCORPORATED.

*2. Requires application (or feature) to be implemented in order to scan QR code.

Reference Documents for the General Meeting of Shareholders

Proposals and references

Proposal 1: Appropriation of Surplus

In comprehensive consideration of business results, etc., the Company proposes to pay year-end dividends for the fiscal year under review as follows.

Items related to the year-end dividend

(1) Type of dividend property

Cash

(2) Items related to the allocation of dividend property to shareholders and its total amount

18 yen per common share

Total amount of 1,453,612,014 yen

(3) Effective date of distribution of surplus

June 27, 2022

Additionally, if this Proposal is approved as originally proposed, annual dividends, including interim dividends, will be 36 yen per share.

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

The revised stipulations 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 from September 1, 2022, the date of enforcement. Accordingly, the Company proposes the amendments to the Company’s Articles of Incorporation to stipulate that information that is the content of reference documents for the general meeting of shareholders, etc., shall be provided electronically, and to establish stipulations to limits on the scope of matters to be recorded in physical documents that are provided to shareholders who request provision of physical documents.

In addition, as the current stipulations concerning Internet disclosure and deemed provision of reference documents for general meetings of shareholders will no longer be necessary, these shall be deleted, and supplementary provisions shall be established concerning the effective date, etc., in line with these changes.

2. Contents of the amendments

The contents of the amendments are as follows (underlines indicate amended sections).

Current Articles of Incorporation	Proposed amendments
<p><u>(Internet disclosure and deemed provision of reference documents for general meetings of shareholders)</u> <u>Article 17 In the convocation of general meetings of shareholders, the Company may deem that it has provided to shareholders information concerning matters that must be displayed in the reference documents for general meetings of shareholders, business report, non-consolidated financial statements, and consolidated financial statements via Internet disclosure in conformity with definitions provided in the Ordinance of the Ministry of Justice.</u></p> <p style="text-align: center;"><Newly established></p>	<p style="text-align: center;"><Deleted></p> <p><u>(Measures for electronic provision, etc.)</u> <u>Article 17 In the convocation of general meetings of shareholders, the Company shall provide electronically information that is the content of reference documents for the general meeting of shareholders, etc.</u></p>
	<p><u>2. Of the matters to which electronic provision measures apply, the Company may choose not to record all or part of matters stipulated in the Ordinance of the Ministry of Justice in the physical documents provided to shareholders who made requests for provision of physical documents by the record date for voting rights.</u></p>

Current Articles of Incorporation	Proposed amendments
<p><Newly established></p>	<p><u>(Supplementary provisions)</u></p> <ol style="list-style-type: none"> <li data-bbox="836 248 1417 636">1. <u>The deletion of Article 17 (Internet disclosure and deemed provision of reference documents for general meetings of shareholders) of the current Articles of Incorporation and the new establishment of Article 17 (Measures for electronic provision, etc.) of the proposed amendments shall take effect from the date of enforcement of the revised stipulations stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019; the “Enforcement Date”).</u> <li data-bbox="836 645 1417 815">2. <u>Notwithstanding the provisions of the previous paragraph, Article 17 of the current Articles of Incorporation shall remain valid for general meetings of shareholders held on a day that is within six months of the Enforcement Date.</u> <li data-bbox="836 824 1417 1028">3. <u>These supplementary provisions shall be deleted on the day after which six months have elapsed since the Enforcement Date or the day after which three months have elapsed since the day of the general meeting of shareholders in the previous paragraph, whichever is later.</u>

Proposal 3: Election of Six (6) Directors (excluding Audit & Supervisory Committee Members)

The terms of office of all six (6) Directors (excluding Audit & Supervisory Committee Members) will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of six (6) Directors (excluding Audit & Supervisory Committee Members) is proposed.


Additionally, upon considering this Proposal, the Audit & Supervisory Committee has reported that the procedures and content related to its determination are appropriate.


The candidates for Director (excluding Audit & Supervisory Committee Members) are as follows.


No.	Name	Posts, responsibility in the Company and significant concurrent positions	Attendance at Board of Directors meetings (Fiscal 2021)
1	Hiroaki Nanjo Re-election	President and Representative Director & Chief Executive Officer	16 out of 16 meetings (100%)
2	Tsuyohito Nishiyama Re-election	Director & Senior Managing Executive Officer Executive Manager of Corporate Marketing Group and Executive Manager of Business Administration Division	16 out of 16 meetings (100%)
3	Hideki Takeguchi Re-election	Director & Senior Managing Executive Officer Executive Manager of Engineering Group and Executive Manager of Management Center	16 out of 16 meetings (100%)
4	Koji Tanaka Re-election	Director & Managing Executive Officer Executive Manager of International Division, Corporate Marketing Group	16 out of 16 meetings (100%)
5	Kunio Hamada Re-election	Director & Managing Executive Officer Executive Manager of Corporate Planning & Administration Division	12 out of 12 meetings (100%)
6	Hiroshi Oishi Re-election	Director & Executive Officer Executive Manager of Corporate Services Division	12 out of 12 meetings (100%)


No.	Name (Date of birth)	Career summary, posts, responsibility in the Company and significant concurrent positions	Number of Company's shares owned
1	 Hiroaki Nanjo (Nov. 21, 1959) <u>Re-election</u>	April 1982 Joined the Company April 2009 General Manager of Environmental Engineering Department 1, Project Center, Engineering Group September 2010 General Manager of Energy Engineering Department 1, Project Center, Engineering Group April 2013 Executive Officer of the Company Deputy Executive Manager of Project Center, Engineering Group and General Manager of Energy Engineering Department 1 April 2014 Executive Manager of Project Center, Engineering Group June 2015 Director & Executive Officer of the Company April 2016 Director & Managing Executive Officer of the Company Executive Manager of Engineering Group and Executive Manager of Management Center April 2018 Director & Senior Managing Executive Officer April 2019 President and Representative Director & Chief Executive Officer (up to the present)	40,976 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Hiroaki Nanjo has mainly been engaged in the Planning Technology Division, and currently supervises the overall management as Chief Executive Officer, after serving as a Director & Senior Managing Executive Officer and Executive Manager of the Engineering Group. He possesses abundant experience and knowledge regarding operations and management of the Company.</p> <p>The Company proposes his re-appointment as a candidate for Director as it expects he will play an appropriate role in determining important management matters and management supervision for the sustainable improvement of the corporate value of the Group utilizing this experience and knowledge.</p>			

No.	Name (Date of birth)	Career summary, post, responsibility in the Company and significant concurrent positions	Number of Company's shares owned
2	 Tsuyohito Nishiyama (Apr. 23, 1961) <u>Re-election</u>	April 1985 Joined the Company April 2012 General Manager of Project Administration Department 1, Business Administration Division, Corporate Marketing Group April 2014 General Manager of Corporate Planning Department, Corporate Planning & Administration Division April 2015 Executive Officer of the Company Deputy Executive Manager of Corporate Planning & Administration Division and General Manager of Corporate Planning Department April 2016 Executive Manager of Corporate Planning & Administration Division June 2016 Director & Executive Officer of the Company April 2018 Director & Managing Executive Officer April 2019 Director & Senior Managing Executive Officer (up to the present) Executive Manager of Corporate Marketing Group and Executive Manager of Business Administration Division (up to the present)	20,847 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Tsuyohito Nishiyama has mainly been engaged in the Business Administration Division, the Marketing Division and the Corporate Planning & Administration Division, and currently serves as a Senior Managing Executive Officer and Executive Manager of Corporate Marketing Group that supervises overall marketing. He possesses abundant experience and knowledge regarding operations and management of the Company.</p> <p>The Company proposes his re-appointment as a candidate for Director as it expects that he will play an appropriate role in determining important management matters and management supervision for the sustainable improvement of the corporate value of the Group utilizing this experience and knowledge.</p>			

No.	Name (Date of birth)	Career summary, post, responsibility in the Company and significant concurrent positions	Number of Company's shares owned
3	 <p data-bbox="204 571 399 660">Hideki Takeguchi (Mar. 4, 1962) <u>Re-election</u></p>	<p data-bbox="434 273 550 295">April 1985</p> <p data-bbox="434 302 550 324">April 2012</p> <p data-bbox="434 362 550 385">April 2014</p> <p data-bbox="434 423 550 445">April 2015</p> <p data-bbox="434 546 550 568">April 2016</p> <p data-bbox="434 575 550 598">June 2016</p> <p data-bbox="434 604 550 627">April 2018</p> <p data-bbox="434 633 550 656">April 2019</p> <p data-bbox="630 273 1284 757"> Joined the Company Deputy General Manager of Environmental Engineering Department 1, Project Center, Engineering Group General Manager of Environmental Engineering Department 1, Project Center, Engineering Group Executive Officer of the Company Deputy Executive Manager of Project Center, Engineering Group and General Manager of Environmental Engineering Department 1 Executive Manager of Project Center, Engineering Group Director & Executive Officer of the Company Director & Managing Executive Officer Director & Senior Managing Executive Officer (up to the present) Executive Manager of Engineering Group and Executive Manager of Management Center (up to the present) </p>	20,934 shares
<p data-bbox="194 761 742 784">[Reasons for nomination as a candidate for Director]</p> <p data-bbox="194 790 1460 967">Mr. Hideki Takeguchi has mainly been engaged in the Planning Technology Division, and currently serves as a Senior Managing Executive Officer and Executive Manager of Engineering Group that supervises the overall technology. He possesses abundant experience and knowledge regarding operations and management of the Company. The Company proposes his re-appointment as a candidate for Director as it expects that he will play an appropriate role in determining important management matters and management supervision for the sustainable improvement of the corporate value of the Group utilizing this experience and knowledge.</p>			

No.	Name (Date of birth)	Career summary, post, responsibility in the Company and significant concurrent positions	Number of Company's shares owned
4	 <p data-bbox="223 571 375 660">Koji Tanaka (Jun. 15, 1962) <u>Re-election</u></p>	<p data-bbox="430 268 550 291">April 1986</p> <p data-bbox="430 302 550 324">April 2009</p> <p data-bbox="430 358 566 380">August 2011</p> <p data-bbox="430 414 550 436">April 2014</p> <p data-bbox="430 470 550 492">April 2017</p> <p data-bbox="430 593 550 616">June 2017</p> <p data-bbox="430 627 550 649">April 2018</p> <p data-bbox="430 683 550 705">April 2021</p> <p data-bbox="430 806 550 828">June 2021</p> <p data-bbox="630 268 1292 873"> Joined the Company Deputy General Manager of European Operations Department, Corporate Planning & Administration Division General Manager of Corporate Planning Department, Corporate Planning & Administration Division General Manager of Human Resources Department, Corporate Services Division Executive Officer of the Company Executive Manager of Compliance & CSR Promotion Division, Executive Manager of Corporate Services Division and General Manager of Legal Affairs Department Director & Executive Officer Executive Manager of Compliance & CSR Promotion Division and Executive Manager of Corporate Services Division Director & Managing Executive Officer (up to the present) Executive Manager of International Division, Corporate Marketing Group and Executive Manager of Compliance & CSR Promotion Division. Executive Manager of International Division, Corporate Marketing Group (up to the present) </p>	14,122 shares
<p data-bbox="199 884 742 907">[Reasons for nomination as a candidate for Director]</p> <p data-bbox="199 907 1460 1120">Mr. Koji Tanaka has mainly been engaged in the Information Systems Division, neutral divisions such as human resources, Corporate Planning & Administration Division and overseas business management division, and currently serves as a Managing Executive Officer and Executive Manager of International Division of Corporate Marketing Group responsible for overseas business. He possesses abundant experience and a wide range of knowledge regarding operations and management of the Company. The Company proposes his re-appointment as a candidate for Director as it expects that he will play an appropriate role in determining important management matters and management supervision for the sustainable improvement of the corporate value of the Group utilizing this experience and knowledge.</p>			

No.	Name (Date of birth)	Career summary, post, responsibility in the Company and significant concurrent positions	Number of Company's shares owned
5	 Kunio Hamada (Feb. 9, 1965) <u>Re-election</u>	July 1990 Joined the Company April 2012 Deputy General Manager of Cost Control & Project Administration Department, Management Center, Engineering Group June 2013 General Manager of Cost Control & Project Administration Department, Management Center, Engineering Group April 2018 Executive Officer Deputy Executive Manager of Corporate Planning & Administration Division and General Manager of Corporate Planning Department April 2021 Executive Manager of Corporate Planning & Administration Division (up to the present) June 2021 Director & Executive Officer April 2022 Director & Managing Executive Officer (up to the present)	9,024 shares
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Kunio Hamada has mainly been engaged in the engineering division and cost management division, and currently serves as Managing Executive Officer and Executive Manager of Corporate Planning & Administration Division responsible for finance and formulation and implementation of corporate plans. He possesses abundant experience and a wide range of knowledge regarding operations and management of the Company.</p> <p>The Company proposes his re-appointment as a candidate for Director as it expects that he will play an appropriate role in determining important management matters and management supervision for the sustainable improvement of the corporate value of the Group utilizing this experience and knowledge.</p>			

No.	Name (Date of birth)	Career summary, post, responsibility in the Company and significant concurrent positions	Number of Company's shares owned	
6	 Hiroshi Oishi (Feb. 28, 1965) <u>Re-election</u>	April 1988	Joined The Dai-Ichi Kangyo Bank, Ltd. (currently Mizuho Bank, Ltd.)	4,757 shares
		January 2008	Deputy General Manager of Human Resources Department, Mizuho Securities Co., Ltd.	
		January 2013	Deputy General Manager of Corporate Planning Department	
		April 2013	General Manager of Securities & Trust Promotion Department, Mizuho Bank, Ltd.	
		April 2016	General Manager of Customer Service Department and General Manager of Management Department, Mizuho Financial Group, Inc.	
		August 2019	Executive Officer of the Company Deputy Executive Manager of Energy Plant Division, Corporate Marketing Group	
		April 2021	Executive Manager, Corporate Services Division (up to the present)	
		June 2021	Director & Executive Officer (up to the present)	
<p>[Reasons for nomination as a candidate for Director]</p> <p>Since joining The Dai-Ichi Kangyo Bank, Ltd. (currently Mizuho Bank, Ltd.), Mr. Hiroshi Oishi engaged in various operations at the bank and its group companies including deposits, money transfers, loans, currency exchange, business planning, human resources and customer service. At the Company, he has engaged in product and service sales in the marketing division, and currently serves as Executive Officer and Executive Manager of Corporate Services Division responsible for general affairs and human resources. He possesses abundant experience and a wide range of knowledge regarding operations and management of the Company.</p> <p>The Company proposes his re-appointment as a candidate for Director as it expects that he will play an appropriate role in determining important management matters and management supervision for the sustainable improvement of the corporate value of the Group utilizing this experience and knowledge.</p>				

(Notes)

1. There are no special interests between the candidates and the Company.
2. The number of Company shares owned by candidates for Director includes holdings as part of the Takuma Executive Shareholder Association.
3. Pursuant to Article 430-3, paragraph (1) of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company covering damages to be borne by the insured persons arising from shareholder derivative lawsuits, corporate litigations, and third-party litigations. Each candidate will be included as the insured under this insurance contract. The Company intends to renew the contract with the same details at the next renewal.


Proposal 4: Election of Three (3) Directors who are Audit & Supervisory Committee Members


The terms of office of Mr. Osamu Iwahashi and Mr. Tetsuya Kaneko, Directors who are Audit & Supervisory Committee Members, will expire at the conclusion of this Annual General Meeting of Shareholders. In addition, Mr. Yoshiaki Ito, a Director who was an Audit & Supervisory Committee Member, passed away on February 25, 2022, and retired from his post. Accordingly, the election of three (3) Directors who are Audit & Supervisory Committee Members is proposed.


This proposal has gained approval from the Audit & Supervisory Committee.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows.

No.	Name	Posts, responsibility in the Company and significant concurrent positions	Attendance at Board of Directors meetings (Fiscal 2021)	Attendance at Audit & Supervisory Committee meetings (Fiscal 2021)
1	Tetsuya Kaneko Re-election Outside Independent	Director (Audit & Supervisory Committee Member) President of Yushu Corporation Co., Ltd.	16 out of 16 meetings (100%)	12 out of 12 meetings (100%)
2	Seiichi Nagatsuka Newly nominated Outside Independent	Vice Chairman & Senior Managing Director of Japan Automobile Manufacturers Association, Inc.	-	-
3	Masahiro Endo Newly nominated Outside Independent	Representative of Endo Certified Public Accountant Office Representative Director of Kobe Audit Corporation Outside Auditor of SAKURAJIMA FUTO KAISHA, LTD.	-	-

No.	Name (Date of birth)	Career summary, post, responsibility in the Company and significant concurrent positions	Number of Company's shares owned
1	 Tetsuya Kaneko (Mar. 1, 1959) <u>Re-election</u> <u>Outside</u> <u>Independent</u>	April 1981 Joined The Dai-Ichi Kangyo Bank, Ltd. (currently Mizuho Bank, Ltd.) September 2000 Deputy General Manager of Singapore Branch, The Dai-Ichi Kangyo Bank, Ltd. April 2002 Deputy General Manager of Singapore Branch, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) November 2004 Associate Director of International Administration Department, Mizuho Corporate Bank, Ltd. April 2005 General Manager of Yokohama Sales Department, Mizuho Corporate Bank, Ltd. April 2008 General Manager of International Sales Promotion Department, Mizuho Corporate Bank, Ltd. April 2010 Deputy Director of Human Resources Management Department, Mizuho Corporate Bank, Ltd. July 2010 Deputy Director of Corporate Planning Department, Mizuho Financial Group, Inc. Seconded to Mizuho Research Institute Ltd., Senior Executive Officer; General Manager of Education Business Department November 2010 Senior Executive Officer; General Manager of Education Business Department, Mizuho Research Institute Ltd., May 2011 Left Mizuho Research Institute Ltd., June 2011 Director of KANEMATSU CORPORATION June 2014 Managing Executive Officer of KANEMATSU CORPORATION June 2019 Resigned from KANEMATSU CORPORATION June 2019 Standing Auditor, Yushu Building Co., Ltd. (currently Yushu Corporation) June 2020 Outside Director of the Company (Audit & Supervisory Committee Member) (up to the present) President of Yushu Corporation Co., Ltd. (up to the present)	1,211 shares
<p>[Reasons for nomination as a candidate for Outside Director and expected roles]</p> <p>Mr. Tetsuya Kaneko possesses abundant experience and knowledge on corporate management, having served as Director and Managing Executive Officer at the global company KANEMATSU CORPORATION for many years. In addition to knowledge on overseas business obtained from his abundant experience working overseas while he was serving at The Dai-Ichi Kangyo Bank, Ltd. (currently Mizuho Bank, Ltd.), he also possesses abundant experience and knowledge on auditing and supervision, having served as Auditor and Director who is an Audit & Supervisory Committee Member for private enterprises, including the Company.</p> <p>The Company proposes his re-appointment as a candidate for Outside Director who is an Audit & Supervisory Committee Member with the expectation that he would strengthen the audit and supervisory function of the Company and contribute to the sustainable improvement of the corporate value of the Group by conducting neutral, objective audits, supervising corporate management through the selection and dismissal of executives and decision on remuneration, and providing advice and recommendations on the management of the Company as a whole from a broad perspective utilizing his experience and expertise.</p>			

No.	Name (Date of birth)	Career summary, post, responsibility in the Company and significant concurrent positions	Number of Company's shares owned
2	 Seichi Nagatsuka (Feb. 6, 1958) Newly nominated Outside Independent	<p>April 1980 Joined the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry)</p> <p>September 1984 Studied at Graduate School of Economics, Brown University, U.S.A. (earned a master's degree in economics)</p> <p>May 1994 Director of Trade Research Office, Trade Policy Bureau, the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry)</p> <p>May 1995 Seconded to the Ministry of Foreign Affairs of Japan Counsellor of the Permanent Mission of Japan to the International Organizations in Geneva (in charge of WTO)</p> <p>June 1998 Director of Trade Research Division, Trade Bureau, the Ministry of Economy, Trade and Industry</p> <p>June 1999 Seconded to Deputy Director of Commerce, Industry and Labour Department, Miyazaki Prefectural Government</p> <p>January 2001 Director of Macro Economic Affairs Division, Economic and Industrial Policy Bureau, the Ministry of Economy, Trade and Industry</p> <p>July 2003 Director of Automobile Division, Manufacturing Industries Bureau, Automobile Division, the Ministry of Economy, Trade and Industry</p> <p>September 2005 Deputy Director-General for Trade Policy, Trade Policy Bureau, the Ministry of Economy, Trade and Industry</p> <p>October 2007 Senior Vice President of the Japan International Cooperation Agency (JICA)</p> <p>August 2009 Deputy Director-General of Manufacturing Industries Bureau, the Ministry of Economy, Trade and Industry</p> <p>July 2010 Director-General, Kansai Bureau of Economy Trade and Industry, the Ministry of Economy, Trade and Industry</p> <p>August 2011 Director-General, Commerce and Information Policy Bureau, the Ministry of Economy, Trade and Industry</p> <p>June 2013 Left the Ministry of Economy, Trade and Industry</p> <p>October 2013 Advisor to Mitsui Sumitomo Insurance Company, Limited</p> <p>May 2014 Vice Chairman & Senior Managing Director of Japan Automobile Manufacturers Association, Inc. (up to the present)</p>	0 shares
<p>[Reasons for nomination as a candidate for Outside Director and expected roles]</p> <p>Since joining the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry), Mr. Seichi Nagatsuka has held a number of important positions. He is well versed in overseas affairs, having experience at the Permanent Mission of Japan to the International Organizations in Geneva and the Japan International Cooperation Agency (JICA), and currently serves as Vice Chairman & Senior Managing Director of Japan Automobile Manufacturers Association, Inc. He possesses abundant experience and knowledge on industrial and trade policies.</p> <p>The Company proposes his appointment as a new candidate for Outside Director who is an Audit & Supervisory Committee Member with the expectation that he would strengthen the audit and supervisory function of the Company and contribute to the sustainable improvement of the corporate value of the Group by conducting neutral, objective audits, supervising corporate management through the selection and dismissal of executives and decision on remuneration, and providing advice and recommendations on the management of the Company as a whole from a broad perspective utilizing his experience and expertise.</p> <p>Additionally, although he has not been directly involved in corporate management, the Company has judged that he can appropriately execute the duties of Outside Director who is an Audit & Supervisory Committee Member due to the above reasons.</p>			

No.	Name (Date of birth)	Career summary, post, responsibility in the Company and significant concurrent positions	Number of Company's shares owned
3	 <p data-bbox="215 571 395 728">Masahiro Endo (Dec. 24, 1956) Newly nominated Outside Independent</p>	<p data-bbox="430 268 1284 660">October 1985 Joined Nisshin Audit Corporation (currently Ernst & Young ShinNihon LLC) March 1989 Registered as Certified Public Accountant May 1989 Registered as Licensed Tax Accountant August 1997 Appointed as Partner of Century Audit Corporation (currently Ernst & Young ShinNihon LLC) June 2007 Left Century Audit Corporation July 2007 Representative of Endo Certified Public Accountant Office (up to the present) June 2015 Outside Auditor of SAKURAJIMA FUTO KAISHA, LTD. (up to the present) December 2020 Representative Director of Kobe Audit Corporation (up to the present)</p>	0 shares
<p data-bbox="199 761 1021 795">[Reasons for nomination as a candidate for Outside Director and expected roles]</p> <p data-bbox="199 795 1460 974">Mr. Masahiro Endo has engaged in the audit business as a Certified Public Accountant for listed companies for many years while he was serving at the current Ernst & Young ShinNihon LLC. After serving as Partner at the current Ernst & Young ShinNihon LLC, he took office as Representative of Endo Certified Public Accountant Office in July 2007. In addition, he established Kobe Audit Corporation in December 2020 and serves as Representative Director while serving as Outside Auditor for a listed company, and possesses abundant experience and expertise on finance and accounting as well as abundant experience and knowledge on audit and supervision.</p> <p data-bbox="199 974 1460 1153">The Company proposes his appointment as a new candidate for Outside Director who is an Audit & Supervisory Committee Member with the expectation that he would strengthen the audit and supervisory function of the Company and contribute to the sustainable improvement of the corporate value of the Group by conducting neutral, objective audits, supervising corporate management through the selection and dismissal of executives and decision on remuneration, and providing advice and recommendations on the management of the Company as a whole from a broad perspective utilizing his experience and expertise.</p> <p data-bbox="199 1153 1460 1243">Additionally, although he has not been directly involved in corporate management other than as an outside officer, the Company has judged that he can appropriately execute the duties of Outside Director who is an Audit & Supervisory Committee Member due to the above reasons.</p>			

(Notes)

1. There are no special interests between the candidates and the Company.
2. The number of Company shares owned by candidates for Director includes holdings as part of the Takuma Employee Shareholder Association.
3. Mr. Tetsuya Kaneko, Mr. Seiichi Nagatsuka and Mr. Masahiro Endo are candidates for Outside Director.
4. The Company has designated Mr. Tetsuya Kaneko as an Independent Officer as prescribed by Tokyo Stock Exchange, Inc., and submitted notification to the Exchange. If his election is approved, the Company intends to continue to designate him as an Independent Officer.
5. The Company has notified Tokyo Stock Exchange, Inc. of the nomination of Mr. Seiichi Nagatsuka and Mr. Masahiro Endo as Independent Officers as prescribed by the Exchange. If the election of them is approved, the Company intends to designate Mr. Seiichi Nagatsuka and Mr. Masahiro Endo as Independent Officers.
6. The term of office of Mr. Tetsuya Kaneko as Outside Director who is an Audit & Supervisory Committee Member shall be two (2) years at the conclusion of this meeting.
7. The Company has entered into an agreement with Mr. Tetsuya Kaneko to limit his liability pursuant to Article 423, paragraph (1) of the Companies Act, in accordance with the Company's Articles of Incorporation. The liability limit for damages based on this agreement shall be the minimum amount as stipulated in Article 425, paragraph (1) of the Companies Act. If the election of the candidate is approved, the Company intends to continue the said agreement.
8. If the election of Mr. Seiichi Nagatsuka and Mr. Masahiro Endo is approved, the Company intends to enter into an agreement with them to limit their liability pursuant to Article 423, paragraph (1) of the Companies Act, in accordance with the Company's Articles of Incorporation. The liability limit for damages based on this agreement shall be the minimum amount as stipulated in Article 425, paragraph (1) of the Companies Act.
9. Pursuant to Article 430-3, paragraph (1) of the Companies Act, the Company has entered into a directors and officers liability insurance contract with an insurance company covering damages to be borne by the insured persons arising from shareholder derivative lawsuits, corporate litigations, and third-party litigations. Each candidate will be included as the insured under this insurance contract. The Company intends to renew the contract with the same details at the next renewal.

10. If the proposal is approved as originally proposed, the Audit & Supervisory Committee Members are as follows.

No.	Name	Posts, responsibility in the Company and significant concurrent positions
1	Keizo Masugi	Director (Standing Audit & Supervisory Committee Member)
2	Tomomi Fujita <div style="display: flex; justify-content: space-around; width: 100%;"> Outside Independent </div>	Director (Audit & Supervisory Committee Member) Partner of Innoventier Outside Auditor of TAIYO YUDEN CO., LTD. Vice President of Licensing Executives Society JAPAN Visiting Professor of Kyoto University Law School
3	Tetsuya Kaneko <div style="display: flex; justify-content: space-around; width: 100%;"> Outside Independent </div>	Director (Audit & Supervisory Committee Member) President of Yushu Corporation Co., Ltd.
4	Seiichi Nagatsuka <div style="display: flex; justify-content: space-around; width: 100%;"> Outside Independent </div>	Vice Chairman & Senior Managing Director of Japan Automobile Manufacturers Association, Inc.
5	Masahiro Endo <div style="display: flex; justify-content: space-around; width: 100%;"> Outside Independent </div>	Representative of Endo Certified Public Accountant Office Representative Director of Kobe Audit Corporation Outside Auditor of SAKURAJIMA FUTO KAISHA, LTD.

(Reference)

Directors' Skills Matrix

Name	Skill sets necessary for the Board of Directors of the Company						
	Corporate management	Engineering (Technology, quality, and cost management)	Sales and business strategies	International operations	Finance and accounting	Human resources, talent development, and diversity	Legal affairs, compliance, and risk management
Hiroaki Nanjo	●	●	●	●		●	
Tsuyohito Nishiyama	●		●		●		
Hideki Takeguchi	●	●		●			
Koji Tanaka	●		●	●		●	●
Kunio Hamada	●	●			●		
Hiroshi Oishi						●	●
Keizo Masugi					●		●
Tomomi Fujita	●						●
Tetsuya Kaneko	●			●			
Seiichi Nagatsuka			●	●			
Masahiro Endo					●		