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Securities Code: 5351

June 8, 2022

To Our Shareholders:

Hiroyuki Fujiwara, President and CEO
**Shinagawa Refractories Co.,
Ltd.**
2-2-1, Otemachi, Chiyoda-ku, Tokyo

Notice of the 188th Annual General Meeting of Shareholders

We hereby notify you that the 188th Annual General Meeting of Shareholders of Shinagawa Refractories Co., Ltd. (the "Company") will be held as follows.

If you intend not to attend the meeting in person on the day, you may exercise your voting rights in writing or via the Internet. You are kindly asked to exercise your voting rights no later than 5:30 p.m. on June 28, 2022 through reviewing the below-mentioned Reference Documents for the General Meeting of Shareholders.

- 1. Date and Time** Wednesday, June 29, 2022, 10:00 a.m.
- 2. Venue** Conference Room 605, Station Conference Tokyo,
6th floor, Sapia Tower
1-7-12, Marunouchi, Chiyoda-ku, Tokyo

3. Purposes of the Meeting

Matters to be reported:

1. Report on the Business Report and the Consolidated Financial Statements for the 188th Fiscal Year (from April 1, 2021 to March 31, 2022), as well as the audit results of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Committee
2. Report on the Non-consolidated Financial Statements for the 188th Fiscal Year (from April 1, 2021 to March 31, 2022)

Matters to be resolved:

- | | |
|-----------------------|---|
| Proposal No. 1 | Dividends of Surplus |
| Proposal No. 2 | Partial Amendments to the Articles of Incorporation |
| Proposal No. 3 | Election of Six Directors (excluding Directors who are Audit & Supervisory Committee Members) |
| Proposal No. 4 | Election of Four Directors who are Audit and Supervisory Committee Members |

4. Exercise of Voting Rights

- (1) If you intend to attend the meeting

Meeting date and time: Wednesday, June 29, 2022, 10:00 a.m.

When attending the meeting on the day, please submit the attached voting right exercise form to the venue reception desk.

- (2) If you intend to exercise your voting rights in writing

You are kindly asked to indicate whether you are in favor of, or opposed to, each of the proposals on the attached voting right exercise form and return it to us ensuring that it reaches us no later than 5:30 p.m. on June 28, 2022.

(3) If you intend to exercise your voting rights via the Internet

You are kindly asked to exercise your voting rights no later than 5:30 p.m. on June 28, 2022.

Of documents required to be provided when announcing the meeting, Notes to the Consolidated Financial Statements and Non-consolidated Financial Statements are not shown in this notice of the meeting since they are presented on the Company's official website (<https://www.shinagawa.co.jp/>) (in Japanese only) pursuant to applicable laws and regulations and Article 17 of its Articles of Incorporation. The Notes to the Consolidated Financial Statements and Non-consolidated Financial Statements, coupled with the information shown in this notice, are contained in the Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Audit & Supervisory Committee when preparing an audit report and by the Financial Auditor when preparing an accounting audit report.

The Company's official website (<https://www.shinagawa.co.jp/>) (in Japanese only) will present any revision made to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-consolidated Financial Statements.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Dividends of Surplus

Our basic policy on the distribution of profits is to seek to grow dividends in the future while securing stable dividends for shareholders and to enhance our internal reserves in an effort to strengthen our management base.

The Company has given comprehensive consideration to the business performance of the fiscal year under review and future business environment, and it proposes to pay ¥95 per share as the year-end dividend for the fiscal year.

As the Company has already paid an interim dividend of ¥95 per share, the annual dividend will be ¥190 per share.

Year-end dividends

1. Type of dividend property

To be paid in cash.

2. Allotment of dividend property to shareholders and their aggregate amount

The Company proposes to pay a dividend of ¥95 per common share of the Company.

In this event, the total amount of dividends will be ¥888,348,515.

3. Effective date of dividends of surplus

June 30, 2022

Proposal No. 2 Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

As a result of the enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) on September 1, 2022, the Company proposes to make the following amendments to its Articles of Incorporation as the system for providing informational materials for the general meeting of shareholders in electronic format will be introduced.

- (1) Article 17 (Measures, etc. for Providing Information in Electronic Format), paragraph (1) in the proposed amendments shall be newly established, as the Articles of Incorporation will be obliged to stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 17 (Measures, etc. for Providing Information in Electronic Format), paragraph (2) in the Proposed amendments shall be newly established. The purpose of the amendment is that within matters that are taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format, enabling the Company to limit the scope of matters that are included in the documents delivered to shareholders who have requested delivery of documents to the scope specified by the applicable Ordinance of the Ministry of Justice.
- (3) Since Article 17 of the current Articles of Incorporation (the provisions for Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.) will no longer be required, they will be deleted.
- (4) Supplementary provisions regarding the effect of aforementioned establishment and deletion of provisions will be established. These supplementary provisions shall be deleted after the expiration date.

2. Details of the amendments

Details of the amendments are as follows:

(Underlined parts indicate amendments.)

| Current Articles of Incorporation | Proposed amendments |
|---|---|
| <p><u>Article 17. (Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.)</u></p> <p><u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements through the Internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p>(Newly established)</p> | <p>(Deleted)</p> <p><u>Article 17. (Measures, etc. for Providing Information in Electronic Format)</u></p> <p><u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></p> |

| Current Articles of Incorporation | Proposed amendments |
|---|--|
| <p>Supplementary Provisions (Newly established)</p> | <p><u>2. Among items for which the measures for providing information in electronic format will be taken, the Company does not need to include all or some of those items designated by the Ministry of Justice Order in statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p>Supplementary Provisions</p> <p><u>Article 2. (Transitional Measures for Providing Informational Materials for the General Meeting of Shareholders in Electronic Format)</u></p> <p><u>1. The deletion of Article 17 of the Articles of Incorporation (the provisions for Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.) and the new establishment of Article 17 of the Articles of Incorporation (Measures, etc. for Providing Information in Electronic Format) will come into effect on September 1, 2022.</u></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, Article 17 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain effective regarding any general meeting of shareholders held on a date within six months from September 1, 2022.</u></p> <p><u>3. The provisions of this Article shall be deleted on the date when six months have elapsed from September 1, 2022 or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p> |

Proposal No. 3 Election of Six Directors (excluding Directors who are Audit & Supervisory Committee Members)

The terms of office of all five Directors (excluding Directors who are Audit & Supervisory Committee Members, the same shall apply in this proposal) will end at the conclusion of this general meeting of shareholders. In that regard, the Company will increase the number of Outside Directors by one to further enhance corporate governance, and it proposes the election of six Directors.

As regards this proposal, the Audit & Supervisory Committee thinks it reasonable to elect the Director candidates as Directors.

The candidates for Director are as follows:

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company | Number of the Company's shares owned |
|---------------|---|---|--------------------------------------|
| 1 | Hiroyuki Fujiwara (September 13, 1960) Reelection | <p>Apr. 1983 Joined Kawasaki Steel Corporation</p> <p>Apr. 2010 General Manager of Labor Relations and Personnel Affairs Department of JFE Steel Corporation</p> <p>Apr. 2012 General Manager of General Affairs Department</p> <p>Apr. 2014 Assistant General Superintendent of East Japan Works</p> <p>Apr. 2016 Managing Executive Officer</p> <p>Apr. 2018 Managing Executive Officer of JFE Holdings, Inc.</p> <p>Apr. 2019 Senior Managing Executive Officer</p> <p>Apr. 2021 Advisor of the Company</p> <p>June 2021 President and CEO (current position)</p> <p>Reasons for nomination as candidate for Director</p> <p>Mr. Fujiwara joined the Company in April 2021 after having served as Executive Officer at JFE Steel Corporation and JFE Holdings, Inc. He has been serving as President and CEO of the Company since June 2021. Mr. Fujiwara was nominated as candidate for Director as we thought he would further strengthen our management base by utilizing his extensive experience and achievements for our business management for being equipped with many years of experience in the steel industry and a wealth of knowledge, experience, and achievements as top manager.</p> | 1,293 |

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company | Number of the Company's shares owned |
|--|---|--|--------------------------------------|
| 2 | Toshihiko Kaneshige (October 14, 1956) Reelection | <p>Apr. 1982 Joined the Company</p> <p>Apr. 2001 Chief Manager of Hinase Manufacturing Factory, Okayama Plant</p> <p>Dec. 2002 Chief Manager of Kashima Factory, Yumoto Plant</p> <p>Apr. 2004 General Superintendent of Yumoto Plant</p> <p>Apr. 2009 Assistant General Superintendent of Okayama Plant and General Manager of Okayama Manufacturing Department</p> <p>June 2010 Executive Officer, General Superintendent of Okayama Plant and General Manager of Okayama Manufacturing Department</p> <p>June 2013 Director and Managing Executive Officer</p> <p>Apr. 2016 Director and Managing Executive Officer in charge of Sales Department I, Sales Department III, and Sales Department IV</p> <p>Apr. 2018 Director and Senior Managing Executive Officer responsible for Sales Unit and in charge of Sales Department III and Sales Department IV</p> <p>Apr. 2020 Director and Senior Managing Executive Officer responsible for Sales Unit and in charge of Overseas Business Division, Sales Department III, and Sales Department IV</p> <p>June 2020 Director and Senior Managing Executive Officer in charge of Sales Unit and General Manager of Domestic Sales Division</p> <p>Apr. 2022 Director and Senior Managing Executive Officer responsible for Sales Unit and General Manager of Domestic Sales Division (current position)</p> | 4,849 |
| <p>Reasons for nomination as candidate for Director</p> <p>Mr. Kaneshige began to serve as Executive Officer from June 2010 and as Director from June 2013 after having engaged in duties in Technology Development Unit, Manufacturing Unit, and Sales Unit over many years at the Company. He is nominated as candidate for Director as we thought he would further strengthen our management base by utilizing his extensive experience and achievements for our business management in light of the fact that he was equipped with a wealth of knowledge, experience, and achievements as top manager.</p> | | | |

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company | Number of the Company's shares owned |
|---------------|---|---|--------------------------------------|
| 3 | Yoshikazu Kurose (November 29, 1958) Reelection | <p>Apr. 1983 Joined Kawasaki Steel Corporation</p> <p>Apr. 2007 General Manager of Steelmaking Department, East Japan Works (Keihin) of JFE Steel Corporation</p> <p>Apr. 2010 General Manager of Slag Business Promotion Department</p> <p>Apr. 2013 Assistant to General Manager of Furnace Construction Business Division of the Company</p> <p>June 2013 Executive Officer and General Manager of Furnace Construction Business Division</p> <p>Apr. 2014 Executive Officer and General Manager of Sales Department I</p> <p>Apr. 2015 Managing Executive Officer and General Manager of Sales Department I</p> <p>Apr. 2016 Managing Executive Officer in charge of Furnace Construction Business Division and Engineering Department</p> <p>June 2016 Director and Managing Executive Officer in charge of Furnace Construction Business Department and Engineering Department</p> <p>Apr. 2019 Director and Managing Executive Officer in charge of Engineering Business Department</p> <p>June 2021 Director and Managing Executive Officer in charge of Engineering Business Division and Safety and Health Department</p> <p>Apr. 2022 Director and Managing Executive Officer responsible for Engineering Business Division and in charge of Safety and Health Department (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Apr. 2018 President and CEO of Shinagawa Roko, Inc.</p> <p>Reasons for nomination as candidate for Director</p> <p>Mr. Kurose joined the Company in April 2013 after having served as General Manager of the Slag Business Promotion Department etc. of JFE Steel Corporation. Starting from June 2013, he began to serve as Executive Officer, having thus far engaged in duties in the Furnace Construction Unit and Sales Unit, and began to serve as Director from June 2016. He is nominated as candidate for Director as we thought he would further strengthen our management base by utilizing his extensive experience and achievements for our business management in light of the fact that he was equipped with a wealth of knowledge, experience, and achievements as top manager.</p> | 3,521 |

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company | Number of the Company's shares owned |
|---------------|--|---|--------------------------------------|
| 4 | Hajime Ichikawa (November 19, 1958) New election | <p>Apr. 1982 Joined the Company</p> <p>Apr. 1997 Chief Manager of Accounting Section and Okayama Accounting Section, Accounting Department</p> <p>Mar. 2002 Seconded to Shinagawa Thermal Ceramics Pty. Ltd. (present Shinagawa Refractories Australasia Pty. Ltd.)</p> <p>Apr. 2012 General Manager of Corporate Planning Department and Chief of Internal Audit Office</p> <p>June 2013 Executive Officer, General Manager of Corporate Planning Department and Chief of Internal Audit Office</p> <p>Apr. 2014 Executive Officer, General Manager of Accounting Department</p> <p>Apr. 2015 Managing Executive Officer and General Manager of Accounting Department</p> <p>June 2016 Director (full-time Audit & Supervisory Committee Member) (current position)</p> <p>Reasons for nomination as candidate for Director</p> <p>Mr. Ichikawa began to serve as Executive Officer from June 2013 and as Director (full-time Audit & Supervisory Committee Member) from June 2016 after having engaged in duties in the Accounting Unit, Corporate Planning Unit, and Internal Audit Unit over many years at the Company. He is nominated as candidate for Director as we thought he would further strengthen our management base by utilizing his extensive experience and achievements for our business management in light of the fact that he was equipped with a wealth of knowledge, experience, and achievements as top manager.</p> | 2,789 |

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company | Number of the Company's shares owned |
|---------------|--|---|--------------------------------------|
| 5 | Masanori Ogata (September 18, 1962) Reelection | <p>Apr. 1990 Joined the Company</p> <p>Apr. 1998 Chief Manager of Laboratory IV of Refractory Laboratory Department of Research Center</p> <p>May 2005 Seconded to Shinagawa Rongyuan Refractories Co., Ltd. in China</p> <p>Oct. 2009 Manager of Research Group I, Research Center of the Company</p> <p>June 2013 General Manager of Research Center and General Manager of Technology Department</p> <p>Apr. 2016 Executive Officer, General Manager of East Works and General Manager of Yumoto Plant</p> <p>Apr. 2018 Managing Executive Officer in charge of Research Center and Technical Department</p> <p>June 2018 Director and Managing Executive Officer in charge of Research Center and Technical Department</p> <p>Apr. 2019 Director and Managing Executive Officer in charge of Research Center</p> <p>June 2020 Managing Executive Officer in charge of Research Center</p> <p>Apr. 2021 Managing Executive Officer in charge of Research Center and Technology Department</p> <p>June 2021 Director and Managing Executive Officer in charge of Production Unit, Research Center, and Technology Department</p> <p>Apr. 2022 Director and Managing Executive Officer responsible for Production Unit and Research Center and in charge of Quality Assurance Department, Plant Engineering Department, and Technology Department (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Apr. 2018 President and CEO of Shinagawa Fine Ceramics Co., Ltd.</p> | 2,643 |
| | | <p>Reasons for nomination as candidate for Director</p> <p>Mr. Ogata began to serve as Executive Officer from April 2016 and served as Director from June 2018 to June 2020 and from June 2021 after having engaged in duties in Technology Development Unit and Manufacturing Unit over many years at the Company. He is nominated as candidate for Director as we thought he would further strengthen our management base by utilizing his extensive experience and achievements for our business management in light of the fact that he was equipped with a wealth of knowledge, experience, and achievements as top manager.</p> | |

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company | Number of the Company's shares owned |
|---------------|---|--|--------------------------------------|
| 6 | Keiko Yamahira (November 30, 1960) New election | <p>Apr. 1983 Joined Kubota House Corporation (present Sanyo Homes Corporation)</p> <p>Apr. 2010 Executive Officer of Sanyo Homes Corporation</p> <p>June 2011 Director and Managing Executive Officer</p> <p>June 2012 Concurrently served as Director of Sanyo Reform Corporation</p> <p>June 2013 Director and Senior Managing Executive Officer of Sanyo Homes Corporation Concurrently served as Director of San-Advance Corporation Concurrently served as Director of Sanyo Homes Community Corporation</p> <p>June 2015 President and CEO, Executive Officer of Sanyo Homes Corporation</p> <p>Apr. 2017 Chairman and Executive Director of Sanyo Homes Community Corporation</p> <p>June 2019 Outside Director of Joshin Denki Co., Ltd. (current position) Outside Director of Fujitec Co., Ltd. (scheduled to retire in June 2022)</p> <p>June 2021 Outside Director of Takara Leben Co., Ltd. (current position)</p> <p>Reasons for nomination as candidate for Outside Director and outline of the expected roles</p> <p>Ms. Yamahira has served as President, Director and Executive Officer of Sanyo Homes Corporation and has been appointed as Outside Director of Joshin Denki Co., Ltd. and other companies. She is equipped with a wealth of knowledge, experience, and achievements in company management, marketing, sales strategy, etc. as top manager. The Company expects her to provide the Company with supervision, advice, etc. on the Company's business execution from a professional perspective.</p> | - |

- Notes:
1. The Company has a capital relationship with Shinagawa Roko, Inc. and Shinagawa Fine Ceramics Co., Ltd. and enters into transactions involving employee dispatching, working capital assistance, refractory products, and furnace construction, among others.
 2. Besides the above, there is no special interest between any of the candidates and the Company.
 3. Ms. Yamahira is a candidate for Outside Director as defined in Article 2, paragraph (3), Item 7 of the Regulation for Enforcement of the Companies Act. Furthermore, she satisfies the requirements for an independent officer provided by the financial instruments exchange, and the Company plans to submit notification to the aforementioned exchange concerning her designation as an independent officer.
 4. If the election of Ms. Yamahira is approved, the Company plans to enter into an agreement to limit liability for damages under Article 423, paragraph (1) of the Companies Act based on Article 427, paragraph (1) of the same Act. Pursuant to this agreement, the defined maximum amount of liability for damages is the minimum liability amount provided for under Article 425, paragraph (1) of the same Act.
 5. The Company has entered into a director liability insurance contract, which is stipulated in Article 430, paragraph (3), Item 1 of the Companies Act, with an insurance company. Insured persons are the Company's Directors. If the election of the Director candidates is approved and adopted, they will be included in the insured persons of the liability insurance contract in question.

Proposal No. 4 Election of Four Directors Who Are Audit and Supervisory Committee Members

At the conclusion of this meeting, the terms of office of all four Directors who are Audit and Supervisory Committee Members will expire. Therefore, the Company proposes the election of four Directors who are Audit and Supervisory Committee Members

In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidates for Director who is an Audit and Supervisory Committee Member are as follows:

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company | Number of the Company's shares owned |
|---------------|--|--|--------------------------------------|
| 1 | Hirofumi Yamashita (January 10, 1960) New election | <p>Apr. 1982 Joined NKK Corporation</p> <p>Apr. 2008 General Manager of Affiliated Business Department II of JFE Steel Corporation</p> <p>Apr. 2011 Assistant General Superintendent of West Japan Works</p> <p>Apr. 2014 Executive Officer in charge of Corporate Planning Department, Overseas Business Division, Overseas Sales Department, and overseas subsidiaries and affiliates, and General Manager of Corporate Planning Department of the Company</p> <p>Apr. 2015 Managing Executive Officer in charge of Corporate Planning Department, China and Asia Business Department, Europe, U.S. and Australia Business Department, and overseas subsidiaries and affiliates, and General Manager of Corporate Planning Department</p> <p>June 2016 Director and Managing Executive Officer in charge of Corporate Planning Department, China and Asia Business Department, Europe, U.S. and Australia Business Department, and overseas subsidiaries and affiliates, and General Manager of Corporate Planning Department</p> <p>Apr. 2018 Director and Managing Executive Officer in charge of Corporate Planning Department, China and Asia Business Department, Europe, U.S. and Australia Business Department, and overseas subsidiaries and affiliates</p> <p>June 2019 Director and Managing Executive Officer in charge of Information System Department, Corporate Planning Department, China and Asia Business Department, Europe, U.S. and Australia Business Department, and overseas subsidiaries and affiliates</p> <p>Apr. 2020 Director and Managing Executive Officer in charge of Information System Department, Corporate Planning Department, and domestic subsidiaries and affiliates</p> <p>June 2020 Managing Executive Officer in charge of Information System Department, Corporate Planning Department, and domestic subsidiaries and affiliates</p> <p>June 2021 Director and Managing Executive Officer in charge of Administration Unit, Information System Department, Corporate Planning Department, and domestic subsidiaries and affiliates</p> | 2,443 |

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company | Number of the Company's shares owned |
|---------------|--|--|--------------------------------------|
| | | <p>Apr. 2022 Director and Managing Executive Officer responsible for Administration Unit, Corporate Planning Department, and Sustainability Promotion Office and in charge of Information System Department and domestic subsidiaries and affiliates (current position)</p> | |
| | | <p>Reasons for nomination as candidate for Director</p> <p>Mr. Yamashita joined the Company in April 2014 having served as Assistant General Superintendent of West Japan Works of JFE Steel Corporation. Starting from the same month, he began to serve as Executive Officer, having thus far engaged in duties in the Corporate Planning Unit and Overseas and Domestic Subsidiaries and Affiliates Unit. He also served as Director from June 2016 to June 2020 and has been serving in the same post from June 2021. He is nominated as candidate for Director who is an Audit and Supervisory Committee Member as we thought he would further strengthen our audit and supervisory functions by utilizing his extensive experience and achievements for our business management.</p> | |
| 2 | <p>Kantaro Toyozumi (October 17, 1945)</p> <p>Reelection</p> | <p>Apr. 1970 Registered as an attorney</p> <p>Mar. 2004 Provisory Audit & Supervisory Board Member of the Company</p> <p>Apr. 2004 Professor of Keio University Law School</p> <p>June 2004 Outside Audit & Supervisory Board Member of the Company</p> <p>June 2016 Outside Director (Audit and Supervisory Committee Member) (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>July 2004 Outside Audit & Supervisory Board Member of Nippon Life Insurance Company (current position)</p> <p>June 2016 Outside Audit & Supervisory Board Member of San-Ai Oil Co., Ltd. (present San-Ai Obbli Co., Ltd.) (current position)</p> | - |
| | | <p>[Reasons for nomination as candidate for Outside Director and outline of the expected roles]</p> <p>Mr. Toyozumi has a high level of knowledge and experience not only in the Companies Act but also in corporate legal affairs in general as an attorney. He has served at the Company as Outside Audit & Supervisory Board Member since March 2004 and Outside Director (Audit and Supervisory Committee Member) since June 2016 and made comments on the adequacy and appropriateness of the decision-making of the Board of Directors as required. Based on this background, he is nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member in anticipation of his inspection and supervision of overall management.</p> <p>He has never been involved in company management except as an outside officer. However, the Company judges he will appropriately fulfill his duties based on the above reasons.</p> | |

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company | Number of the Company's shares owned |
|---------------|---|---|--------------------------------------|
| 3 | Masanori Sato (July 28, 1947) Reelection | <p>Apr. 1970 Joined Asahi Kaikai-sha (present KPMG AZSA LLC)</p> <p>Mar. 1973 Registered as a certified public accountant</p> <p>May 2004 Board Chairperson of AZSA & Co. (present KPMG AZSA LLC)</p> <p>June 2010 Retired from the corporation</p> <p>Oct. 2010 Established Sato Accounting Firm</p> <p>June 2011 Outside Audit & Supervisory Board Member of the Company</p> <p>June 2016 Outside Director (Audit and Supervisory Committee Member) (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Feb. 2016 Outside Audit & Supervisory Board Member of Maruzen Yushodo Co., Ltd. (current position)</p> | - |
| | | <p>[Reasons for nomination as candidate for Outside Director and outline of the expected roles]</p> <p>Mr. Sato has a high level of knowledge and experience in corporate accounting in general as a certified public accountant and certified tax accountant. He has served at the Company as Outside Audit & Supervisory Board Member since June 2011 and Outside Director (Audit and Supervisory Committee Member) since June 2016 and made comments on the adequacy and appropriateness of the decision-making of the Board of Directors as required. Based on this background, he is nominated as a candidate for an Outside Director who is an Audit and Supervisory Committee Member in anticipation of his inspection and supervision of overall management.</p> <p>He has never been involved in company management except as an outside officer. However, the Company judges he will appropriately fulfill his duties based on the above reasons.</p> | |
| 4 | Shigeru Nakajima (December 27, 1949) Reelection | <p>Apr. 1979 Registered as an attorney</p> <p>Apr. 1983 Established Nakajima Law Firm</p> <p>June 2003 Outside Audit & Supervisory Board Member of Recruit Co., Ltd.</p> <p>June 2004 Outside Audit & Supervisory Board Member of Mitsubishi Corporation</p> <p>June 2015 Outside Director of the Company</p> <p>June 2016 Outside Director (Audit and Supervisory Committee Member) (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Dec. 2000 Outside Audit & Supervisory Board Member of Nissei ASB Machine Co., Ltd. (current position)</p> | - |
| | | <p>[Reasons for nomination as candidate for Outside Director and outline of the expected roles]</p> <p>Mr. Nakajima has a high level of knowledge and experience not only in the Companies Act but also in corporate legal affairs in general as an attorney. He has served at the Company as Outside Director since June 2015 and Outside Director (Audit and Supervisory Committee Member) since June 2016 and made comments on the adequacy and appropriateness of the decision-making of the Board of Directors as required. Based on this background, he is nominated as a candidate for an Outside Director who is an Audit and Supervisory Committee Member in anticipation of his inspection and supervision of overall management.</p> <p>He has never been involved in company management except as an outside officer. However, the Company judges he will appropriately fulfill his duties based on the above reasons.</p> | |

Notes: 1. There is no special interest between any of the candidates and the Company.

2. Mr. Toyozumi, Mr. Sato, and Mr. Nakajima are candidates for Outside Director as defined in Article 2, paragraph (3), Item 7 of the Regulation for Enforcement of the Companies Act. In addition, each of them is an independent officer registered under the requirements of the financial instruments exchange.
3. The Company has entered into an agreement with Mr. Toyozumi, Mr. Sato, and Mr. Nakajima to limit their liability for damages under Article 423, paragraph (1) of the Companies Act based on Article 427, paragraph (1) of the same Act. Pursuant to this agreement, the defined maximum amount of liability for damages is the minimum liability amount provided for under Article 425, paragraph (1) of the same Act. If their reappointment is approved, the Company intends to continue such contracts with each of them. If the election of Mr. Yamashita is approved, the Company plans to enter into the same limited liability agreement with him.
4. Mr. Toyozumi, Mr. Sato, and Mr. Nakajima are currently Outside Directors who are Audit and Supervisory Committee Members of the Company, and at the conclusion of this meeting, the tenure of each of them will have been six years. Each of them has been a non-executive officer of the Company in the past.

(Reference Information) Composition of the Board of Directors [scheduled to be held after June 29, 2022]
The skills possessed by the Directors are as follows.

| | | Corporate Management and Business Strategy | Procurement | Sales and Marketing | Manufacturing and Construction and R&D | Accounting and Finance |
|---|---------------------|--|-------------|---------------------|--|------------------------|
| Directors (excluding Audit and Supervisory Committee Members) | Hiroyuki Fujiwara | ○ | ○ | | | |
| | Toshihiko Kaneshige | ○ | ○ | ○ | ○ | |
| | Yoshikazu Kurose | ○ | | ○ | ○ | |
| | Hajime Ichikawa | ○ | | | | ○ |
| | Masanori Ogata | ○ | | | ○ | |
| | Keiko Yamahira | ○ | | ○ | ○ | |
| Directors who are Audit and Supervisory Committee Members | Hirofumi Yamashita | ○ | | | | ○ |
| | Kantaro Toyozumi | | | | | |
| | Masanori Sato | | | | | ○ |
| | Shigeru Nakajima | | | | | |

| | | Organization and Human Resource Management | Legal and Risk Management | Global Business | Environmental Management |
|---|---------------------|--|---------------------------|-----------------|--------------------------|
| Directors (excluding Audit and Supervisory Committee Members) | Hiroyuki Fujiwara | ○ | ○ | ○ | ○ |
| | Toshihiko Kaneshige | | | ○ | ○ |
| | Yoshikazu Kurose | | | | ○ |
| | Hajime Ichikawa | | | ○ | |
| | Masanori Ogata | | | ○ | ○ |
| | Keiko Yamahira | ○ | | | |
| Directors who are Audit and Supervisory Committee Members | Hirofumi Yamashita | ○ | | ○ | |
| | Kantaro Toyozumi | | ○ | | |
| | Masanori Sato | | | | |
| | Shigeru Nakajima | | ○ | | |