

Separate document

Reference Documents for the General Meeting of Shareholders

Proposals and References

Item 1 Election of six (6) directors

The terms of office of all six (6) directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. The Company proposes to newly elect six (6) directors.

The candidates are described below.

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions	Number of the Company's shares owned
1	Takafumi Morichi October 15, 1958	<p>April 1981 Joined Kobe Steel, Ltd.</p> <p>April 2011 Executive Officer of Kobe Steel, Ltd.</p> <p>April 2013 Managing Executive Officer</p> <p>April 2015 Senior Managing Executive Officer</p> <p>June 2017 President and CEO of the Company (incumbent)</p> <p>June 2019 Outside Director of Sanoh Industrial Co., Ltd. (part-time) (incumbent)</p> <p>[Significant concurrent positions]</p> <p>Outside Director of Sanoh Industrial Co., Ltd. (part-time)</p>	11,300 shares
<p>Reasons for nomination: Takafumi Morichi has served Kobe Steel, Ltd., in a number of roles; he became an executive officer in April 2011, a managing executive officer in April 2013, a senior managing executive officer in April 2015, and since June 2017, he has served as President and CEO of the Company. Morichi has abundant experience and formidable insight in Kobe Steel Group's operations in general, coupled with wide ranging managerial experience. As President and CEO, he has demonstrated effective leadership and has played no small part in expanding Shinsho Group and strengthening corporate governance. For these reasons, the Company believes that he can contribute toward the sustainable enhancement of corporate value; therefore, it proposes his reelection as a director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions	Number of the Company's shares owned
2	Masahito Adachi December 5, 1961	<p>April 1986 Joined the Company</p> <p>April 2007 Head of Aluminum Products Department of the Nonferrous Metals Division</p> <p>April 2008 Head of Aluminum Products Department II of the Nonferrous Metals Division</p> <p>April 2014 Head of Engineered Materials and Raw Materials Department of the Nonferrous Metals Division</p> <p>June 2016 Officer Deputy General Manager of the Nonferrous Metals Division</p> <p>June 2019 Managing Executive Officer Deputy General Manager of the Nonferrous Metals Division</p> <p>June 2022 Director / Senior Executive Officer General Manager of the Nonferrous Metals Division Supervisor of the Iron & Steel Division President of Suzhou Shinko-Shoji Material Co., Ltd. President of Kobelco Precision Parts (Suzhou) Co., Ltd. (incumbent)</p>	6,700 shares
<p>Since joining the Company, Masahito Adachi has managed the Company's nonferrous metals operations and has gained extensive experience in such. In April 2007, he became General Manager of the Nonferrous Metals Division; in April 2008, head of the division's Aluminum Products Department II; in April 2014, head of the division's Engineered Materials and Raw Materials Department; in June 2016, he became an Officer. Today, he serves the Company as a director and senior executive officer, holding the posts of General Manager of the Nonferrous Metals Division and Supervisor of the Iron & Steel Division. He also serves as president of an overseas group company. For these reasons, the Company believes that he can contribute toward the sustainable enhancement of corporate value; therefore, it proposes his reelection as a director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (significant concurrent positions)	Number of the Company's shares owned
3	Yasuyuki Watanabe November 14, 1963	<p>April 1987 Joined the Company</p> <p>June 2018 Officer / Head of the Corporate Planning Department</p> <p>June 2019 Officer / Head of the Corporate Planning Department Responsible for the Finance Department</p> <p>July 2020 Officer / Responsible for the Corporate Planning Department, the Business & Risk Management Department, the Personnel Department, and the Finance Department</p> <p>June 2021 Director / Managing Executive Officer (responsible for the Corporate Planning, Business & Risk Management, Personnel, Audit and Finance Departments; supervises the General Affairs and Credit & Legal Departments)</p> <p>June 2022 Director / Executive Officer Responsible for the Business & Risk Management Department, the Personnel Department, the Finance Department, and the Auditing Department Supervisor of the General Affairs Department, Credit and Legal Department, the Welding Division, and Overseas Regions (incumbent)</p>	6,600 shares
<p>Reasons for nomination: After joining the Company, Yasuyuki Watanabe spent some years in overseas posts, in the US and China. He became senior manager of accounting in the Corporate Planning Department in July 2011 and head of the Corporate Planning Department in June 2016. Today, he serves the Company as Director and Executive Officer with responsibility for Corporate Planning, Personnel, Finance, and Auditing. He also supervises the General Affairs Department, Credit and Legal Department, the Welding Division, and Overseas Regions. He has abundant experience and formidable insight in accounting, finance, and a wide range of corporate divisions, and has engaged in senior management. For these reasons, the Company believes that he can contribute toward the sustainable enhancement of corporate value; therefore, it proposes his reelection as a director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions	Number of the Company's shares owned
4	Shinya Yoshida April 16, 1962	<p>April 1986 Joined the Company</p> <p>January 2009 Head of the Electronics Department of the Machinery & Electronics Division</p> <p>July 2012 Head of the Industrial Machinery & Information Equipment Department of the Machinery & Electronics Division</p> <p>June 2018 Officer Deputy General Manager of the Machinery & Electronics Division</p> <p>June 2020 Director / Executive Officer General Manager of the Machinery & Electronics Division</p> <p>June 2021 Managing Executive Officer General Manager of the Machinery & Electronics Division</p> <p>June 2022 Director / Executive Officer General Manager of the Machinery & Electronics Division Supervisor of the Corporate Planning Department and the Ferrous Raw Materials Division (incumbent)</p>	5,600 shares
<p>Reasons for nomination: Since joining the Company, Shinya Yoshida has managed the Company's machinery and information operations and has gained extensive experience in such. In 2012, he became head of the Industrial Machinery & Information Equipment Department (within the Machinery & Information Division); in June 2018, Officer and Deputy General Manager of the Machinery & Information Division; in June 2021, Executive Officer and General Manager of the Machinery & Information Division. Since June 2022, he has served as a Director and Executive Officer, General Manager of the Machinery & Electronics Division, Supervisor of the Corporate Planning Department and the Ferrous Raw Materials Division. For these reasons, the Company believes that he can contribute toward the sustainable enhancement of corporate value; therefore, it proposes his reelection as a director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions	Number of the Company's shares owned
5	Yoshio Tano March 26, 1957	<p>April 1979 Joined Yamaha Motor Co., Ltd.</p> <p>November 1984 Joined IBM Japan, Ltd.</p> <p>January 2014 Officer of Kobelco Systems Corporation</p> <p>April 2015 Executive Officer</p> <p>April 2017 President</p> <p>April 2022 President of assured Business Consulting (incumbent)</p> <p>June 2022 Outside Director (part-time) (incumbent)</p> <p>March 2023 Director (part-time) of N&C TIT Partners (incumbent)</p> <p>[Significant concurrent positions] President of assured Business Consulting Director (part-time) of N&C TIT Partners</p>	100 shares
Reason for nomination and expectation: Yoshio Tano has demonstrated extensive knowledge and business acumen as leader of Kobelco Systems Corporation. This experience will contribute toward the management of the Company. His experience will contribute toward the management of the Company and help the Company implement a digital transformation, which in turn will help build its enterprise value.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions	Number of the Company's shares owned
6	Miyuki Nakagawa January 15, 1970	<p>October 1995 Joined Asahi & Co. (now KPMG AZSA LLC)</p> <p>April 1999 Registered as a certified public accountant</p> <p>August 2018 Left KPMG AZSA LLC</p> <p>September 2018 President of Nakagawa Miyuki CPA Office (incumbent)</p> <p>April 2019 Fellow of Mirai Accounting Research Institute LLC. (incumbent)</p> <p>June 2021 Outside Director (part time) of Nankai Tatsumura Construction Co.,Ltd. (incumbent)</p> <p>June 2022 Outside Director (part-time) (incumbent)</p> <p>[Significant concurrent positions] President of Nakagawa Miyuki CPA Office Fellow of Mirai Accounting Research Institute LLC. Outside Director (part time) of Nankai Tatsumura Construction Co.,Ltd.</p>	100 shares
Reason for nomination and expected role: Miyuki Nakagawa has extensive accounting experience, having built a career as a certified public accountant. She has also been active in other areas, including serving on the panel of a public-sector body. Her wide-ranging experience will prove useful in helping the Company build new value. Miyuki Nakagawa has never been involved in corporate management other than in the capacity of an outside director, the Company nevertheless believes that she will duly perform her duties as an outside director for the above reasons.			

- (Notes)
- The Company does not have any special relationship with the candidates.
 - Yoshio Tano and Miyuki Nakagawa are candidates for the position of outside director as provided for in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. The Company has designated them as independent officers pursuant to Article 436, Paragraph 2 of the TSE Securities Listing Regulations.
 - Liability limitation agreements with outside directors
If Yoshio Tano and Miyuki Nakagawa's nominations are approved, the Company will, pursuant to Article 28, Paragraph 2 of the Articles of Incorporation, enter into agreements with them limiting their liability under Article 423, Paragraph 1 of the Companies Act to the total amount prescribed by Article 425, Paragraph 1 of the said Act, provided that they acted in good faith and without gross negligence.
 - We have taken out insurance specified in Article 430-3, Paragraph 1 of the Companies Act with the insurance company. The insurance covers the costs (including the legal costs) of damages claims awarded, during the coverage period, against any director, member of the Audit & Supervisory Board, or executive officer of our company or of our subsidiaries, who is found liable for wrongful acts in the performance of his or her duties. If elected, the above candidates will be covered.
 - As permitted under Article 430-2, Paragraph 1, of the Companies Act, the Company has entered indemnity agreements with Takafumi Morichi, Masahito Adachi, Yasuyuki Watanabe, Shinya Yoshida, Yoshio Tano and Miyuki Nakagawa in which it may indemnify their defense costs (as defined in Item 1 of the paragraph) and losses (as defined in Item 2 of the paragraph) to the extent permitted by law. If the candidates are re-elected, the Company will continue these agreements.

Item 2 Election of two (2) Audit & Supervisory Board members

The terms of office of Audit & Supervisory Board members Yoshihiro Maeda and Hiroko Kaneko will expire at the conclusion of this Ordinary General Meeting of Shareholders. The Company proposes to newly elect two (2) Audit & Supervisory Board members.

The Audit & Supervisory Board has already consented to the submission of this agenda item.

The candidates are described below.

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions	Number of the Company's shares owned
1	Kanehisa Ueda November 14, 1963	April 1986 Joined the Company	0 shares
		April 2010 General Manager of the Nonferrous Metals Division and Business Planning Office	
January 2017 Director of Shinsho Non-Ferrous Metals Corp.			
October 2020 Head of the Audit Department (incumbent)			
Reason for nomination: Kanehisa Ueda has served worked in the Company's Finance Department and served as General Manager of the Nonferrous Metals Division and Business Planning Office. He has also served as director of Shinsho Non-Ferrous Metals Corp. and headed the Company's Audit Department. His wide-ranging insights into the Company's corporate divisions will aid him in his duties of auditing and supervising the execution of business.			
2	Hiroko Kaneko October 15, 1964	April 1997 Completed Judicial Training Courses, registered as an attorney at law (Daiichi Tokyo Bar Association) (incumbent)	100 shares
		April 1998 Entered Matsuo & Kosugi (law firm) (incumbent)	
		March 2006 Registered as lawyer in the state of New York(incumbent)	
		June 2019 Outside Audit & Supervisory Board member(incumbent)	
		June 2021 Outside Director of Topy Industries, Ltd.(part-time)(incumbent)	
		[Significant concurrent positions] Matsuo & Kosugi (law firm) Outside Director of Topy Industries, Ltd. (part-time)	
Reason for nomination: With her wide-ranging insights into HR and labor matters, Hiroko Kaneko will offer valuable advice from a globally minded, objective, and impartial perspective. Her experience will also aid her in her duties of auditing and supervising the execution of business. Hiroko Kaneko has never been involved in corporate management other than in the capacity of an outside director or outside Audit & Supervisory Board member. The Company nevertheless believes that she will duly perform her duties as an outside Audit & Supervisory Board member for the above reasons.			

- (Notes)
1. The Company does not have any special relationship with the candidates.
 2. Hiroko Kaneko is a candidate for the office of outside Audit & Supervisory Board member as provided for under Article 2, Paragraph 3, item 8, of the Ordinance for the Enforcement of the Companies Act.
 3. Notes on independence
Hiroko Kaneko satisfies the requirements of an independent officer. In the previous business year, remuneration paid by the Company to Matsuo & Kosugi was less than 10 million yen and made up less than 1% of Matsuo & Kosugi's total fee revenue for that year. If Hiroko Kaneko's nomination is approved, the Company will register her as an independent officer in accordance with the procedures specified by the Tokyo Stock Exchange.
 4. Liability limitation agreements with Audit & Supervisory Board members
If Kanehisa Ueda and Hiroko Kaneko's nominations are approved, the Company will, pursuant to Article 36, Paragraph 2 of the Articles of Incorporation, enter into agreements with them limiting their liability under Article 423, Paragraph 1 of the Companies Act to the total amount prescribed by Article 425, Paragraph 1 of the said Act, provided that they acted in good faith and without gross negligence.
 5. We have taken out insurance specified in Article 430-3, Paragraph 1 of the Companies Act with the insurance company. The insurance covers the costs (including the legal costs) of damages claims awarded, during the coverage period, against any director, member of the Audit & Supervisory Board, or executive officer of our company or of our subsidiaries, who is found liable for wrongful acts in the performance of his or her duties. If elected, the above candidates will be covered.
 6. As permitted under Article 430-2, Paragraph 1, of the Companies Act, the Company has entered indemnity agreements with Hiroko Kaneko in which it may indemnify her defense costs (as defined in Item 1 of the paragraph) and losses (as defined in Item 2 of the paragraph) to the extent permitted by law. If Kaneko is re-elected, the Company will continue the agreement. The Company will enter such an agreement Kanehisa Ueda if he is elected.

Item 3 Election of One substitute Audit & Supervisory Board member

Hisayuki Shimomura was elected as substitute Audit & Supervisory Board member at the 104th Ordinary General Meeting of Shareholders held on June 24, 2022. However, the effectiveness of his election is due to expire. Accordingly, the Company proposes to reelect one (1) substitute Audit & Supervisory Board member.

The Audit & Supervisory Board has already consented to the submission of this agenda item.

The candidate is described below.

Candidate No.	Name (Date of birth)	Career summary, position and responsibilities in the Company, and significant concurrent positions	Number of the Company's shares owned
1	Hisayuki Shimomura May 5, 1957	<p>August 1989 Registered as a certified public accountant</p> <p>September 1989 Established Certified Public Accountants Shimomura Office (incumbent)</p> <p>November 2018 Representative Partner of GMA TAX Accountant Corporation (incumbent)</p> <p>[Significant concurrent positions] Representative Partner of GMA TAX Accountant Corporation</p>	0 shares
<p>Reasons for nomination: As a certified public accountant, Hisayuki Shimomura has abundant experience and wide ranging knowledge about finance and accounting. He has accrued many years of work at an auditing firm and has been closely involved in corporate management as a tax accountant. The Company has nominated him as a substitute outside Audit & Supervisory Board member believing that his expertise will enable him to both audit and supervise effectively and offer valuable advice from an objective and impartial perspective.</p>			

- (Notes)
- The Company does not have any special relationship with the candidate.
 - Hisayuki Shimomura is a candidate for the office of substitute outside Audit & Supervisory Board member as provided for under Article 2, Paragraph 3, item 8, of the Ordinance for the Enforcement of the Companies Act.
 - Independence from the Company, liability limitation:
Hisayuki Shimomura satisfies Tokyo Stock Exchange's requirements of an independent officer. If this proposal is approved and if he becomes an outside Audit & Supervisory Board member following a vacancy on the board, the Company will, pursuant to Article 36, Paragraph 2 of the Articles of Incorporation, enter into an agreement with him limiting his liability under Article 423, Paragraph 1 of the Companies Act to the total amount prescribed by Article 425, Paragraph 1 of the said Act, provided that he acted in good faith and without gross negligence
 - We have taken out insurance specified in Article 430-3, Paragraph 1 of the Companies Act. The insurance covers the costs (including the legal costs) of damages claims awarded, during the coverage period, against any director, member of the Audit & Supervisory Board, or executive officer of our company or of our subsidiaries, who is found liable for wrongful acts in the performance of his or her duties. Hisayuki Shimomura will be covered if this proposal is approved and if he becomes an outside Audit & Supervisory Board member following a vacancy on the board.
 - Under Article 430-2, Paragraph 1, of the Companies Act, the Company may enter an indemnity agreement in which it may indemnify defense costs (as defined in Item 1 of the paragraph) and losses (as defined in Item 2 of the paragraph) to the extent permitted by law. The Company will enter such an agreement with Hisayuki Shimomura if his nomination is approved and he subsequently becomes an outside Audit & Supervisory Board member because a vacancy needed to be filled.

[Reference]

1. Process for Appointing Directors and Audit & Supervisory Board Members

All candidates for the office of director are nominated with one year terms of office by resolution of the Board of Directors, and then appointed by resolution of the Ordinary General Meeting of Shareholders. Candidates for the position of Audit & Supervisory Board member or supplementary Audit & Supervisory Board member are nominated by the Board of Directors upon the approval of the Audit & Supervisory Board, and then appointed by resolution of the Ordinary General Meeting of Shareholders. To ensure that the Board of Directors' decision making process for nominations is transparent and fair, the Board of Directors first seeks the opinion of the Advisory Committee on Appointments, in which Outside Officers (persons who hold the position of outside director or outside Audit & Supervisory Board member) make up the majority.

2. Independence Standards for Outside Officers

The Company will deem an Outside Officer to be independent if they do not fall under any of the following items.

	Item	Standards	Requirements concerning past years Requirements concerning relatives
1	A major business partner of the Group or an executor of business thereof	A business partner whose amount of transactions accounted for more than 2% of the Group's consolidated net sales in the immediately previous fiscal year	<ul style="list-style-type: none"> • A person to whom any of the items on the left applied in the past three (3) years • A relative within second degree of kinship of a person to whom any of the items on the left apply
2	A person whose major business partner is the Group or an executor of business thereof	A person whose amount of transactions to the Group accounted for more than 2% of the person's consolidated net sales or total revenue in the previous fiscal year	
3	A principal shareholder of the Company or an executor of business thereof in the case that such shareholder is a corporation	A person who, directly or indirectly, owns 10% or more of all the voting rights of the Company	
4	A consultant, accounting professional such as a certified public accountant or legal professional such as an attorney-at-law who receives money or other financial benefit from the Group excluding remuneration for director/audit & supervisory board member. (If a corporation or an association, etc. receives such financial benefit, a person who is affiliated with such organization)	A person who received financial benefit amounting to more than 10 million yen from the Group, excluding remuneration for director/audit & supervisory board member in the previous fiscal year	
5	A person who receives a large amount of donations from the Group or an executor of business thereof	A person who received financial benefit amounting to more than 10 million yen from the Group in the previous fiscal year	

	Item	Standards	Requirements concerning past years Requirements concerning relatives
6	An executor of business of a company of which the Group is a principal shareholder	A person of which 10% or more of all the voting rights is owned by the Group	
7	A financial institution that is a principal lender to the Group or an executor of business of the parent or a subsidiary of such financial institution	A financial institution from which borrowings at the end of the previous fiscal year accounted for more than 2% of the Company's consolidated total assets	
8	Other	A person with special reasons that prevent him/her from fulfilling duties as an Independent Outside Officer, such as those that cause conflict of interests with the Company	—

3. Skills Matrix

The following table shows the areas of strategic and business management if Proposals 1 and 2 are approved at this Meeting.

Name	Position	Corporate management	Global business	Sales/ Marketing	Finance/ Accounting	Legal/ Compliance	Sustainability/ Governance
Takafumi Morichi	President and CEO	○	○		○	○	○
Masahito Adachi	Representative Director and Senior Executive Officer	○	○	○			○
Yasuyuki Watanabe	Director and Executive Officer	○	○		○		○
Shinya Yoshida	Director and Executive Officer	○	○	○			○
Yoshio Tano (Outside)	Director	○	○				○
Miyuki Nakagawa (Outside)	Director				○	○	○
Akira Ichikawa (Full-time)	Audit & Supervisory Board Member		○	○		○	○
Kanehisa Ueda (Full-time)	Audit & Supervisory Board Member			○	○		○
Hiroko Kaneko (Outside)	Audit & Supervisory Board Member		○			○	○
Shinya Miyawaki (Outside)	Audit & Supervisory Board Member	○	○				