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Securities code: 7721

June 7, 2022

**To Our Shareholders with Voting Rights:**

Tsuyoshi ANDO  
Representative Director, President & CEO  
TOKYO KEIKI INC.  
2-16-46, Minami-Kamata, Ohta-ku, Tokyo,  
Japan

**NOTICE OF  
THE 91st GENERAL MEETING OF SHAREHOLDERS**

Dear **Our** Shareholders:

We would like to express our appreciation for your continued support and patronage.

We hereby inform you that the 91st General Meeting of Shareholders of TOKYO KEIKI INC.(the “Company”) will be held as described below.

In order to prevent the spread of COVID-19, shareholders are kindly requested to exercise their voting rights in advance in writing or by electronic means (via the internet, etc.), and refrain from attending this General Meeting of Shareholders in person, regardless of your physical condition.

In order for the shareholders who have decided not to attend in person to view this General Meeting of Shareholders online, we will distribute the video from the following day of this General Meeting of Shareholders on our website (<https://www.tokyokeiki.jp/>).

Details of the Meeting

**1. Date and Time:** Wednesday, June 29, 2022 at 10:00 a.m., Japan Standard Time

**2. Place:** Head Office Conference Room, the Company  
2-16-46, Minami-Kamata, Ohta-ku, Tokyo

In order to prevent the spread of COVID-19, the distance between seats in the venue will be increased, which significantly reduces the number of seats available at this General Meeting of Shareholders compared to previous years. Accordingly, there is a chance that some attending shareholders may not be able to enter the venue. Your kind understanding in this regard will be most appreciated.

### **3. Meeting Agenda:**

- Matters to be reported:**
1. The business report and consolidated financial statements for the Company's 91st Fiscal Year (April 1, 2021 – March 31, 2022) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the consolidated financial statements
  2. Non-consolidated financial statements for the Company's 91st Fiscal Year (April 1, 2021 – March 31, 2022)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus for the 91st Fiscal Year
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Three (3) Directors Who Are Not Audit and Supervisory Committee Members
- Proposal 4:** Election of Two (2) Directors Who Are Audit and Supervisory Committee Members
- Proposal 5:** Continuation of Large-Scale Purchase Rules (Anti-takeover Defense Measures)

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- In accordance with relevant laws and regulations, as well as Article 15 of the Company's Articles of Incorporation, the following matters are posted online (<http://kmasterplus.pronexus.co.jp/main/corp/7/7/7721/soukai.html>) and therefore are not attached to this Notice of the 91st General Meeting of Shareholders. This website may be viewed via the Company's website (<https://www.tokyokeiki.jp/>).
    1. The following matters in the business report
      - Systems and policies of the Company
        - System to ensure the appropriateness of business and its operating status
        - Basic policy regarding control of the Company
      - 2. Basic policies and important items for the preparation of consolidated financial statements and other notes (Notes to consolidated financial statements)
      - 3. Significant accounting policies concerning financial statements and other notes (Notes to financial statements)

The list of documents that have been audited by the Audit and Supervisory Committee and the Accounting Auditor when preparing an audit report and an accounting audit report, respectively, include matters posted on the aforementioned website (1, 2, and 3 for the Audit and Supervisory Committee, and 2 and 3 for the Accounting Auditor), as well as matters referred to in the documents attached to this Notice.
    - Should the Reference Documents for the General Meeting of Shareholders or the documents attached hereto require revisions, the revised versions will be posted on the Company's website (<https://www.tokyokeiki.jp/>).
    - Out of consideration of the privacy of attending shareholders, parts of the on-demand video of this General Meeting of Shareholders, including Q&As with them, will be deleted or edited.

<To shareholders planning to attend>

- Shareholders planning on attending this General Meeting of Shareholders are advised to take good care of their health until the day of the Meeting and should kindly refrain from attending if they have a fever or other symptoms.
- Elderly shareholders, shareholders with underlying diseases, and pregnant shareholders are advised to consider refraining from attending the General Meeting of Shareholders.
- If any of the attending shareholders are found to have a fever when their temperature is taken at the entrance of the venue or feel unwell, we may refuse their entrance and ask them to return home.
- Depending on the situation of COVID-19, announcements by the government, etc., by the day of the event, the General Meeting of Shareholders, may be held differently. Please visit the Company's corporate website (<https://www.tokyokeiki.jp/>) to be apprised of any changes.

The system for providing general shareholder meeting materials in electronic format will be enforced on September 1, 2022. Accordingly, starting from the next General Meeting of Shareholders (in March 2023 or later), the Company will post such materials on the corporate website or elsewhere and send an abridged convocation notice (on the uploading of such materials onto the website and relevant URLs, etc.) only to shareholders. Shareholders who wish to receive such materials for future General Meeting of Shareholders are advised to request the delivery of physical copies of such materials. If you wish to place such a request with a securities company, please contact one that you have an account with, and if you wish to do so with a shareholder register administrator, please contact Mitsubishi UFJ Trust and Banking Corporation.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Appropriation of Surplus for the 91st Fiscal Year

The Company's basic policy regarding appropriation of surpluses is to implement the most appropriate shareholder return measures with the optimal capital structure in mind. In doing so, we place top priority on growth investment designed to enhance our corporate value through the realization of TOKYO KEIKI Vision 2030 while maintaining an adequate balance with the financial position. In accordance with this stance, the Company plans to pay the year-end dividend for this fiscal year as follows.

1. Year-end dividend
  - (1) Type of dividend property  
Cash
  - (2) Matters related to the allocation of the dividend property to shareholders and the total amount thereof  
¥30.0 per common share of the Company  
Total amount of dividends: ¥492,091,740  
(including a commemorative dividend of ¥5 for the 125th anniversary of the foundation)
  - (3) Effective date of payment of dividend  
June 30, 2022

### Proposal 2: Partial Amendments to the Articles of Incorporation

The Company proposes partial amendments to its Articles of Incorporation as follows:

1. Reasons for amending the Articles of Incorporation  
The amended provisions stipulated in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) will come into effect on September 1, 2022. To prepare for the introduction of a system for the electronic provision of materials for general meetings of shareholders, the Company will make the following necessary amendments to its Articles of Incorporation.
  - (1) Article 15, Paragraph 1 of the proposed amendments is intended to stipulate that the Company will take measures for the electronic provision of the information contained in reference documents for a general meeting of shareholders, etc.
  - (2) Article 15, Paragraph 2 of the proposed amendments is intended to limit the scope of the matters described in the documents to be delivered to shareholders who have requested document delivery.
  - (3) Provisions regarding the disclosure of reference documents for a general meeting of shareholders, etc. via the internet and deemed provision (Article 15 of the current Articles of Incorporation) are to be deleted as such provisions will become unnecessary.
  - (4) Supplementary Provisions are to be established concerning the effective date(s), etc. of the above newly established and deleted provisions.

#### 2. Details of the amendments

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
Articles 1 to 14 (Omitted)	Articles 1 to 14 (Unchanged)

Current Articles of Incorporation	Proposed Amendments
<p><u>Article 15 (Disclosure of reference documents for a general meeting of shareholders, etc. via the internet and deemed provision)</u>  <u>When convening a general meeting of shareholders, it shall be deemed that the Company has provided shareholders with the necessary information that should be described or presented in reference documents for a general meeting of shareholders, business reports, and non-consolidated and consolidated financial statements, if they are disclosed via the internet in accordance with the Ordinance of the Ministry of Justice.</u></p> <p>(Newly established)</p> <p>Articles 16 to 51 (Omitted)</p> <p>Supplementary Provisions</p> <p>Article 1 (Omitted)</p>	<p>(Deleted)</p> <p><u>Article 15 (Measures for the electronic provision of information, etc.)</u>  <u>1. When convening a general meeting of shareholders, the Company shall take measures for the electronic provision of information contained in reference documents for a general meeting of shareholders, etc.</u>  <u>2. With respect to all or part of the matters for which measures for the electronic provision of information are to be taken as specified by the Ordinance of the Ministry of Justice, the Company may choose not to include such matters in the documents to be delivered to shareholders who have made a request for document delivery by the record date for voting rights.</u></p> <p>Articles 16 to 51 (Unchanged)</p> <p>Supplementary Provisions</p> <p>Article 1 (Unchanged)</p>

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<p><u>Article 2 (Transitional measures concerning the electronic provision of reference documents for a general meeting of shareholders)</u></p> <p><u>1. The proposed amendments to Article 15 shall become effective on September 1, 2022, which is the effective date of the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter the “Effective Date”).</u></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, Article 15 of the current Articles of Incorporation (Disclosure of reference documents for a general meeting of shareholders, etc. via the internet and deemed provision) shall remain in force with respect to general meetings of shareholders held within six (6) months from the Effective Date.</u></p> <p><u>3. This Article shall be deleted after six (6) months have elapsed from the Effective Date or three (3) months have elapsed from the date of a general meeting of shareholders as set forth in the preceding paragraph, whichever comes later.</u></p>

**Proposal 3:** Election of Three (3) Directors Who Are Not Audit and Supervisory Committee Members

The term of office of all three (3) Directors who are not Audit and Supervisory Committee Members will expire at the close of this General Meeting of Shareholders. Accordingly, the Company proposes the election of three (3) Directors who are not Audit and Supervisory Committee Members.

The Audit and Supervisory Committee's opinions regarding the election of Directors who are not Audit and Supervisory Committee Members are summarized below.

“As a result of examining the Company's policy for appointment of Directors and the insight, the status of execution of duties, and other factors, as well as input offered by Outside Directors who are Audit and Supervisory Committee Members and who attended the Nomination and Remuneration Committee meeting, the Audit and Supervisory Committee has determined that each candidate is qualified to be a Director of the Company.”

The candidates for Directors who are not Audit and Supervisory Committee Members are as follows.

<List of candidates>

No.	Name	Current positions	Responsibilities at the Company	Term of office as Director	Attendance at the Board of Directors meetings
1	Tsuyoshi ANDO [Reappointment]	Representative Director, President & CEO		14 years	100% 16/16
2	Motoo UENOYAMA [Reappointment]	Director & Executive Officer	Chief Corporate Communication Officer; Manager of Finance & Accounting Department	3 years	100% 16/16
3	Yukihiko SUZUKI [New appointment]	Executive Officer	Chief of Sustainability Promotion, Quality, Production, and Materials; Manager of Sustainability Office	—	—



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1	Tsuyoshi ANDO (June 2, 1956) [Reappointment]	May 1981	Joined the Company	38,604
		June 2002	President of TOKIMEC CONSTRUCTION SYSTEMS INC.	
		July 2006	Senior Staff Manager, Corporate Planning & Administration Office, the Company	
		April 2008	Chief of CSR Officer, the Company Corporate Planning & Administration Office Manager	
		April 2008	Chief Information Officer, the Company	
		June 2008	Director and Executive Officer, the Company	
		June 2014	Appointed Chief of In-House Company System Promotion, the Company	
		June 2016	Appointed Chief Sales Officer, the Company	
		June 2017	Managing Director, the Company	
		June 2018	Representative Director, the Company (current position)	
		June 2018	Director and President, the Company	
		June 2021	President & CEO, the Company (current position)	
	[Reason for nomination as candidate for Director] Mr. Tsuyoshi ANDO has served in key positions as a Director since 2008, including Chief of In-House Company System Promotion, Chief Sales Officer, Chief of CSR Promotion, and Corporate Planning & Administration Office Manager, and has extensive experience and broad insight accumulated through his career. Since June 2018, as Director and President, he has been working to enhance corporate governance and further improve operational efficiency. The Company has determined that Mr. Tsuyoshi ANDO is a person qualified to execute and supervise management in order to improve the corporate value of the Company through sustainable growth, and therefore proposes to re-elect him as a Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
2	Motoo UENOYAMA (February 3, 1967) [Reappointment]	April 1989	Joined Taiyo Kobe Bank, Ltd. (currently Sumitomo Mitsui Banking Corporation)	6,527
		April 2013	Co-General Manager, Corporate Planning Department, Sumitomo Mitsui Banking Corporation	
		April 2014	General Manager, Kashiwa Corporate Business Office, Sumitomo Mitsui Banking Corporation	
		April 2016	General Manager, Kanda Corporate Business Office No. 2, Sumitomo Mitsui Banking Corporation	
		April 2019	Finance Manager, Finance & Accounting Department, the Company	
		June 2019	Executive Officer, the Company (current position)	
		June 2019	Director, the Company (current position)	
		June 2019	Appointed Chief of Purchasing, the Company	
		June 2019	Appointed Manager, Finance & Accounting Department, the Company (current position)	
		June 2020	Appointed Chief Corporate Communication Officer, the Company (current position)	
[Reason for nomination as candidate for Director] Mr. Motoo UENOYAMA appropriately supervises management by actively making remarks at meetings of the Board of Directors as the head of the Finance & Accounting Department. In addition, as Chief Corporate Communication Officer, he is committed to enhancing the Company’s public relations and investor relations functions. The Company has determined that Mr. Motoo UENOYAMA is a qualified person to achieve sustainable improvement of corporate value, and therefore proposes to re-elect him as a Director.				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Yukihiko SUZUKI (November 26, 1958) [New appointment]	<p>April 1981      Joined the Company</p> <p>April 2005      Senior Staff Manager, Corporate Planning &amp; Administration Office, the Company</p> <p>July 2009        CSR Office Manager, the Company</p> <p>July 2011        Legal Affairs Office Manager, the Company</p> <p>April 2013       Engineering &amp; Products Service Office Manager, the Company</p> <p>April 2019       Executive Officer (current position), Chief of Quality and Production (current position), and Quality Management Supervisory Office Manager, the Company</p> <p>April 2020       Chief of Purchasing, the Company (current position)</p> <p>July 2021        Chief of Sustainability Promotion and Sustainability Office Manager, the Company (current position)</p>	1,902
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Yukihiko SUZUKI has profound knowledge and insight that he has gained through experiencing a wide variety of sections, including engineering, production, and corporate staff. As such, he has been appointed to be in charge of production, quality management, purchasing, and sustainability promotion for the Company. Currently, he is applying his accumulated experience, broad perspectives, and the ability to get things done to steering the Sustainability Office, which is the key to the Company's sustainable growth. Accordingly, the Company has determined that Mr. Yukihiko SUZUKI is a qualified person to improve corporate value through sustainable growth, and therefore proposes to newly elect him as a Director.</p>			

- Notes: 1. There is no special interest between any of the candidates and the Company.
2. The Company has concluded a directors and officers liability insurance contract that covers all officers of the Group, and the contract is to be renewed in July 2022.
- An outline of the contents of the above insurance contract is as follows.
- The Company has concluded an directors and officers liability insurance contract that covers damages to be borne by the insured persons in the event of claims made against them for the execution of their duties during the coverage period.
- The above contract insures the Directors, Auditors, and Executive Officers of the Company and its subsidiaries, and its premiums are all borne by the Company.

**Proposal 4:** Election of Two (2) Directors Who Are Audit and Supervisory Committee Members

Of the Company's Directors who are Audit and Supervisory Committee Members, Messrs. Nanpei YANAGAWA and Takashi NAKAMURA will complete their terms of office at the close of this General Meeting of Shareholders. Accordingly, the Company proposes the election of two (2) Directors who are Audit and Supervisory Committee Members.

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

The consent of the Audit and Supervisory Committee has been obtained for the submission of this proposal.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Nanpei YANAGAWA (March 21, 1956) [Reappointment]	<p>April 1978      Joined Dowa Fire &amp; Marine Insurance Co., Ltd. (currently Aioi Nissay Dowa Insurance Co., Ltd.)</p> <p>April 2002      General Manager, Fire, Casualty and Surety Insurance Department, Nissay Dowa General Insurance Co., Ltd. (currently Aioi Nissay Dowa Insurance Co., Ltd.)</p> <p>April 2007      Executive Officer, Nissay Dowa General Insurance Co., Ltd. (currently Aioi Nissay Dowa Insurance Co., Ltd.)</p> <p>                    General Manager, Fire, Casualty and Surety Insurance Department</p> <p>June 2011      Managing Executive Officer, Aioi Nissay Dowa Insurance Co., Ltd.</p> <p>                    General Manager, Product Division</p> <p>April 2013      Director and Senior Managing Executive Officer, Aioi Nissay Dowa Insurance Co., Ltd.</p> <p>April 2015      Director and Senior Executive Officer, MS&amp;AD Insurance Group Holdings, Inc.</p> <p>June 2018      Director who is an Audit and Supervisory Committee Member, the Company (current position)</p>	0
<p>[Reason for nomination as candidate for Outside Director who is Audit and Supervisory Committee Member, and outline of expected roles]</p> <p>Mr. Nanpei YANAGAWA served the positions of Director and Senior Managing Executive Officer at Aioi Nissay Dowa Insurance Co., Ltd. and then Director and Senior Executive Officer, as well as Group Chief Risk Officer (CRO), at MS&amp;AD Insurance Group Holdings, Inc. As he has long been involved in business management at financial institutions as Director and Executive Officer, we expect him to not only provide pertinent guidance on the Company's risk management and other internal control systems but also appropriately conduct management audits as an Audit and Supervisory Committee Member and properly supervise management as an Outside Director. Mr. Nanpei YANAGAWA is currently a Director who is an Audit and Supervisory Committee Member of the Company and will have served in the position for four (4) years at the close of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
2	Takashi NAKAMURA (June 15, 1956) [Reappointment]	April 1980	Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)	0
		March 2002	Senior Research Officer, Information Systems Planning Office, Information Systems Division, The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)	
		June 2005	President, Tokyo-Mitsubishi Information Technology, Ltd. (currently Mitsubishi UFJ Information Technology, Ltd.)	
		January 2006	General Manager, Systems Human Resources Office, Information Systems Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)	
		July 2009	Assistant General Manager (for special missions), Information Systems Division, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)	
		June 2014	President, MU Business Engineering, Ltd.	
		June 2018	Director who is an Audit and Supervisory Committee Member, the Company (current position)	
		[Reason for nomination as candidate for Outside Director who is Audit and Supervisory Committee Member, and outline of expected roles] After retiring from The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.), Mr. Takashi NAKAMURA served the positions of President of Tokyo-Mitsubishi Information Technology, Ltd. and then President of MU Business Engineering, Ltd. He was involved in a variety of functional divisions, including the systems division at financial institutions, and has abundant experience in business management at the Company and businesses in other sectors. As such, we expect him to not only provide pertinent guidance on the Company’s internal control systems but also appropriately conduct management audits as an Audit and Supervisory Committee Member and properly supervise management as an Outside Director. Mr. Takashi NAKAMURA is currently a Director who is an Audit and Supervisory Committee Member of the Company and will have served in the position for four (4) years at the close of this General Meeting of Shareholders.		

- Notes:
1. There is no special interest between either of the candidates and the Company.
  2. Messrs. Nanpei YANAGAWA and Takashi NAKAMURA are candidates for Outside Directors and candidates for Independent Auditors, which Tokyo Stock Exchange, Inc. (TSE) requires listed companies to appoint for the purpose of protecting general shareholders.
  3. The Company has entered into a liability limitation agreement with Messrs. Nanpei YANAGAWA and Takashi NAKAMURA.  
The outline of the agreement is as follows:
    - If an Outside Director is liable for damages to the Company due to neglect of his/her duties as an Outside Director, their liability shall be limited to five (5) million yen or the minimum amount set forth in relevant laws and regulations, whichever is higher.

- The aforementioned liability limitation shall be applied only in cases where the Outside Director has acted in good faith and without gross negligence in performing the duties giving rise to the liability.
4. The Company has concluded a directors and officers liability insurance contract that covers all officers of the Group, and the contract is to be renewed in July 2022.

An outline of the contents of the above insurance contract is as follows.

- The Company has concluded an directors and officers liability insurance contract that covers damages to be borne by the insured persons in the event of claims made against them for the execution of their duties during the coverage period.

The above contract insures the Directors, Auditor, and Executive Officers of the Company and its subsidiaries, and its premiums are all borne by the Company.

[Reference] The list of management skills that the Company will have after Proposals 3 and 4 are approved (planned)

The following table shows the types of knowledge and expertise (skills) that are deemed essential for the TOKYO KEIKI Group to have as a listed company, from the viewpoints of both managing its business and fulfilling its activities, and that the Company's Directors currently possess. Directors are deemed to have a skill in a given area based on the records of their responsibilities in each area as Director and/or Executive Officer and the details of their past experiences.

Skill Matrix

Name (Positions)	Nomination and Compensation Committee	1. Corporate management	2. Marketing / sales	3. Finance	4. IT / digital technology	5. HR / labor / HR development	6. Legal affairs / risk management	7. Global experience	8. Production systems	9. Quality management	10. R&D / technology development	11. ESG / sustainability	12. Compliance / governance	13. M&As
Tsuyoshi ANDO (Representative Director, President & CEO)	●	●	●		●		●	●			●		●	●
Motoo UENOYAMA (Director and Executive Officer)		●	●	●		●						●	●	●
Yukihiko SUZUKI (Director and Executive Officer)					●		●		●	●	●	●		
Takahiro KASHIMA (Director and Audit and Supervisory Committee Member [full-time])		●		●	●								●	
Nanpei YANAGAWA (Outside Director and Audit and Supervisory Committee Member)	●	●	●	●			●	●					●	
Takashi NAKAMURA (Outside Director and Audit and Supervisory Committee Member)	●	●		●	●	●							●	

Note: Directors who possess relevant national qualifications: Motoo UENOYAMA (Small and Medium Enterprises Management Consultant, Labor and Social Security Attorney)

## **Proposal 5: Continuance of Large-scale Purchase Rules (Anti-takeover Defense Measures)**

Implementation of rules on large-scale purchases of the Company's shares (hereinafter the "Rules") for the purpose of securing and enhancing the Company's corporate value and the common interests of its shareholders was approved at the 76th General Meeting of Shareholders (June 28, 2007). The continuance of the Rules was then approved at the 79th General Meeting of Shareholders (June 29, 2010), 82nd General Meeting of Shareholders (June 27, 2013), 85th General Meeting of Shareholders (June 29, 2016), and 88th General Meeting of Shareholders (June 27, 2019), but the effective period will expire at the close of this Meeting. As a result of deliberations on continuing the Rules, the Company proposes that the Rules be approved with the same contents to continue with the above-mentioned purpose.

All members of the Company's Audit and Supervisory Committee and Special Committee have agreed to continue with the Rules.

### **I. Initiatives to Maintain and Enhance the Company's Corporate Value and Common Interests of Its Shareholders**

TOKYO KEIKI Group has established the following medium-term management policies: expand business domains, promote globalization, and sustainably strengthen existing businesses. Under these basic policies, the Company has enhanced and leveraged its diverse range of technology and skills and resolved issues of the times faced by society by introducing an in-house company system on April 1, 2013, which has led to accelerating the generation of new demand. Moreover, the Company transitioned to a company with an Audit and Supervisory Committee after approval at the General Meeting of Shareholders on June 29, 2016. The Company has separated its supervisory and executive roles to conduct quicker decision-making. By having an Audit and Supervisory Committee, the majority of the members of which are Outside Directors, the Company has strengthened the supervisory function of the Board of Directors even further. The Company also delegated to Executive Officers a significant amount of the executive authority previously assigned to Directors. Through these efforts, the Company has strengthened its "growth-oriented governance," under which it seeks to achieve sustainable growth, enhance corporate value over the medium to long term, create an environment that is supportive of appropriate risk-taking, carry out proper information disclosure, and ensure transparency.

Against this backdrop, on the occasion of the 125th anniversary of its foundation last year, the Company angled toward business growth to seek a higher stage where we aim to achieve sustainable growth and enhance corporate value over the medium to long term by creating a global niche top business inspired by the SDGs. More recently, the Company moved to the new top-tier Prime Market under the TSE's market reorganization on April 4, 2022. What this means is that the Company now has a mission to maintain the level of governance expected of a company listed on the TSE Prime Market and constantly seeking to enhance its corporate value. Furthermore, the list of issues that the Group needs to address, including contribution to creating a sustainable society and advancing a digital society, is only getting longer. To reaffirm the Group's "DNA," which has been handed down over 125 years, and sustain growth into the 150th and 200th anniversary of its foundation, the Company has drawn up and published TOKYO KEIKI Vision 2030.

In terms of the economic situation surrounding the Group, the Japanese economy is expected to recover due to government policies, despite the lingering disruptions caused by the COVID-19 pandemic. Overseas, circumstances remain unpredictable, as the outlook for the global economy is clouded by the situation in Ukraine and other issues; amidst soaring prices of oil and raw materials, the course of the global economy and policies by governments across the globe are rather uncertain. Under this business environment, in order to dominate the intense global competition, the Group will continuously enhance its competitive advantages by developing the infrastructure necessary for development, production, sales, and services and putting the Group's management resources to efficient use. If there are functions that lack such resources, the Company will reinforce them with business alliances, M&As, and other strategies, thus continuously creating competitive advantages.



## II. Necessity of the Rules

The Group intends to steadily drive the above-mentioned TOKYO KEIKI Vision 2030 and transform its business structure into one that is flexible and robust to enhance corporate value through sustainable growth, which will in turn enhance the common interests of the Company's shareholders. The Company's Board of Directors will ensure that the reform of the business structure will be carried out. Additionally, it is also the duty and authority of the Board of Directors, which has been delegated to manage the Company by the shareholders, to prevent acquisitions that would diminish the Company's corporate value or the common interests of its shareholders. Considering this, the Board of Directors recognizes that it needs a framework to prevent the purchase of the Company's shares by inappropriate acquirers over the next three years in light of the basic policy regarding the control of the Company. However, recent trends show that the percentage of unstable shareholders in the shareholder composition is increasing due to a decrease in cross-shareholding, and it is concerned that takeovers will continue in the Japanese capital market. In such cases, there is a significant possibility of a takeover by a large-scale purchase of a company's shares occurring without sufficient disclosure of information to its shareholders, investors, and other stakeholders, and the corporate value of the company and the common interests of its shareholders may suffer as a result. The possibility of similar developments happening to the Company cannot be ruled out.

The Company's Board of Directors believes that, in the event that a bid to acquire the Company occurs, it needs to guarantee that shareholders will have the opportunity to make proper judgments. The Company also needs to take measures that are necessary to prevent its shareholders from being misled and to avoid acquisitions that would damage the Company's corporate value and the common interests of its shareholders. To do so, the Company's Board of Directors needs to ensure that shareholders have the necessary and sufficient information and time to make a reasonable judgment as to whether the acquisition would contribute to the enhancement of the Company's corporate value and the common interests of its shareholders, that the Board will conduct negotiations with the party attempting the acquisition, or that the Board has opportunities to present its opinions and alternative proposals on the takeover. For this reason, the Company's Board of Directors has formulated rules to be able to make judgments on the effect an acquisition would have on corporate value and will implement countermeasures if it is determined that an acquisition would significantly diminish the Company's corporate value and the common interests of its shareholders.

The Company does not receive any acquisition offer at present.

## III. Reasonableness of the Rules

### (1) Satisfies guidelines on takeover defense measures and requirements of Tokyo Stock Exchange rules

The Rules fully satisfy the following rules and guidelines: the three principles specified in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" (the principle of protecting and enhancing corporate value and shareholders' common interests, the principle of prior disclosure and shareholders' will, and the principle of ensuring the necessity and reasonableness of defensive measures) released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005; the "Takeover Defense Measures in Light of Recent Environmental Changes" released on June 30, 2008 by the Corporate Value Study Group established in the Ministry of Economy, Trade and Industry; and the "Matters to be Observed Pertaining to Introduction of Takeover Defense Measures" (sufficient disclosure, transparency, effect on the secondary market, and respect for shareholders' rights) in the TSE's Securities Listing Regulations. The countermeasures based on the Rules that take into account the Takeover Defense Measures in Light of Recent Environmental Changes specify that even if the Company acquires share options, etc. held by a Large-scale Purchaser, it will not grant cash or other financial benefits in exchange for the acquisition.

### (2) Implemented for the purpose of protecting and enhancing shareholders' common interests

As stated in "II. Necessity of the Rules" above, the Rules have been implemented for the purpose of securing and enhancing the Company's corporate value and the common interests of its shareholders when there is an attempt at a large-scale purchase of the Company's shares. To fulfill this purpose, the Rules enable the Company to negotiate with the acquisition bidder on behalf of the shareholders, in addition to enabling

the shareholders to make appropriate judgements on whether a large-scale purchase of the Company's shares should be accepted or not by ensuring they have the necessary information and sufficient time to adequately deliberate on the bid by the acquisition bidder, which includes alternative proposals by the Company's Board of Directors.

(3) Prioritizes the will of shareholders

The implementation of the Rules was approved at the 76th General Meeting of Shareholders (June 28, 2007), and their continuance was approved at the 79th General Meeting of Shareholders (June 29, 2010), 82nd General Meeting of Shareholders (June 27, 2013), 85th General Meeting of Shareholders (June 29, 2016), and 88th General Meeting of Shareholders (June 27, 2019).

As the effective period of the Rules will expire, approval of the shareholders at this General Meeting of Shareholders will determine whether it will continue, thus reflecting the shareholders' intentions. Furthermore, after it has been decided to continue the Rules, if a resolution is adopted to discontinue the Rules at a General Meeting of Shareholders of the Company, the Rules will be discontinued at that time, even if it is during the effective period of the Rules; therefore, shareholders can propose discontinuing the Rules at any General Meeting of Shareholders.

(4) Prioritizes judgments by highly independent external parties and information disclosure

According to the Rules, when implementing countermeasures, a Special Committee made up of only independent external parties will be consulted, and its recommendations will be respected to the maximum extent possible. The Special Committee will rigorously monitor arbitrary actions of the Company's Board of Directors and disclose an overview of its judgments (recommendations) to the shareholders, thereby establishing procedures to ensure the transparent application of the Rules.

(5) Sets reasonable and objective requirements for implementing countermeasures

The Rules have been set up to ensure that countermeasures will not be implemented unless the pre-established reasonable and objective requirements are met (that there are reasonable grounds to determine that a large-scale purchase would significantly diminish the Company's corporate value and the common interests of its shareholders), and a framework has been put in place to prevent the Board of Directors from arbitrarily implementing said countermeasures. Examples of cases that would warrant implementation of countermeasures are as follows: 1) it is determined that the purpose is only to inflate stock prices and force the Company or its stakeholders to buy them back at a high price with no real intention to participate in the management of the Company; 2) it is determined that the purpose is to temporarily control the management of the Company and carry out a "scorched earth" management policy, such as transferring to the acquisition bidder or its group company intellectual property rights, know-how, corporate secrets, key business partners, customers, or other elements needed to manage the Company's businesses; 3) it is determined that the purpose is to divert the Company's assets after obtaining control of the management of the Company to use as collateral for or to pay off the debt of the acquisition bidder, its group company, or other party; 4) it is determined that the purpose is to temporarily control the Company and either dispose of, by sale or other means, assets such as real estate and securities that have no current involvement with the Company's businesses and turn the proceeds thereof into temporary high dividends, or sell the Company's shares at a high price when stock prices surge by declaring temporarily high dividends; 5) it is determined that the purpose may be to effectively force the Company's shareholders to sell the Company's shares, using means such as making a large-scale purchase of the Company's shares by planning a coercive two-tiered purchase (referring to a tender offer or other proposal for the purchase of shares in which the purchaser offers to purchase a limited number of shares in the initial tier and then makes another offer in a second tier for the remaining shares on more disadvantageous terms or does not make such terms clear); 6) it is a large-scale purchase of shares by an anti-social organization or by an individual or group that controls or is involved with such an organization; 7) it is determined that the management policy and business plan of the Company after the large-scale purchase of shares by the Large-scale Purchaser is extremely unreasonable; 8) it is determined that it is far inferior to the management policy and business plan of the Company's Board of Directors (which includes alternative proposals for management policies and business plans after the large-scale purchase of shares by the Large-scale Purchaser occurs).

(6) Is not a “dead-hand” or “slow-hand” takeover defense measure

As stated in (3) above, the Rules can be discontinued at any time by a General Meeting of Shareholders resolution or can be not applied if the Board of Directors determines that a large-scale purchase by a Large-scale Purchaser would not fall under the category of an acquisition that would diminish the Company’s corporate value or the common interests of its shareholders; therefore, a party that purchases a large amount of the Company’s shares can block the implementation of the Rules at a General Meeting of Shareholders of the Company through actions such as discontinuing the Rules or nominating Directors and adopting a resolution by the Company’s Board of Directors that includes said Directors. Therefore, the Rules are not a “dead-hand” takeover defense measure (one that prevents the implementation of the Rules from being blocked even if the majority of the members of the Board of Directors are replaced). Furthermore, the term for the Company’s Directors (excluding Directors who are Audit and Supervisory Committee Members) is one (1) year, and a staggered board system is not used; therefore, the Rules are not a “slow-hand” takeover defense measure (in which it takes time to block the implementation of the Rules because the Directors cannot be replaced at once), either.

#### IV. Details of the Rules to Be Approved

The details of the Rules which the Company has decided to continue subject to approval by its shareholders at this General Meeting of Shareholders are as follows.

1. Purpose of Implementing the Rules: Maintaining the Company’s corporate value and shareholders’ common interests

The Company’s Board of Directors will work to maintain and enhance the Company’s corporate value and the common interests of its shareholders, particularly from a medium- to long-term perspective. Additionally, the Board, as it has been delegated by shareholders to manage the Company, believes it to be its duty and authority to prevent acquisitions that would diminish the Company’s corporate value and the common interests of its shareholders.

However, presently it is possible for anyone to acquire shares of an amount that could affect corporate management without disclosing enough information to determine whether the acquisition would diminish corporate value. For this reason, the Company’s Board of Directors has formulated rules to be able to determine the effect an acquisition would have on corporate value and has decided to implement countermeasures if it is determined that the acquisition would significantly diminish the Company’s corporate value or the common interests of its shareholders.

2. Details of the Rules

(1) Definition of Large-scale Purchase

The Rules apply to the following parties who purchase share certificates, etc.<sup>\*1</sup> issued by the Company:

- 1) parties who attempt to purchase shares so that a group of shareholders that includes such a purchaser (hereinafter “Large-scale Purchaser Group”<sup>\*2</sup>) can raise the percentage of voting rights<sup>\*3</sup> to 20% or more, or
- 2) parties who attempt a purchase in which the percentage of voting rights of a Large-scale Purchaser Group would come to 20% or more as a result of such a purchase (in this Proposal, a purchase that fall under either or both 1) and/or 2) shall be referred to as a “Large-scale Purchase,” and a party who attempts to make such a purchase shall be referred to as a “Large-scale Purchaser”).

\*1 Unless otherwise noted, “share certificates, etc.” means share certificates, etc. provided in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act.

\*2 Large-scale Purchaser Group means 1) a holder of the Company’s share certificates, etc. (including parties included in holders in accordance with Article 27-23, Paragraph 3 of the above-mentioned act; the same shall apply hereinafter) or a joint holder thereof (meaning the “joint holder” provided in Article 27-23, Paragraph 5 of the above-mentioned act, including those deemed as joint holders in accordance with Paragraph 6 of the same article; the same shall apply hereinafter), or 2) parties who effect the purchase, etc. (meaning the “purchase, etc.” provided in Article 27-2, Paragraph 1 of the above-mentioned act, which includes purchases that take place in a stock exchange) of the Company’s share

certificates, etc. (meaning here the “share certificates, etc.” provided in Article 27-2, Paragraph 1 of the above-mentioned act) and special related parties (meaning the “special related parties” provided in Article 27-2, Paragraph 7 of the above-mentioned act).

- \*3 Percentage of voting rights refers to the ownership ratio of share certificates, etc. of the holder (meaning the “ownership ratio of share certificates, etc.” provided in Article 27-23, Paragraph 4 of the above-mentioned act, in which case the number of jointly held share certificates, etc. [meaning the “number of share certificates, etc. held” provided in the same paragraph; the same shall apply hereinafter] of the holder is added) in the case that the Large-scale Purchaser Group is \*2(1), or the total of the ownership ratio of share certificates, etc. (meaning the “ownership ratio of share certificates, etc.” provided in Article 27-2, Paragraph 8 of the above-mentioned act) of the Large-scale Purchaser and special related party in the case that the Large-scale Purchaser Group is \*2(2). To calculate the ownership ratio of share certificates, etc. of each of these cases, the total number of voting rights (meaning the “total number of voting rights” provided in Article 27-2, Paragraph 8 of the above-mentioned act) and total number of issued shares (meaning the total number of issued shares provided in Article 27-23, Paragraph 4 of the above-mentioned act) can be referred to in the most recently submitted securities reports, quarterly reports, and reports on repurchase.

(2) Provision of necessary information by a Large-scale Purchaser

Before starting a Large-scale Purchase, the Large-scale Purchaser must provide its name, address, governing law of incorporation, representative’s name, contact information in Japan, and an overview of the purpose it is trying to achieve with the Large-scale Purchase, and submit to the Company a document pledging it will comply with the procedures specified in the Rules (hereinafter “Statement of Intent”). Within ten (10) business days after receiving the Statement of Intent submitted by the Large-scale Purchaser, the Company’s Board of Directors shall issue to the Large-scale Purchaser a list of necessary information that requests the Large-scale Purchaser to provide information needed to enable the Company’s Board of Directors to determine whether the action of the Large-scale Purchaser falls under the category of an acquisition that would diminish the Company’s corporate value or the common interests of its shareholders, which will include the following items (hereinafter “Necessary Information”). If the Company’s Board of Directors deems the information submitted by the Large-scale Purchaser to be insufficient, it will require the provision of additional information until sufficient Necessary Information has been gathered.

If a Statement of Intent has been submitted by a Large-scale Purchaser, Necessary Information has been submitted to the Company’s Board of Directors, and deliberations and analysis of the provided information have begun, the Company’s Board of Directors will disclose these facts accordingly. Furthermore, in the event that it is determined that the Necessary Information is needed for the Company’s shareholders to make a judgement, said information will be disclosed in whole or in part at the time deemed appropriate.

The specific details of the Necessary Information will differ depending on the attributes of the Large-scale Purchaser and the details of the Large-scale Purchase, but in general, it will include the following:

- 1) Overview of the Large-scale Purchaser Group
- 2) Purpose and details of what it is trying to achieve with the Large-scale Purchase
- 3) Grounds for calculating the purchase value and evidence of funds to make the purchase
- 4) Information that is necessary and sufficient to determine that the management policies, business plans, financial plans, capital policies, dividend policies, asset utilization measures, HR policies, and so on that are expected once the Large-scale Purchaser becomes involved in the management of the Company will not diminish the Company’s corporate value or the common interests of its shareholders.

(3) Analysis and deliberation by the Company’s Board of Directors

The Company’s Board of Directors will analyze and deliberate on the Necessary Information, which will include obtaining advice from outside experts, and put together and announce its opinion within 60 business days calculated from the day the Necessary Information is received from the Large-scale Purchaser (hereinafter, “Analysis and Deliberation Period”); provided, however, that the Company’s Board of Directors can extend this period for a maximum of 30 business days if necessary, in which case it will disclose the length and reason of the extension. The reason the Company has set the Analysis and Deliberation Period at 60 business days is that it is necessary to carefully deliberate on the impact a Large-scale Purchase would

have on the Company's corporate value because its business operations have an enormous impact on a wide variety of stakeholders, as described above, and its defense business in particular is heavily involved with the defense policies of Japan, as information handled by the Company is rigorously managed to preserve defense secrets in accordance with its contract with the Ministry of Defense.

The Company's Board of Directors may negotiate with the Large-scale Purchaser and present alternative proposals to the Company's shareholders as needed during the Analysis and Deliberation Period.

(4) General Meeting of Shareholders to confirm the will of shareholders

In the event that, as a result of analyzing and deliberating on the Necessary Information, the Company's Board of Directors suspects that the management policies, business plans, etc. after the Large-scale Purchase by the Large-scale Purchaser occurs are unreasonable, inferior to the management policies, business plans, etc. of the Company's Board of Directors (including alternative proposals to management policies, business plans, etc. after the Large-scale Purchase by the Large-scale Purchaser occurs), or otherwise will not contribute to maintaining and enhancing the Company's corporate value or the common interests of its shareholders, the Company's Board of Directors will immediately announce said suspicion, convene a General Meeting of Shareholders without delay to confirm the will of the shareholders, and place a proposal on whether to implement countermeasures on the agenda; provided, however, that if it is determined to be faster and more appropriate to place the proposal on the agenda of the General Meeting of Shareholders already scheduled, taking into consideration practical procedures and other factors, it will be placed on the agenda of said meeting.

In making the above-mentioned determination, the Board of Directors will adopt a resolution that respects the recommendations of the Special Committee (detailed in 4. below) to the maximum extent possible.

(5) Suspending or stopping the implementation of countermeasures

In the cases described in 3. (1) or (2) below, in the event that, once a resolution has been adopted at the meeting to confirm the shareholders' will or by the Company's Board of Directors to take concrete countermeasures against the Large-scale Purchaser, said Large-scale Purchaser indicates to the Company's Board of Directors that it will withdraw, make changes to, or present an alternative proposal for the Large-scale Purchase, or in the event that there are changes in the facts related to the implementation of countermeasures, the Company's Board of Directors may suspend or stop the implementation of countermeasures if it determines that it is not appropriate to implement countermeasures as a result of thoroughly deliberating whether it would harm the Company's corporate value or the common interests of its shareholders as a whole, on the conditions that the timing is before the rights arising from the implementation of countermeasures have been vested to the shareholders and that doing so would not harm the interests of the shareholders.

In the event the implementation of countermeasures is suspended or stopped in this way, it will be disclosed without delay.

(6) Possible timing to start Large-scale Purchase

A Large-scale Purchase may start only after the Analysis and Deliberation Period (in the event that a General Meeting of Shareholders to confirm the will of the shareholders is convened and after the proposal on implementing countermeasures is rejected at said meeting).

(7) Exemption from the Rules

In the event that the Company's Board of Directors determines that the Large-scale Purchase by the Large-scale Purchaser does not fall under the category of an acquisition that would diminish the Company's corporate value or the common interests of its shareholders as a result of the analysis and deliberation in (3) above or before that time, the Board of Directors will not apply the Rules going forward and immediately adopt a resolution that it will not implement countermeasures, which it will announce at a time it deems appropriate.

3. Policy for Response in the Event of a Large-scale Purchase

(1) In the event that the Large-scale Purchaser does not comply with the Rules:

In the event the Large-scale Purchaser does not comply with the Rules, the Company's Board of Directors may implement countermeasures by choosing those it deems most appropriate out of the possible countermeasures under the Companies Act and other laws and the Company's Articles of Incorporation, which include issuing share options (provided, however, that, even if the Company acquires share options, etc. held by the Large-scale Purchaser as a countermeasure, the Company will not grant cash or other financial benefits in exchange for such acquisition). In determining whether the Large-scale Purchaser has complied with the Rules, the Company's Board of Directors will take due consideration of the Large-scale Purchaser's circumstances within reason, and at the very least not consider the Large-scale Purchaser as not complying with the Rules only for the reason that it has not submitted some of the Necessary Information.

(2) In the event the Large-scale Purchaser does comply with the Rules:

In the event the Large-scale Purchaser does comply with the Rules, the Company's Board of Directors will not implement countermeasures against the Large-scale Purchase. However, in the event it is reasonably determined that said Large-scale Purchase would significantly diminish the Company's corporate value and the common interests of its shareholders, countermeasures may be implemented in the same way as in (1) above. Examples of such cases are as follows: 1) it is determined that the purpose is only to inflate stock prices and force the Company or its stakeholders to buy them back at a high price with no real intention to participate in the management of the Company; 2) it is determined that the purpose is to temporarily control the management of the Company and carry out a "scorched earth" management policy, such as transferring to the acquisition bidder or its group company intellectual property rights, know-how, corporate secrets, key business partners, customers, or other elements needed to manage the Company's businesses; 3) it is determined that the purpose is to divert the Company's assets after obtaining control of the management of the Company to use as collateral for or to pay off the debt of the acquisition bidder, its group company, or other party; 4) it is determined that the purpose is to temporarily control the Company and either dispose of, by sale or other means, assets such as real estate and securities that have no current involvement with the Company's businesses and turn the proceeds thereof into temporary high dividends, or sell the Company's shares at a high price when stock prices surge by declaring temporarily high dividends; 5) it is determined that the purpose may be to effectively force the Company's shareholders to sell the Company's shares, using means such as making a large-scale purchase of the Company's shares by planning a coercive two-tiered purchase (referring to a tender offer or other proposal for the purchase of shares in which the purchaser offers to purchase a limited number of shares in the initial tier and then makes another offer in a second tier for the remaining shares on more disadvantageous terms or does not make such terms clear); 6) it is a large-scale purchase of shares by an anti-social organization or by an individual or group that controls or is involved with such an organization; 7) it is determined that the management policy and business plan of the Company after the large-scale purchase of shares by the Large-scale Purchaser is extremely unreasonable; 8) it is determined that it is far inferior to the management policy and business plan of the Company's Board of Directors (which includes alternative proposals for management policies and business plans after the large-scale purchase of shares by the Large-scale Purchaser occurs).

Furthermore, countermeasures will be implemented if the shareholders approve the implementation of countermeasures at the General Meeting of Shareholders to confirm the will of the shareholders.

4. Procedures When Countermeasures Are Implemented

In order to determine whether or not it is appropriate to implement countermeasures against the Large-scale Purchaser and, even if the implementation is appropriate, whether or not it is appropriate to eventually confirm the will of the shareholders, the Company's Board of Directors will consult in advance the Special Committee, established as an organization independent from the Company's Board of Directors, about the appropriateness of implementing countermeasures in order to ensure the fairness of the determination made by the Company's Board of Directors. (An overview of the Special Committee is provided in the attachment.)

Based on the consultation requested by the Company's Board of Directors, the Special Committee will gather opinions, which may include obtaining advice from outside experts, and provide recommendations to the Company's Board of Directors on whether it would be appropriate to implement countermeasures, or on the Special Committee's belief that it would be appropriate for the Company's Board of Directors to eventually confirm the will of the shareholders due to difficulties in determining the appropriateness of implementing

countermeasures. The Company's Board of Directors will disclose said recommendations to shareholders and adopt a resolution on the implementation of countermeasures, respecting said recommendations to the maximum extent. The period in which the Company's Board of Directors will consult the Special Committee and receive a response shall be included in the Analysis and Deliberation Period specified in 2(3).

#### 5. Impact on Shareholders and the Secondary Market

##### (1) When implementing the Rules

When the Rules are implemented, no legal measures such as issuance of share options will be taken; therefore, there will be no changes in the relationship of rights of shareholders, and the implementation will not distort the formation of stock prices.

##### (2) After implementing countermeasures

The Company's Board of Directors does not expect to implement countermeasures of a type that would cause a marked loss to the Company's shareholders (excluding those who make an acquisition that would significantly diminish the Company's corporate value or the common interests of its shareholders) or distort the formation of stock prices.

In the event that the Company's Board of Directors decides to implement countermeasures, it will make an appropriate disclosure at the appropriate time to prevent unforeseen loss to shareholders in accordance with laws, regulations, and stock exchange rules.

#### 6. Start, Effective Period, and Continuance, Discontinuance, etc. of the Rules

The Rules will continue upon approval by the shareholders at this General Meeting of Shareholder, and the effective period shall be until the close of the General Meeting of Shareholders scheduled to be held in June 2025.

However, even after the continuance of the Rules is approved at the General Meeting of Shareholders and the Rules go into effect, the Rules may be discontinued if a resolution is adopted to discontinue the Rules at a General Meeting of Shareholders. Furthermore, the Company's Board of Directors may revise the Rules as needed, even during the effective period of the Rules, to improve the Company's corporate value or the common interests of its shareholders, in which case it will gain the approval of shareholders at the General Meeting of Shareholders that is nearest to the date of the resolution by the Board of Directors. If the Company's Board of Directors thus makes changes to the Rules, it will disclose the details without delay.

The Rules may be revised or changed, with the agreement of the Special Committee as needed, if the revisions or changes do not disadvantage the shareholders, in cases such as those where it is appropriate to apply the establishment or abolishment of laws and regulations relating to the Rules, rules of the financial instruments exchange market where the Company is listed, or other rules, or it is appropriate to revise the wording due to typographical errors and the like.

#### Attachment: Overview of Special Committee, Etc.

##### 1. Members of the Special Committee

The Special Committee is composed of three to five members who meet the following conditions and have been approved by a majority of the Company's Board of Directors from the viewpoint of securing independence from the Board of Directors and ensuring decision-making capability regarding corporate management:

- 1) Persons who have never been an executive director, executive officer, accounting advisor (if the accounting advisor is a corporation, an employee who carries out said duties), manager, or other employee of the Company or its subsidiaries
- 2) Persons who have a certain amount of experience in, are experts in, or have deep knowledge of corporate management

##### 2. Member Profiles

Masafumi NAKAHIGASHI

Born September 1965

March 1989: Graduated from Nagoya University School of Law  
March 1991: Completed master's program at Nagoya University Graduate School of Law  
April 1991: Research associate, Nagoya University School of Law  
April 1993: Full-time lecturer, Chukyo University School of Law  
April 1996: Associate professor, Nagoya University School of Law  
April 1999: Associate professor, Nagoya University Graduate School of Law  
April 2002: Associate professor, Nagoya University Graduate School of International Development  
April 2005: Professor, Nagoya University Graduate School of Law (current)  
April 2019: Vice President, Nagoya University (current)

Takahiko TAKAYAMA

Born July 1966

March 1989: Graduated from Department of Law, Faculty of Law, Chuo University  
April 1993: Entered the Legal Training and Research Institute of Japan  
April 1995: Assistant judge, Osaka District Court  
April 1997: Assistant judge, Tokyo District Court, temporarily assigned to Canon Inc.  
April 1998: Assistant judge, Tokyo District Court  
July 1999: Public prosecutor, Civil Affairs Bureau, Ministry of Justice  
April 2006: Judge, Tokyo District Court  
April 2007: Registered at Dai-ichi Tokyo Bar Association and became partner at TMI Associates (current)

Sayoko IZUMOTO

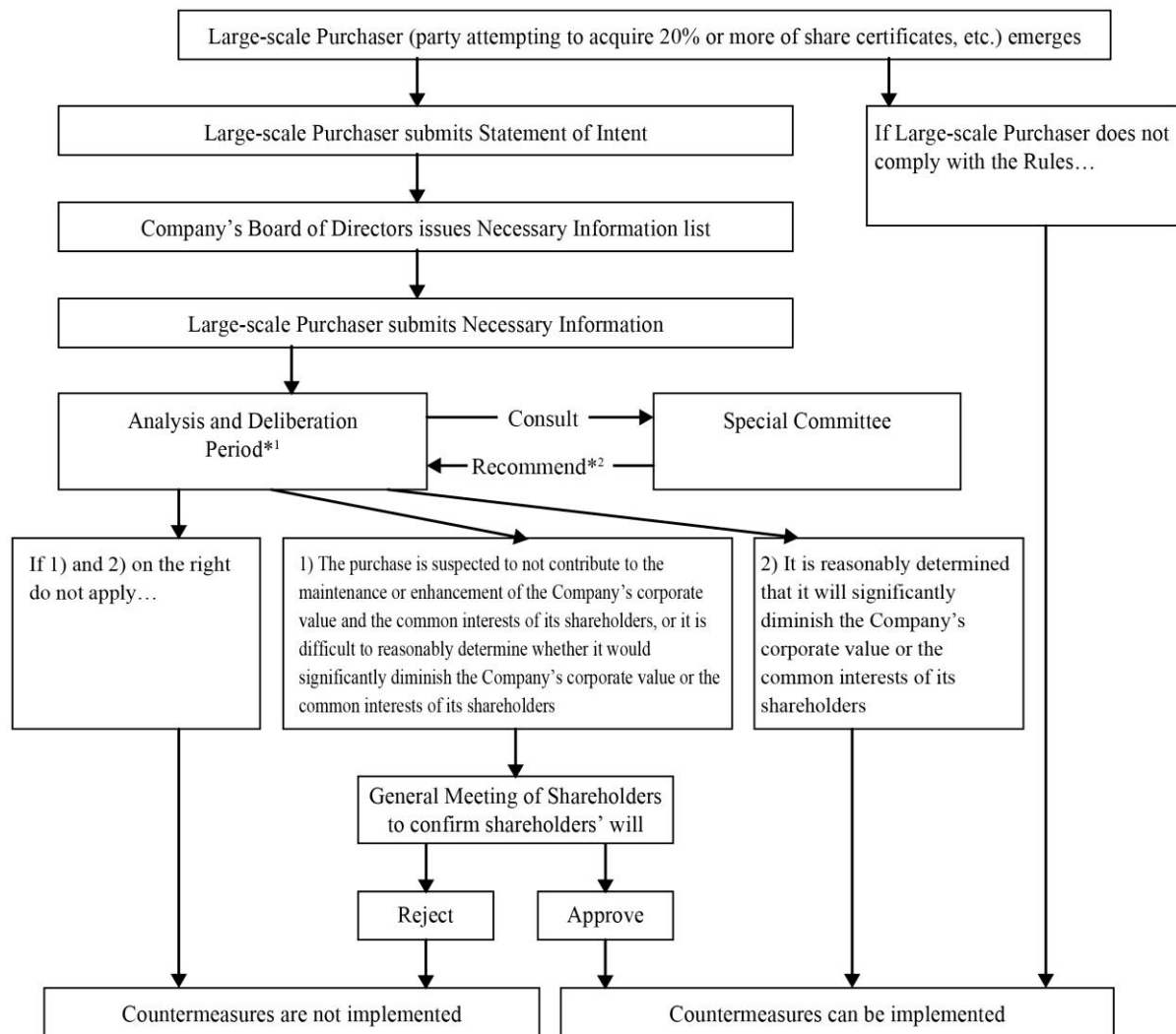
Born July 1953

March 1976: Graduated from Department of Commerce, Chuo University  
March 1976: Joined Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC)  
March 1979: Registered as certified public accountant  
July 1995: Partner, Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)  
January 2007: Member, Business Accounting Council, Financial Services Agency  
January 2015: Member, Information and Communications Council, Ministry of Internal Affairs and Communications (current)  
July 2016: Left Deloitte Touche Tohmatsu LLC  
August 2016: Founded Izumoto Certified Public Accountant Office (current)  
April 2017: Member, Information Disclosure and Personal Information Protection Review Board, Ministry of Internal Affairs and Communications (current)  
May 2017: External Audit and Supervisory Board Member, Freund Corporation (current)  
June 2017: Outside Director, Hitachi Transport System, Ltd. (current)



### Rules Flowchart

The purpose of this chart is only to contribute to the understanding of the Rules. For details on the Rules, see the full text of the Large-scale Purchase Rules.



\*1 The Analysis and Deliberation Period is up to 60 business days, as a general rule, but can be extended for up to a maximum of 30 business days if the Company's Board of Directors deems it necessary.

\*2 The Special Committee will provide recommendations to the Company's Board of Directors on whether it would be appropriate to implement countermeasures, or whether it would be appropriate to eventually confirm the will of the shareholders due to difficulties in determining the appropriateness of implementing countermeasures, and the Company's Board of Directors will adopt a resolution on the implementation of countermeasures, respecting said recommendations to the maximum extent.