

Please note that the following is an unofficial English translation of the Japanese original text of the Notice of Convocation of the 121st Ordinary General Meeting of Shareholders of Akebono Brake Industry Co., Ltd. The Company provides this translation for reference purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Securities Code: 7238

June 7, 2022

To Shareholders with Voting Rights

Akebono Brake Industry Co., Ltd.
19-5, Nihonbashi Koami-cho, Chuo-ku, Tokyo
President & CEO
Yasuhiro Miyaji

NOTICE OF CONVOCATION OF THE 121ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

Akebono Brake Industry Co., Ltd. (the “Company”) now announces and cordially invites you to attend the 121st Ordinary General Meeting of Shareholders, to be held as set forth below.

You can exercise your voting rights by mail or via the Internet instead of attending the meeting. Please refer to the “Exercise of Voting Rights” on page 2 and exercise your voting rights after reading the “Reference Documents for the General Meeting of Shareholders” contained herein by 5:40 p.m. June 23 (Thursday), 2022 (JST).

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|-------------------------|--|
| 1. Date and Time | June 24 (Friday), 2022 at 10:00 a.m. (Reception will open at 9:00 a.m.) (JST) |
| 2. Place | Conference Hall, Ai-City (Headquarters), Akebono Brake Industry Co., Ltd. 5-4-71, Higashi, Hanyu City, Saitama |
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- 3. Purpose of the Meeting**
- Matters to be Reported**
- (1) Business Report and Consolidated Financial Statements, as well as Results of the Audits of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Committee for the 126th Business Term (From April 1, 2021 to March 31, 2022)
 - (2) Non-Consolidated Financial Statements for the 126th Business Term (From April 1, 2021 to March 31, 2022)
- Matters to be Resolved**
- Proposal No. 1:** Partial Amendments to the Articles of Incorporation
 - Proposal No. 2:** Election of One (1) Director (excluding Directors who are Audit & Supervisory Committee Members)
 - Proposal No. 3:** Election of Independent Auditor
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- Should any revisions be made to the Reference Documents for the General Meeting of Shareholders, they will be posted on the Company’s website (<https://www.akebono-brake.com/english/>).

Exercise of Voting Rights

The right to vote is an important right that allows the shareholders to participate in the running of the Company. We ask that shareholders exercise their voting rights after referring to the “Reference Documents for the General Meeting of Shareholders.”

Shareholders who will not attend the meeting

If you are unable to attend the meeting, you can exercise your voting rights by mail or via the Internet.

Exercising Voting Rights by Mail

Please indicate your agreement or disagreement with respective proposals on the enclosed Voting Rights Exercise Form and send it by mail to us. Please note that no indication of agreement or disagreement with respective proposals shall be deemed to be an indication of “agreement” to the proposals of the Company.

Deadline for Exercising Voting Rights: To arrive no later than 5:40 p.m. on June 23 (Thursday), 2022 (JST)

Exercising Voting Rights via the Internet

Please access the site for exercising voting rights (<https://soukai.mizuho-tb.co.jp/>) from your computer or smartphone and enter your vote for each proposal following instructions on screen.

Deadline for Exercising Voting Rights: No later than 5:40 p.m. on June 23 (Thursday), 2022 (JST)

Shareholders who will attend the meeting

When you attend the meeting, you are requested to present the enclosed Voting Rights Exercise Form at the reception desk upon arrival at the meeting.

· To save paper resources, we request that you bring this booklet with you when attending the meeting.

* Attending the meeting by proxy

When shareholders exercise their voting rights by proxy, those voting rights may be exercised by one other shareholder who possesses voting rights of the Company. In such a case, however, it is a condition that either the Voting Rights Exercise Form, or a document that can provide proof of identity (copy of certificate of seal impression, driver’s license, etc.) be submitted together with a letter of consent that contains the signature or seal of the entrusting shareholder.

Date and Time: June 24 (Friday), 2022, at 10:00 a.m. (JST)

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and Reference Matters

Proposal No. 1: Partial Amendments to the Articles of Incorporation

1. Reason for the Proposal

Since 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) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for introducing a system for providing informational materials for the General Meeting of Shareholders in electronic format.

- (1) Article 15, Paragraph 1 in “Proposed Amendments” below will stipulate that the Company shall take measures for providing information that constitutes the contents of the reference documents for the General Meeting of Shareholders, etc. in electronic format.
- (2) Article 15, Paragraph 2 in “Proposed Amendments” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc. (Article 15 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

[Translation for Reference Purposes Only]

2. Details of the amendments

The details of the amendments are as follows.

(Amendments are indicated in underlined text)


Current Articles of Incorporation	Proposed Amendments
<p data-bbox="165 423 796 517"><u>Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p data-bbox="165 519 796 797"><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 data-bbox="416 799 544 835">(New item)</p> <p data-bbox="416 1323 544 1359">(New item)</p>	<p data-bbox="1054 423 1166 459">(Deleted)</p> <p data-bbox="798 799 1428 869"><u>Article 15 (Measures, etc. for Providing Information in Electronic Format)</u></p> <ol data-bbox="815 871 1428 1279" style="list-style-type: none"> <li data-bbox="815 871 1428 1025">1. <u>When the Company convenes a General Meeting of Shareholders, it shall take measures for providing information that constitutes the contents of the reference documents for the General Meeting of Shareholders, etc. in electronic format.</u> <li data-bbox="815 1028 1428 1279">2. <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from 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 data-bbox="959 1323 1262 1359"><u>(Supplementary Provisions)</u></p> <ol data-bbox="815 1361 1428 2049" style="list-style-type: none"> <li data-bbox="815 1361 1428 1610">1. <u>The amendment to the Articles of Incorporation pertaining to Article 15 shall be effective from September 1, 2022, which is the date of 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) (hereinafter referred to as the “Date of Enforcement”).</u> <li data-bbox="815 1612 1428 1861">2. <u>Notwithstanding the provision of the preceding paragraph, Article 15 of the pre-amended 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 the Date of Enforcement.</u> <li data-bbox="815 1863 1428 2049">3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or when three months have elapsed from the date of the General Meeting of Shareholders in the preceding paragraph, whichever is later.</u>

[Translation for Reference Purposes Only]

Proposal No. 2: Election of One (1) Director (excluding Directors who are Audit & Supervisory Committee Members)

The term of office of both Directors Yasuhiro Miyaji and Takamasa Kurinami will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes the election of one (1) Director.

The details of the candidate for Director are as follows:

Name (Date of Birth)	Brief Personal History, Assignments and Position in the Company, and any Important Representation of Other Entities	Number of the Company's Shares Held
 <p data-bbox="215 907 406 963">Yasuhiro Miyaji (May 17, 1957)</p> <div data-bbox="207 974 406 1019" style="border: 1px solid black; padding: 2px; text-align: center;">Reelection</div>	<p data-bbox="467 593 1230 638">April 1981 Joined Jidosha Kiki Co., Ltd. (currently: Bosch Corporation)</p> <p data-bbox="467 638 1230 716">October 2000 General Manager, Sales Planning Department, Sales Division, Bosch Braking Systems Co., Ltd. (currently: Bosch Corporation)</p> <p data-bbox="467 716 1230 772">April 2002 Deputy General Manager, Sales Division, Chassis System Business Unit, Bosch Corporation</p> <p data-bbox="467 772 1230 828">August 2005 President and Representative Director, TMD Friction Japan K.K.</p> <p data-bbox="467 828 1230 862">January 2009 Executive Officer, Bosch Corporation</p> <p data-bbox="467 862 1230 907">November 2010 Managing Executive Officer, in charge of Customer Business, Bosch Corporation</p> <p data-bbox="467 907 1230 963">April 2016 Senior Executive Officer, in charge of Customer Business, Bosch Corporation</p> <p data-bbox="467 963 1230 1041">July 2017 Managing Executive Officer, Deputy General Manager of Vehicle Installation Business, NIDEC CORPORATION</p> <p data-bbox="467 1041 1230 1097">September 2019 Joined the Company, Representative Director (Current)</p> <p data-bbox="467 1097 1230 1153">October 2019 Executive Officer, President & CEO, the Company (Current)</p> <p data-bbox="467 1153 1230 1209">[Assignments in the Company] CEO</p>	<p data-bbox="1238 873 1420 929">Common shares: 42,149</p>
<p data-bbox="159 1220 1420 1243">[Reason for selecting Yasuhiro Miyaji as the candidate for Director]</p> <p data-bbox="159 1243 1420 1321">Mr. Miyaji has been demonstrating leadership as President & CEO of the Company since being appointed in 2019 carrying out and executing the Business Turnaround Plan and pursuing future growth through the restructuring of manufacturing plants in Japan, North America and Europe.</p> <p data-bbox="159 1321 1420 1456">Before joining the Company, he served as the Representative Director of TMD Friction Japan K.K., the Senior Executive Officer of Bosch Corporation, and the Managing Executive Officer of NIDEC CORPORATION. As he was engaged in the brake business at Bosch Corporation and TMD Friction Japan K.K., he has profound expertise in the Company's mainstay business. In addition, at both companies he created strong relationships through the expansion of their businesses with Japanese automakers and the acquisition of new customers.</p> <p data-bbox="159 1456 1420 1579">In order to turn around the business and achieve future growth of the Company, it is indispensable for us to regain the trust of our customers and other stakeholders, strengthening the competitiveness of the entire Akebono Group and leading business expansion. As Mr. Miyaji has the most appropriate knowledge, experience and abilities to fulfill these duties, the Company has judged that he can continue contributing to the enhancement of corporate value of the Company and nominates him as the candidate for Director.</p>		

- Notes:
1. There is no special interest between the candidate and the Company.
 2. The candidate does not hold Class A shares of the Company.
 3. The Company has entered into a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The said insurance will compensate for any legal damages and dispute costs arising in the event a claim for compensation of damages is made against the insured person during the term of the insurance due to an act taken by the insured person based on his or her position. The candidate will be included as the insured person in the aforesaid insurance contract.
 4. The number of the Company's shares held by the candidate includes shares held through the Officers' Shareholding Association of the Company.

[Translation for Reference Purposes Only]

Skill Matrix

The Company believes that the composition of the Board of Directors needs to be well-balanced with knowledge, experience and abilities that will contribute to the achievement of the Business Turnaround Plan, which is the highest priority, and to the enhancement of corporate value over the medium to long term. Accordingly, we have currently defined such knowledge, experience and abilities as “Business Turnaround,” “Corporate Management,” “Industry Knowledge,” “Research and Development,” “Monozukuri (manufacturing excellence and quality),” “Sales and Purchasing” “Finance and Accounting,” “Legal, Governance and Compliance,” and “Global Experience.” The Company has appointed Inside Directors with industry knowledge and Outside Directors with a high level of expertise in their respective fields and experience in business revitalization. The knowledge, experience and abilities of each director are as follows.

Name	Position		Business Turnaround	Corporate Management	Industry Knowledge	Research and Development	Monozukuri (manufacturing excellence and quality)	Sales and Purchasing	Finance and Accounting	Legal/ Governance/ Compliance	Global Experience
Yasuhiro Miyaji	Representative Director & Member of the Board, President & CEO			•	•	•	•	•			•
Hiroaki Tanji	Outside Director & Member of the Board	Independent	•	•	•	•	•		•		•
Yuichi Hiromoto	Outside Director & Member of the Board		•	•	•				•		•
Yosuke Mishiro	Outside Director & Member of the Board	Independent	•	•	•	•	•			•	•
Shigeyuki Kawamoto	Outside Director & Member of the Board	Independent / Attorney	•	•	•					•	

* The above table does not show all the knowledge, experience and abilities of each Director.

Proposal No. 3: Election of Independent Auditor

Deloitte Touche Tohmatsu LLC, the Company's Independent Auditor, will resign at the conclusion of this Ordinary General Meeting of Shareholders due to the expiration of its term of office. Therefore, the Company proposes the election of a new Independent Auditor.

The submission of this proposal is based on the decision of the Audit & Supervisory Committee.

The Audit & Supervisory Committee has nominated Grant Thornton Taiyo LLC as the candidate for Independent Auditor because, rather than retain the same Independent Auditor, a new Independent Auditor will enable audits to be conducted from a new perspective. Furthermore, in accordance with the Company's Independent Auditor selection standards and based on the results of a comprehensive evaluation of the quality control system, independence, expertise, structure for executing audit activities, global networking structure, and level of audit fees, etc. of Grant Thornton Taiyo LLC, the Audit & Supervisory Committee has judged that this financial auditor has a system in place to ensure that financial audits of the Company will be carried out correctly and appropriately and is qualified to be the new Independent Auditor.

The candidate for Independent Auditor is as follows.

Company Name	Grant Thornton Taiyo LLC	
Location	Main office: Akasaka K-tower 22F, 1-2-7 Motoakasaka, Minato-ku, Tokyo Other office: Osaka office and other 7 offices	
History	September 1971	Established Taiyo Audit Corporation
	October 1994	Joined Grant Thornton International Ltd
	January 2006	Merged with ASG Audit Corporation and changed name to Grant Thornton Taiyo ASG Audit Corporation
	July 2008	Became a limited liability audit corporation and changed name to Grant Thornton Taiyo ASG LLC
	July 2012	Merged with Eisho Audit Corporation
	October 2013	Merged with Kasumigaseki Audit Corporation
	October 2014	Changed name to Grant Thornton Taiyo LLC
	July 2018	Merged with YUSEI Audit & Co.
Outline	Capital: 527 million yen (as of March 31, 2022) Number of Employees: 1,136 (as of March 31, 2022) [Breakdown] Representative Partners/Partners 88 persons Specified Partners 4 persons Certified Public Accountants 304 persons Persons that have passed Certified Public Accountant Exam, etc. 246 persons Other Professionals 181 persons Administrative Staff/Contract Employees 313 persons Number of clients subject to audits pursuant to the Financial Instruments and Exchange Act and the Companies Act: 299 companies (as of March 31, 2022)	