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(Securities code: 1860)

June 5, 2026

(Start of electronic provision of documents: May 30, 2026)

**To Shareholders with Voting Rights:**

Seisuke Otani  
President and Representative Director  
TODA CORPORATION  
7-1 Kyobashi 1-chome, Chuo-ku,  
Tokyo

**NOTICE OF CONVOCATION FOR  
THE 103RD ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We are pleased to announce that the 103rd Annual General Meeting of Shareholders of TODA CORPORATION (the “Company”) will be held as follows.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information in electronic format (the “electronic provision measures”). Matters subject to the electronic provision measures have been posted on the following website:

The Company’s website:

[https://www.toda.co.jp/english/investor\\_relations/general\\_meeting.php](https://www.toda.co.jp/english/investor_relations/general_meeting.php)

In addition to the above website, those matters have also been posted on the following website:

The Tokyo Stock Exchange’s website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do>

(Please access the above website, perform a search by entering “TODA CORPORATION” for “Issue name (company name)” or “1860” for “Code”, and then select “Basic information” and “Documents for public inspection/PR information” to review “[Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting]” in the “Filed information available for public inspection” section.)

You can exercise your voting rights in writing or by electronic means (via the Internet, etc.). Please review the Reference Documents for the General Meeting of Shareholders included in the matters subject to measures for electronic provision, and exercise your voting rights by 5:30 p.m. on Thursday, June 25, 2026 (Japan Time).

- 1. Date and Time:** 10 a.m., Friday, June 26, 2026 (Japan Time)
- 2. Place:** TODA BUILDING 4F, Hall B  
7-1 Kyobashi 1-Chome, Chuo-ku, Tokyo

### 3. Meeting Agenda:

- Matters to be reported:**
1. Business Report, Consolidated Financial Statements and results of audit thereof for the Company's 103rd Fiscal Year (April 1, 2025–March 31, 2026)
  2. Non-consolidated Financial Statements for the Company's 103rd Fiscal Year (April 1, 2025–March 31, 2026)

**Matters to be resolved:**

- Proposal No. 1** Appropriation of Surplus  
**Proposal No. 2** Election of Seven (7) Directors  
**Proposal No. 3** Election of One (1) Audit & Supervisory Board Member  
**Proposal No. 4** Partial Amendments to and Continuation of the Policy Regarding Large-Scale Purchases of the Company's Shares, etc. (Takeover Response Policy)

- (1) When attending the meeting, please submit the enclosed voting rights exercise form to the reception desk. Please also bring this Notice of Convocation with you as meeting material.
- (2) Of the items to be provided electronically, the following items are not included in the documents to be delivered to shareholders who requested delivery of written documents in accordance with the provisions of laws and regulations and the Articles of Incorporation. The documents to be delivered to the shareholders who requested the delivery of the documents are part of the documents that were audited by Audit & Supervisory Board Members and the accounting auditor in preparing the audit report.
  - (i) "The Company's System and Policy" in the Business Report
  - (ii) "Notes to Consolidated Financial Statements" of the Consolidated Financial Statements
  - (iii) "Notes to Non-Consolidated Financial Statements" of the Non-Consolidated Financial Statements
- (3) Any revisions to the information subject to the electronic provision measures will be posted on the relevant websites.

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### Proposal No. 1 Appropriation of Surplus

The basic policy of the Company is to make profit returns in accordance with its performance and business environment, while assuring continuous, stable dividend payments to shareholders and in consideration of the amount of internal reserves essential for strengthening the competitiveness and financial strength of the Company, and to make direct profit distribution and to achieve shareholder return through medium- to long-term share price increase, the Company has set target for DOE at 3.5% or more, while total return ratio is set at approximately 70%. Under this policy, the Company proposes the appropriation of surplus as set forth.

Matters concerning year-end dividend

(1) Type of dividend

Cash

(2) Matters concerning the allocation of dividend to shareholders and the total amount thereof

38 yen per share of common stock of the Company

Total amount: 11,387,642,286 yen

As a result, annual dividend per share for the fiscal year ended March 31, 2026 will be 58 yen, including the interim dividend of 20 yen.



(3) Effective date of the distribution of surplus


June 29, 2026


**Proposal No. 2 Election of Seven (7) Directors**


The terms of office of all seven (7) Directors will expire at the conclusion of this Meeting. Accordingly, the Company proposes the election of seven (7) Directors (including four (4) Outside Directors).


No.	Name		Positions and responsibilities at the Company	Attendance at the Board of Directors' meeting
1	Masanori Imai	Reelection Candidate	Chairperson and Representative Director	100% (18 out of 18 meetings)
2	Seisuke Otani	Reelection Candidate	President and Representative Director President and Corporate Officer	100% (18 out of 18 meetings)
3	Toshihiro Yamazaki	Reelection Candidate	Director Executive Vice President Group General Manager, Corporate Administration Group	100% (18 out of 18 meetings)
4	Toshihiko Itami	Reelection Candidate Outside Director Independent	Outside Director	100% (18 out of 18 meetings)
5	Kumi Arakane	Reelection Candidate Outside Director Independent	Outside Director	100% (18 out of 18 meetings)
6	Masahiro Muroi	Reelection Candidate Outside Director Independent	Outside Director	100% (18 out of 18 meetings)
7	Kiyoshi Mizuhara	Reelection Candidate Outside Director Independent	Outside Director	100% (14 out of 14 meetings)

No.	Name	Career summary, positions, and responsibilities	Number of shares of the Company held
1	 <p>Masanori Imai  <u>Reelection Candidate</u>            (July 21, 1952)</p>	<p>April 1978      Joined the Company            April 1999      Manager, Architectural Construction Work Division, Tokyo Branch            October 2001    General Manager, Keiji General Construction Sales Office, Osaka Branch            April 2008      Corporate Officer and Vice Branch Manager, Osaka Branch            August 2009    Executive Officer and Branch General Manager, Osaka Branch            April 2013      Corporate Officer and Executive Vice President            June 2013      President and Representative Director                                     President and Corporate Officer            April 2021      Chairperson and Representative Director (to present)</p> <p>[Significant concurrent positions]            Representative Director, Japan Climate Leaders' Partnership            Chairman, National General Contractors Association of Japan            Chairman, Japan Construction Occupational Safety and Health Association            Outside Director, East Japan Construction Surety Co., Ltd.            Chairperson, Toda Mirai Foundation            Executive Councilor, the Tokyo Chamber of Commerce and Industry</p> <p>[Roles within the Company's Board of Directors]            Chairperson of the Board of Directors; Personnel and Compensation Committee member</p>	33,900 shares
<p>[Reasons for nomination as candidate for Director]            Mr. Masanori Imai, serving as President and Representative Director and Chairperson and Representative Director, has played a leading role in increasing the Group's corporate value. He also engages in activities outside the Company to contribute to solving social challenges including environmental issues. The Company renominates him as a candidate for Director so that he will leverage his wealth of experience and broad insight, contributing to the sustainable growth of the Group through managerial supervision that gives consideration to all stakeholders and the strengthening of the decision-making function of the Board of Directors.</p>			
2	 <p>Seisuke Otani  <u>Reelection Candidate</u>            (May 25, 1958)</p>	<p>April 1982      Joined the Company            March 2009      General Manager, Architectural Construction Work Division, Tokyo Branch            March 2013      Deputy General Manager, Tokyo Branch            October 2016    Branch General Manager, Chiba Branch            April 2017      Corporate Officer            March 2018      Corporate Officer and Branch General Manager, Kanto Branch            March 2020      Corporate Officer in charge of Administration Group            April 2020      Executive Officer            June 2020      Director            April 2021      President and Representative Director (to present)                                     President and Corporate Officer (to present)</p>	37,700 shares
<p>[Reasons for nomination as candidate for Director]            Mr. Seisuke Otani has been responsible for the architectural construction work department over many years, accumulating a wealth of experience and achievements in the area of architectural construction. Furthermore, he has been making significant contributions to increasing the corporate value such as by overseeing large-scale construction projects. Since April 2021, he has been leading the Group management as President and Representative Director. The Company renominates him as a candidate for Director as he can be expected to contribute to forward-looking, medium- to long-term growth strategy and to improving the corporate value.</p>			

No.	Name	Career summary, positions, and responsibilities	Number of shares of the Company held
3	 <p data-bbox="277 625 509 743">Toshihiro Yamazaki  Reelection Candidate  (July 10, 1958)</p>	<p data-bbox="521 254 1321 285">April 1982      Joined the Company</p> <p data-bbox="521 285 1321 348">March 2008    General Manager, Financial Division, Administration Group</p> <p data-bbox="521 348 1321 411">April 2015    Corporate Officer and General Manager, Financial Division, Administration Group</p> <p data-bbox="521 411 1321 443">March 2016    Corporate Officer in charge of Administration Group</p> <p data-bbox="521 443 1321 506">March 2021    Corporate Officer and Assistant General Manager, Management Administration Division</p> <p data-bbox="521 506 1321 569">March 2022    Corporate Officer and Group General Manager, Corporate Administration Group (to present)</p> <p data-bbox="521 569 1321 600">April 2022    Senior Executive Officer</p> <p data-bbox="521 600 1321 632">June 2022    Director (to present)</p> <p data-bbox="521 632 1321 663">April 2023    Corporate Officer and Executive Vice President (to present)</p>	46,700 shares
<p data-bbox="204 785 721 816">[Reasons for nomination as candidate for Director]</p> <p data-bbox="204 816 1464 1014">Mr. Toshihiro Yamazaki has been responsible for finance department over many years, accumulating a wealth of experience and achievements in all aspects of financial matters in relation to corporate management. He currently strengthens coordination between the three Business Groups (the Building Construction Business Group, the Civil Engineering Business Group, and Strategic Business Promotion Group) and the Innovation Group as Group General Manager of Corporate Administration Group, and supervises financial planning, personnel, administration, ICT, and internal control departments, etc. The Company renominates him as a candidate for Director as it believes that he is suitable for executing further growth investment and to strengthen financial strategy.</p>			

No.	Name	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	 <p>Toshihiko Itami  Reelection Candidate  Outside  Independent  (September 2, 1953)</p>	<p>April 1980 Appointed Public Prosecutor, Tokyo District Public Prosecutors Office</p> <p>April 2005 Director-General, Public Security Bureau, Tokyo District Public Prosecutors Office</p> <p>June 2010 Director, General Affairs Department, Supreme Public Prosecutors Office</p> <p>July 2012 Chief Prosecutor, Tokyo District Public Prosecutors Office</p> <p>July 2014 Deputy Prosecutor-General, Supreme Public Prosecutors Office</p> <p>December 2015 Superintending Prosecutor, Osaka High Public Prosecutors Office</p> <p>November 2016 Registered as an Attorney at Law  Advisor, Nagashima Ohno &amp; Tsunematsu</p> <p>March 2018 Audit &amp; Supervisory Board Member, THE HOKKOKU SHIMBUN CO., LTD.</p> <p>June 2018 Outside Director, Seven Bank, Ltd.</p> <p>June 2018 Director, the Company (to present)</p> <p>June 2020 Outside Director (Audit &amp; Supervisory Committee Member), JP-HOLDINGS, INC. (to present)</p> <p>September 2025 Attorney-at-Law, WIN LAW OFFICE (to present)</p> <p>[Role within the Company's Board of Directors]  Chair of Personnel and Compensation Committee</p>	3,500 shares
<p>[Reasons for nomination as candidate for Outside Director and expected roles]</p> <p>Mr. Toshihiko Itami has served in prominent positions including Chief Prosecutor of Tokyo District Public Prosecutors Office, Deputy Prosecutor-General of Supreme Public Prosecutors Office and Superintending Prosecutor of Osaka High Public Prosecutors Office, before engaging in corporate governance, corporate crisis management and corporate compliance matters as an attorney at law, and possesses a wealth of experience and a high level of expertise. The Company renominates him as Outside Director as we expect that he will provide appropriate advice and proposals concerning the management of the Company from an objective standpoint independent of the management team involved in the execution of duties. While he has never been involved in corporate management other than as an outside director/auditor, the Company believes that he can appropriately execute the duties of an Outside Director based on the above reasons.</p>			

No.	Name	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	 <p data-bbox="285 701 509 926"> Kumi Arakane  Reelection Candidate  Outside  Independent  (July 4, 1956) </p>	<p data-bbox="521 268 1305 926"> April 1981    Joined KOBAYASHI KOSÉ COMPANY LIMITED (currently KOSÉ Holdings Corporation)  March 2002    Senior Chief Researcher, R&amp;D Headquarters Advanced Cosmetic Research Laboratories  March 2004    General Manager, Product Development Dept., Marketing Headquarters  March 2006    Executive Officer, Deputy Director-General of Marketing Headquarters and General Manager of Product Development Dept.  March 2010    General Manager, R&amp;D Laboratories  March 2011    General Manager, Quality Assurance Dept. (Marketing Supervisor-General)  June 2011    Director (in charge of Quality Assurance Dept., Customer Service Center, Purchasing Dept., and Product Designing Dept.)  June 2017    Audit &amp; Supervisory Board Member  March 2019    Outside Audit &amp; Supervisory Board Member, Kubota Corporation  March 2020    External Director, Kagome Co., Ltd. (to present)  June 2020    Director, the Company (to present)  March 2021    Outside Director, Kubota Corporation (to present) </p> <p data-bbox="521 963 1029 1020"> [Role within the Company's Board of Directors]  Personnel and Compensation Committee member </p>	7,100 shares
<p data-bbox="204 1031 1468 1199"> [Reasons for nomination as candidate for Outside Director and expected roles]  Ms. Kumi Arakane has a wealth of experience and insight in corporate management, including being involved in the execution and supervision of management as a director and person in charge of corporate R&amp;D, product development, and quality assurance as a Doctor of Pharmacology. The Company renominates her as Outside Director as we expect that she will provide to-the-point proposals and advice at the meetings of the Board of Directors from an objective standpoint independent of the management team involved in the execution of duties. </p>			

No.	Name	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	 <p data-bbox="277 800 509 1236">           Masahiro Muroi  <u>Reelection Candidate</u>  <u>Outside</u>  <u>Independent</u>            (July 13, 1955)         </p>	<p data-bbox="509 260 1321 323">April 1978      Joined the Nomura Computer Systems Co., Ltd.</p> <p data-bbox="509 323 1321 386">January 1988      The Nomura Research Institute, Ltd. and the Nomura Computer Systems Co., Ltd. Merge</p> <p data-bbox="509 386 1321 512">June 2000      Director and Group General Manager, Planning and Business Division, EC Knowledge Solution Division, Knowledge Solution Group</p> <p data-bbox="509 512 1321 575">April 2002      Director and Executive Officer, Senior Manager, e-Solution Division</p> <p data-bbox="509 575 1321 680">April 2008      Director and Senior Executive Officer, Senior Manager, Investigation &amp; Creation Center, Headquarter Organization management</p> <p data-bbox="509 680 1321 785">April 2013      Representative Director and Executive Vice President, Senior Management, Corporate Division, in charge of Quality and Innovative Production and Risk Management</p> <p data-bbox="509 785 1321 848">April 2015      Director, Vice Chairman &amp; Chair, Board of Directors</p> <p data-bbox="509 848 1321 911">June 2016      Outside Director, Ryoden Trading Corporation (currently RYODEN Corporation)</p> <p data-bbox="509 911 1321 974">June 2017      Outside Director, MARUI GROUP CO., LTD.</p> <p data-bbox="509 974 1321 1037">June 2018      Auditor, The Norinchukin Bank (to present)</p> <p data-bbox="509 1037 1321 1100">June 2022      Director, the Company (to present)</p> <p data-bbox="509 1100 1321 1236">           [Role within the Company's Board of Directors]            Personnel and Compensation Committee member         </p>	4,700 shares
<p data-bbox="188 1236 1481 1289">[Reasons for nomination as candidate for Outside Director and expected roles]</p> <p data-bbox="188 1289 1481 1421">Mr. Masahiro Muroi has served as Representative Director of a major private think tank, accumulating a wealth of experience in and insight into corporate management, including serving as an officer responsible for risk management. He also has high expertise in IT. The Company renominates him as Outside Director as we expect that he will provide effective advice that will help improve the efficiency of business operations while supervising the Company's overall management.</p>			

No.	Name	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	 <p>Kiyoshi Mizuhara  Reelection Candidate  Outside  Independent  (January 13, 1960)</p>	<p>April 1983      Joined Komatsu Ltd.</p> <p>January 1988    Assigned to work at Komatsu Dresser Company (currently Komatsu America Corp.) (until March 1993)</p> <p>March 1997      Assigned to work at Komatsu Hanomag GmbH (currently Komatsu Germany GmbH) (until March 2003)</p> <p>April 2005      General Manager, Sales Planning Department, Construction &amp; Mining Equipment Marketing Division, Komatsu Ltd.</p> <p>April 2008      General Manager, Business Control Department, General Manager, Overseas Transportation Department, Construction &amp; Mining Equipment Marketing Division</p> <p>April 2011      General Manager, Construction Equipment Corporate Planning Department, Construction &amp; Mining Equipment Marketing Division</p> <p>April 2013      Executive Officer  Representative of All India Operations  President, Komatsu India Pvt. Ltd.</p> <p>April 2017      Senior Executive Officer  President of Construction Equipment Marketing Division</p> <p>June 2019      Director and Senior Executive Officer</p> <p>April 2021      Chief Marketing Officer (CMO)  President of Construction Equipment Solution Division</p> <p>April 2022      Representative Director  Senior Executive Officer and CMO</p> <p>July 2023      Advisor (to present)</p> <p>June 2025      Director, the Company (to present)</p> <p>[Role within the Company's Board of Directors]  Personnel and Compensation Committee member</p>	0 share
<p>[Reasons for nomination as candidate for Outside Director and expected roles]  Mr. Kiyoshi Mizuhara has served as Representative Director of a major construction &amp; mining equipment company, accumulating a wealth of experience in and insight into corporate management. He also has high expertise in global business through his experience as CMO and extensive experience of working abroad. Additionally, he has participated in the activities of the environmental and energy committee of an economic organization to help address environmental issues. The Company renominates him as Outside Director as we expect that he will provide effective advice that will help improve the efficiency of business operations while supervising the Company's overall management.</p>			

- Notes: 1. There is no special interest between any of the candidates and the Company.  
2. The numbers of shares of the Company held by the candidates are the numbers of shares beneficially held, which include each candidate's shareholding in Toda Corporation Officers' Shareholding Association.  
3. Mr. Toshihiko Itami, Ms. Kumi Arakane, Mr. Masahiro Muroi, and Mr. Kiyoshi Mizuhara are candidates for Outside Director. They are designated as candidates for independent directors as stipulated by the rules of the Tokyo Stock Exchange and notified thereof to the Exchange.


4. Mr. Toshihiko Itami, Ms. Kumi Arakane, Mr. Masahiro Muroi, and Mr. Kiyoshi Mizuhara currently serve as Outside Director of the Company. At the conclusion of this General Meeting of Shareholders, Mr. Toshihiko Itami will have served as Outside Director for eight years, Ms. Kumi Arakane will have served as Outside Director for six years, Mr. Masahiro Muroi will have served as Outside Director for four years, and Mr. Kiyoshi Mizuhara will have served as Outside Director for one year.
5. Mr. Toshihiko Itami is an attorney-at-law belongs to WIN LAW OFFICE. No monetary compensation was paid by the Company to the law firm in the fiscal year ended March 31, 2026.
6. Although Ms. Kumi Arakane served as Executive Officer, Director, and Audit & Supervisory Board Member of KOSÉ Corporation until June 2019, she is not currently involved in the execution of KOSÉ Holdings Corporation's business. The amount of KOSÉ Holdings Corporation's transactions with the Company in the fiscal year ended March 31, 2026 was less than 0.1% of the Company's net sales.
7. Although Mr. Masahiro Muroi served as Member of the Board and Representative Director of The Nomura Research Institute, Ltd., he is not currently involved in the execution of The Nomura Research Institute, Ltd.'s business. The amount of The Nomura Research Institute, Ltd.'s transactions with the Company in the fiscal year ended March 31, 2026 was less than 0.1% of the Company's net sales.
8. Although Mr. Kiyoshi Mizuhara served as Director and Representative Director of Komatsu Ltd., he is not currently involved in the execution of Komatsu Ltd.'s business. The amount of Komatsu Ltd.'s transactions with the Company in the fiscal year ended March 31, 2026 was less than 0.1% of the Company's net sales.
9. To recruit talented people as Outside Directors of the Company, the Company stipulates in its Articles of Incorporation that it can enter into contracts with Outside Directors that limit the liability for damages to the Company to the minimum amount stipulated in laws and regulations. The Company has concluded this limited liability contract with Outside Director candidates, Mr. Toshihiko Itami, Ms. Kumi Arakane, Mr. Masahiro Muroi, and Mr. Kiyoshi Mizuhara. Those contracts will remain in effect if the reelection of the above four candidates is approved.
10. The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. This insurance policy covers damages, litigation expense to be borne by the insured, in the event of a claim for damages caused by an act (including nonfeasance) in the course of their duties as directors and officers. However, this insurance policy does not cover damages, etc. to directors and officers themselves who commit criminal acts or illegal acts deliberately, and measures are taken in order to prevent the impairment of the appropriateness of execution of duties by directors and officers. The insurance premiums are fully borne by the Company. The insured persons under this insurance policy include the directors, audit & supervisory board members, executive officers and managerial employees of the Company. If this proposal is approved as originally proposed, candidates will be insured under this insurance policy. The Company plans to renew this insurance policy with the same contents during their terms of office.
11. Ms. Kumi Arakane's name in the family register is Ms. Kumi Kameyama.

### Proposal No. 3 Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member, Mr. Wakabayashi Hidemi will expire at the conclusion of this Meeting. Accordingly, the Company proposes the election of one (1) new Audit & Supervisory Board Member.

The candidate for Audit & Supervisory Board Member is as follows.

This Proposal has been approved by the Audit & Supervisory Board in advance.

Name	Career summary and positions	Number of shares of the Company held
 <p>Takanobu Tateno  <u>Newly appointed</u>            (April 27, 1959)</p>	April 1982      Joined the Company	10,800 shares
	March 2012      General Manager, Engineering Department, Construction Sales Supervisory Division	
	April 2016      Corporate Officer and Assistant Senior Manager, Promotion Office for Value Creation	
	March 2019      Corporate Officer and Senior General Manager, ICT Administration Division	
	April 2020      Executive Officer and Senior General Manager, ICT Administration Division	
	April 2026      Advisor (to present)	
<p>[Reasons for nomination as candidate for Audit &amp; Supervisory Board Member]            Mr. Takanobu Tateno has a wealth of experience and deep insight regarding the construction business, which is a core business of the Group. In addition, he led initiatives such as the building of the Group's core system platform, upgrading of the telecommunications environment, and cybersecurity countermeasures as the General Manager of the ICT Supervisory Division. The Company nominates him as a candidate for Audit &amp; Supervisory Board Member as it believes that he is suitable for contributing to the strengthening of the Company's audit framework as the importance of digital transformation and IT governance rises.</p>		

- Notes:
1. There is no special interest between candidate Mr. Takanobu Tateno and the Company.
  2. The number of shares of the Company held is the number of shares beneficially held, which include the candidate's shareholding in Toda Corporation Officers' Shareholding Association.
  3. The term of office of Mr. Takanobu Tateno under this Proposal will expire at the conclusion of Annual General Meeting of Shareholders of the Company related to the last fiscal year ending within 4 years after the election of Mr. Takanobu Tateno as stipulated in the Articles of Incorporation.
  4. To recruit talented people as Audit & Supervisory Board Member of the Company, the Company stipulates in its Articles of Incorporation that it can enter into contracts with Audit & Supervisory Board Members that limit the liability for damages to the Company to the minimum amount stipulated in laws and regulations. The Company will conclude this limited liability contract with Audit & Supervisory Board Member candidate Mr. Takanobu Tateno if the election of Mr. Takanobu Tateno is approved.
  5. The Company has entered into a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. This insurance policy covers damages, litigation expense to be borne by the insured, in the event of a claim for damages caused by an act (including nonfeasance) in the course of their duties as directors and officers. However, this insurance policy does not cover damages, etc. to directors and officers themselves who commit criminal acts or illegal acts deliberately, and measures are taken in order to prevent the impairment of the appropriateness of execution of duties by directors and officers. The

insurance premiums are fully borne by the Company. The insured persons under this insurance policy include the directors, corporate auditors, executive officers and managerial employees of the Company. If this proposal is approved as originally proposed, the candidate will be insured under this insurance policy. The Company plans to renew this insurance policy with the same contents during the term of office.

(Reference)

## Skills Required for the Board of Directors

### 1. Roles of the Board of Directors:

- The Board of Directors shall be entrusted by shareholders to make decisions on basic management strategies and management plans as well as the execution of important business operations and to ensure transparency and fairness in management by fulfilling its supervisory function over all aspects of management.
- The Board of Directors shall appoint executive officers and delegate them to make decisions on business operations other than important ones, and supervise their performance of duties.

### 2. Composition of the Board of Directors:

- The Board of Directors shall be composed of directors with an overall balance of expertise, experience, and skills (collectively the “Skills”), taking into consideration diversity, including in terms of gender and internal and external backgrounds.
- The number of Directors shall be seven (7), which is an appropriate number considering the Company’s management issues. In order to further strengthen the objective validity and accountability of the Board of Directors, four (4) of the directors, constituting a majority, shall be independent outside directors.

### 3. Skills Matrix

- We have identified the skill areas that Directors and Audit & Supervisory Board Members should possess to realize our Medium-Term Management Plan 2027 and the skill definitions as follows.

Relation with Basic Concept of Medium-Term Management Plan		Skill Area	Skill Definition
Identify	Connect		
•	•	Corporate management/ Management strategy	Top management experience, such as president at a listed company, etc., experience as an executive responsible for management strategy, or comparable results in an organization such as a public agency
•		Finance/Accounting	Financial/accounting management ability. CFO experience, work or management experience related to finance, bookkeeping, or accounting, certified public accountant
•		Human resource development/Diversity	Work experience, management experience, or expertise related to human resources, such as human resources development and diversity
•	•	Legal/Risk management	Subject matter expert on corporate compliance and risk management. Experience supervising legal affairs, compliance, or risk management departments, lawyer, etc. with corporate legal affairs experience
•	•	Global businesses	Ability to drive improvement in corporate value in the global market, experience being stationed overseas, leader of local subsidiary, experience supervising overseas business
•		Manufacturing/ Technology	Work experience, management experience, or subject matter expert related to manufacturing, research and development, and technology
•		ICT/Digital transformation/AI	Ability to drive or supervise transformational change in business processes using AI, ICT, etc.
	•	Environment/Energy	Work experience, management experience, or subject matter expert related to the environment and energy

· The table below shows the skills matrix if Proposals 2 and 3 of this Annual General Meeting of Shareholders are approved as proposed, ensuring a balance of skills for the Board of Directors as a whole (including Audit & Supervisory Board Members).

Name	Gender	Expected skills								
		Corporate management/ Management strategy	Finance/ Accounting	Human resource development/ Diversity	Legal/Risk management	Global businesses	Manufacturing/ Technology	ICT/Digital transformation/AI	Environment/ Energy	
Directors	Masanori Imai	Male	○					○		○
	Seisuke Otani	Male	○		○			○	○	
	Toshihiro Yamazaki	Male		○		○				
	Toshihiko Itami	Male			○	○				
	Kumi Arakane	Female			○	○		○		
	Masahiro Muroi	Male	○	○		○			○	
	Kiyoshi Mizuhara	Male	○				○		○	○

Audit & Supervisory Board Members	Shunji Momoi	Male		○		○	○			
	Takanobu Tateno	Male						○	○	
	Junko Nishiyama	Female				○		○		○
	Satoshi Machida	Male		○		○				

Note: The above shows up to four specialties in which each candidate is particularly expected to possess expertise, experience and skills. It is not meant to show all skills of each candidate.

**Proposal No. 4 Partial Amendments to and Continuation of the Policy Regarding Large-Scale Purchases of the Company’s Shares, etc. (Takeover Response Policy)**

At the 100th Annual General Meeting of Shareholders held on June 29, 2023, the Company obtained shareholders’ approval and introduced measures regarding large-scale purchases of the Company’s shares, etc. (the “Former Policy”). The effective period of the Former Policy is until the conclusion of the 103rd Annual General Meeting of Shareholders scheduled to be held on June 26, 2026 (the “Annual General Meeting of Shareholders”).

Prior to the expiration of the effective period of the Former Policy, the Company has reviewed the necessity of the takeover response policy and its specific details. As a result, the Company decided, subject to approval by shareholders at the Annual General Meeting of Shareholders, to renew the Former Policy with certain amendments as set forth below (the “Renewal”; the policy after the Renewal shall hereinafter be referred to as the “Policy”), as an initiative to prevent decisions on the Company’s financial and business policies from being controlled by persons deemed inappropriate in light of the Basic Policy on the Persons Who Control Decisions on the Company’s Financial and Business Policies (as provided for in Article 118, Item 3 of the Regulation for Enforcement of the Companies Act; the “Basic Policy”) (Article 118, Item 3, (b)(2) of the same Regulation).

In connection with the Renewal, the Company has, even after the continuation of the Former Policy, continued to review the appropriate form of the policy, including whether it should be continued, from the perspective of maintaining and enhancing the common interests of shareholders and corporate value, taking into account changes in social and economic conditions, trends and various discussions concerning takeover response policies, and the intent of the Corporate Governance Code.

As a result of such review, the Company concluded that the policy remains necessary in order to secure the interests of all stakeholders, including shareholders, customers, business partners, local communities and employees, and to achieve the Company’s sustainable growth and enhancement of corporate value over the medium to long term. Accordingly, the Company has decided to continue the Former Policy, with the necessary revisions, subject to approval at the Annual General Meeting of Shareholders.

Accordingly, the Company seeks shareholders’ approval for the continuation of the Former Policy as this Policy, with partial amendments. The effective period of the Policy shall be until the conclusion of the Annual General Meeting of Shareholders scheduled to be held in June 2029 (three (3) years).

In addition, all four (4) Audit & Supervisory Board Members of the Company, including three (3) Independent Outside Audit & Supervisory Board Members, attended the Board of Directors meeting at which the Policy was approved, and expressed the opinion that, so long as the Policy is operated appropriately in accordance therewith, it is reasonable as a policy regarding large-scale purchases of the Company’s shares, etc.

The main revisions made to the Policy are as follows:

- ① The contents of the “Statement of Intent” to be submitted by the Purchaser, etc. (as defined in Section III.2.(1)① below; the same shall apply hereinafter) have been partially revised.
- ② The contents of the “Necessary Information” to be provided by the Purchaser, etc. have been partially revised.
- ③ The contents of the “Criteria for Determination of Joint or Concerted Action, etc.” in Exhibit 4 have been partially revised.
- ④ Other revisions have been made to the wording, including clarifications of the intent.

### **I . Basic Policy Regarding the Person Who Controls Decisions on the Company’ s Financial and Business Policies**

In light of the fact that the source of the Company’s corporate value lies in the management resources that the Group has built up over many years, if there is a risk that the corporate value of the Group or the common interests of shareholders may be impaired as a result of the acquisition by a specific person or group of shares carrying 20% or more of the Company’s total voting rights, the Company shall regard such specific person or group as inappropriate as a person who controls decisions on the Company’s financial and business policies, and shall, to the extent permitted under laws and regulations and the Articles of Incorporation, take reasonable measures to secure and enhance the corporate value of the Group and the common interests of shareholders (the “Countermeasures”). This shall constitute the Company’s basic policy regarding the person who controls decisions on the Company’s financial and business policies.

In addition, the Large-Scale Purchase Rules under this Policy are intended to achieve the purposes set forth in III.1. below, including providing shareholders with information necessary to determine whether or not to accept a Large-Scale Purchase, etc. (as defined in III.2.(1)① below; the same shall apply hereinafter), presenting the opinions of the Board of Directors currently in charge of the Company’s management, and ensuring that shareholders are given an opportunity to receive alternative proposals. At present, the Financial Instruments and Exchange Act provides certain regulations designed to ensure the provision of information and the securing of a review period in the event of an acquisition; however, there may be cases where it is necessary to secure the provision of information and sufficient time for review prior to the commencement of a tender offer, or where, depending on the structure of a Large-Scale Purchase, etc. and the ratio of voting rights exercised at the Company’s General Meeting of Shareholders, a Large-Scale Purchase, etc. may have a certain impact on corporate control even though the regulations under the Financial Instruments and Exchange Act do not function effectively. Therefore, the establishment of the Large-Scale Purchase Rules constitutes a prerequisite for shareholders and investors to make appropriate investment decisions, and the Company believes that securing sufficient time will also facilitate constructive dialogue with the purchaser, etc. concerning the enhancement of corporate value for the benefit of shareholders.

## **II. Source of the Company's Corporate Value and Initiatives Contributing to the Realization of the Basic Policy**

### **1. Source of the Company's Corporate Value**

#### **(1) Corporate Philosophy of the Group**

Since its founding in 1881, the Company has consistently upheld, as its corporate philosophy, a commitment to creating products and services that satisfy customers, placing importance on trust and quality, adhering to sound and prudent management, and contributing to the development of society through its business activities.

In 2015, the Group established a corporate philosophy framework, including the “Global Vision,” to articulate its purpose in society and the future it seeks to achieve. TODA Group's Global Vision, “A corporate group that realizes joys,” embodies its aspiration to create “joys” for customers, employees, partner companies and, ultimately, society as a whole, while continuing to grow by transforming such joy into confidence and pride. By sharing this Vision throughout the Group and pursuing continuous evolution, the Group will enhance its corporate value and contribute to the sustainable development of society.

#### **(2) Initiatives to Enhance Corporate Value**

In 2021, the Group formulated “Future Vision CX150,” which sets forth the vision it aims to realize over the next 10 years. As a “gatekeeper of value” that realizes unprecedented combinations of information and functions and creates new value, the Group is working as one to contribute to the realization of a co-creative society through business development in the Smart Innovation, Environment and Energy, Business and Life Support, and Urban and Social Infrastructure domains.

Based on the “Medium-Term Management Plan 2024 - Rolling Plan” (announced in May 2022; hereinafter, the “Previous Medium-Term Management Plan”), whose final fiscal year was FY2024, the Group has worked to strengthen its business portfolio and create sustainable value.

Under the Previous Medium-Term Management Plan, with the objective of Phase 1 of CX150, “Access to Sources of Value,” the Group proactively carried out growth investments with a view to the future, including the completion of its new headquarters building, TODA BUILDING, the opening of “Agriscience Valley Joso,” aimed at regional revitalization, and the launch of the “Offshore Wind Power Generation Project off the Coast of Goto City (floating offshore wind power generation business)” toward carbon neutrality. In addition, earnings in the domestic construction business have returned to a recovery trend, and the Group intends to convert this momentum into a new driver of growth.

Amid the promotion of these initiatives, in May 2025, the Group formulated the “Medium-Term Management Plan 2027” covering the three-year period from FY2025 to FY2027 (hereinafter, the “Current Medium-Term Management Plan”).

Under the Current Medium-Term Management Plan, the Group recognizes that, in light of the uncertain management environment going forward, it is indispensable to identify and leverage its established strengths and create the Group's own “Distinctive Value.” In particular, the Group will promote “vertical deployment”

to enhance the value provided at sales offices and construction sites and “horizontal deployment” to deepen collaboration between the construction business and strategic businesses, thereby aiming to achieve higher profitability. In addition, the Group will further strengthen its business foundation by promoting the frontline shift of human resources, expanding investments in digital initiatives and technology development, and improving capital efficiency.

Through the Current Medium-Term Management Plan, the Group will steadily advance Phase 2 of CX150, “Value Restructuring,” and realize sustainable growth and medium- to long-term enhancement of corporate value in a manner that meets shareholders’ expectations.

\* “Distinctive Value: The exceptional value TODA Group provides, exceeding customer expectations through its unique perspective and cutting-edge technological capabilities.”

### ① Business Portfolio

In addition to strengthening its existing core businesses of Architectural Construction, Civil Engineering and Strategic Businesses, the Group has identified the following three businesses, which the three business headquarters will pursue together beyond organizational boundaries, as key focus businesses, and through the Current Medium-Term Management Plan will establish a path toward creating the Group’s own “Distinctive Value.”

- SECC (Smart Energy Complex City) Business (Phase 1)

As part of the Group’s urban development business, this business aims to contribute broadly to the development of urban functions, including energy and infrastructure, and to accumulate a track record and know-how through the promotion of pilot projects.

- Environment and Energy Business (Offshore Wind)

Development of technologies for larger-scale and mass production of hybrid spar-type floaters  
Expansion of offshore wind construction capabilities  
Efforts to enhance know-how as a power generation operator

- Overseas Business

Strengthening the business foundation for construction operations in Southeast Asia, a growth market, and establishing a stable earnings base through real estate leasing in North America, while building a growth model through an investment cycle.

### ② Financial Strategy

In order to realize medium- to long-term enhancement of corporate value, the Group places importance on the allocation of management resources with full awareness of the cost of capital and capital profitability. On the investment side, while remaining mindful of return on invested capital (ROIC), the Group will promote the effective utilization of assets, reduction of strategically held shares, and the accumulation of intangible assets. On the financing side, in an environment where long-term interest rates are rising, the Group will control fundraising through interest-bearing debt so that the D/E

ratio remains at 0.8x or below. Cash generated will be used for growth investments in accordance with investment discipline, while surplus funds will be returned to shareholders in line with the shareholder return policy (DOE of 3.5% or higher and a total payout ratio of approximately 70%). The Group will also aim to achieve its profitability target of return on equity (ROE) of 10.0% or higher.

In addition, in order to obtain appropriate market valuation, the Group will seek to improve the price-to-book ratio (PBR) by enhancing disclosure and promoting constructive dialogue with shareholders.

### ③ Sustainability Management

Looking ahead to 2050, the Group evaluated various social issues and business-related issues along two axes—“impact on business” and “impact on stakeholders”—and identified the following five items as the TODA Group’s materiality (key issues):

- (i) Urban development that supports prosperous lifestyles
- (ii) Contribution to solving environmental issues
- (iii) Technological innovation and creation of “Distinctive Value”
- (iv) Realization of an inclusive society in which diverse individuality can shine
- (v) Strengthening the foundation for sustainable growth

Toward 2050 and beyond, the Group will contribute, together with its stakeholders, to building a better future society through its business activities.

### ④ Strengthening Corporate Governance

The Company has adopted the institutional structure of a company with an Audit & Supervisory Board under the Companies Act. The Board of Directors makes decisions on important management matters and supervises the execution of operations by executive officers and others, while the Audit & Supervisory Board Members and the Audit & Supervisory Board (as of April 28, 2026, consisting of one internal Audit & Supervisory Board Member and three outside Audit & Supervisory Board Members) audit the execution of duties by Directors and others. In addition, by appropriately delegating decision-making authority, to the extent permitted by law, to executive officers appointed by the Board of Directors, the Company seeks to accelerate and streamline management decision-making. As of April 28, 2026, the Board of Directors consists of seven Directors (three internal Directors and four Independent Outside Directors), a majority of whom are Outside Directors.

Furthermore, based on the “Basic Policy on Corporate Governance,” the Company conducts every year an analysis of the effectiveness of the Board of Directors based on self-evaluations by Directors and Audit & Supervisory Board Members, as well as a third-party review by an attorney, reports the results to the Board of Directors, and reflects them in the Board’s operational policy for the following fiscal year.

As set forth above, the Company will continue to strengthen corporate governance and endeavor to secure and enhance corporate value and the common interests of shareholders.

### ⑤ Human Resource Strategy

The Group believes that the driving force for realizing its management strategy and business strategy is none other than its human resources (employees). The Group regards its human resource strategy as an investment and has identified six target areas: recruitment, personnel systems, job satisfaction, human resource development, wellness/diversity, equity and inclusion, and globalization.

Going forward, by implementing measures in an integrated manner across these areas, the Group aims to continuously develop highly valuable human resources who will contribute to the realization of its management vision. In addition, through organizational development and the allocation of human resources, among other measures, the Group will enhance the effectiveness of these initiatives and promote efforts aimed at maximizing organizational capability and human resource value.

## **III. Measures to Prevent Decisions on the Company’ s Financial and Business Policies from Being Controlled by Persons Deemed Inappropriate in Light of the Basic Policy**

### **1. Overview and Purpose of this Policy**

The Board of Directors of the Company has decided to continue this Policy in order to clarify the rules to be complied with by any person intending to conduct a Large-Scale Purchase, etc. of the Company’s shares, etc., and to secure the necessary and sufficient information and time for shareholders to make appropriate decisions, as well as the opportunity to negotiate with any person intending to conduct a Large-Scale Purchase, etc.

As described below, this Policy establishes the rules to be complied with by any person intending to conduct a Large-Scale Purchase, etc. of the Company’s shares, etc., and also makes clear that, in certain cases, such person may incur damage as a result of the Company’s taking Countermeasures. By appropriately disclosing such matters, this Policy is intended to serve as a warning to any person intending to conduct a Large-Scale Purchase, etc. of the Company’s shares, etc. that would not contribute to the corporate value of the Company and, in turn, the common interests of shareholders.

Under this Policy, in order to eliminate arbitrary judgments by the Board of Directors of the Company in connection with the invocation of Countermeasures and other matters, the Company will ensure, in accordance with the Rules of the Independent Committee (for an outline thereof, please refer to Exhibit 1), that the recommendations of an Independent Committee (the “Independent Committee”), which shall consist solely of the Company’s Outside Directors, the Company’s Outside Audit & Supervisory Board Members, or outside experts (including experienced corporate managers, former government officials, attorneys-at-law, certified public accountants, academics, or persons of equivalent qualifications) who are independent from the management engaged in the execution of the Company’s business, are respected to the maximum extent, and will also ensure transparency by making timely disclosures to shareholders and investors. Upon the continuation of this Policy, the five persons listed in Exhibit 2 are scheduled to assume office as members of the Independent Committee.

As of March 31, 2026, the status of the Company’s major shareholders is as set forth in Exhibit 3, “Shareholding Status of the Company’s Major Shareholders,” and Daiichi Shokusan Co., Ltd., the Company’s largest shareholder, had a shareholding ratio<sup>1</sup> of 14.32% as of the same date. When combined with the shares held by so-called founding family-related shareholders, consisting of the officers of such company, their relatives and affiliated corporations, the aggregate shareholding ratio of such shareholders in the Company is approximately 27%. These shareholders, as shareholders related to the Company’s founding family, have built and maintained an amicable relationship with the Company over many years and, at present, do not fall within the scope of this Policy. In addition, although shareholders related to the founding family may buy or sell the Company’s shares at their own discretion, and although their aggregate shareholding ratio in the Company may increase as a result of the Company’s repurchase of its own shares or otherwise, they will not fall within the scope of this Policy so long as their aggregate shareholding ratio does not exceed 30% and the amicable relationship continues. It should be noted, however, that it is uncertain whether these shareholders will continue to hold the Company’s shares, and it cannot be ruled out that their aggregate shareholding ratio may decline in the future, thereby increasing the liquidity of the Company’s shares.

Under these circumstances, the Company recognizes that, in the event of a Large-Scale Purchase, etc. that may impair the corporate value of the Company and, in turn, the common interests of shareholders, it would be difficult to respond appropriately from the perspective of enhancing corporate value without the continuation of this Policy as described herein. The Company has not, as of the present time, received any proposal relating to a Large-Scale Purchase, etc. of the Company’s shares, etc.

## **2. Details of this Policy**

### **(1) Procedures under this Policy**

#### **① Large-Scale Purchase, etc. Covered by this Policy**

This Policy shall apply where any purchase of the Company’s shares, etc. or any similar act falling under (i) through (iii) below is conducted; provided, however, that acts approved by the Board of Directors of the Company shall be excluded (such acts being hereinafter referred to as a “Large-Scale Purchase, etc.”). Any person who conducts or intends to conduct a Large-Scale Purchase, etc. (hereinafter referred to as the “Purchaser, etc.”) shall comply in advance with the procedures set forth in this Policy.

(i) Any purchase of shares, etc.<sup>2</sup> issued by the Company that would result in a holder<sup>3</sup> of such

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<sup>1</sup> “Shareholding ratio” means the ratio of the number of shares held to the total number of issued shares of the Company (excluding treasury shares). The same shall apply hereinafter unless otherwise specified.

<sup>2</sup> “Shares, etc.” means “share certificates, etc.” as prescribed in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act. The same shall apply hereinafter unless otherwise expressly provided. If any law or regulation referred to in this Policy is amended (including any change in the title of a law or regulation, or the enactment of a new law or regulation succeeding to a former law or regulation), each provision of such law or regulation referred to in this Policy shall, unless otherwise determined by the Board of Directors of the Company, be deemed to be replaced by the corresponding provision of the amended or successor law or regulation that substantially succeeds to such provision.

<sup>3</sup> “Holder” means a holder as prescribed in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act, including any person deemed to be included as a holder pursuant to paragraph (3) of the same Article.

- shares, etc. having a shareholding ratio<sup>4</sup> of 20% or more
- (ii) Any tender offer for shares, etc.<sup>5</sup> issued by the Company (a “Tender Offer”<sup>6</sup>) that would result in the aggregate of the share ownership ratio<sup>7</sup> of the shares, etc. subject to such Tender Offer and the share ownership ratio of its Specially Related Parties<sup>8</sup> becoming 20% or more
  - (iii) Regardless of whether any of the acts set forth in (i) or (ii) above has been conducted, any agreement or other act entered into by a specific shareholder of the Company with another shareholder of the Company (including more than one shareholder; the same shall apply in this (iii)) as a result of which such other shareholder comes to fall under the category of a Joint Holder of such specific shareholder, or any act that establishes a relationship<sup>9</sup> between such specific shareholder and such other shareholder whereby one party substantially controls the other, or the parties act jointly or in concert<sup>10</sup> (provided, however, that this shall apply only where the aggregate shareholding ratio of such specific shareholder and such other shareholder with respect to the Company’s shares, etc. issued by the Company is 20% or more)

② Prior Submission of a “Statement of Intent” to the Company

Prior to the execution of a Large-Scale Purchase, etc., the Purchaser, etc. shall submit to the Board of Directors of the Company, in Japanese and in the form prescribed by the Company, a written

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<sup>4</sup> “Shareholding ratio” means the “share certificate, etc. holding ratio” prescribed in Article 27-23, paragraph (4) of the Financial Instruments and Exchange Act. The same shall apply hereinafter. In calculating such shareholding ratio, however, (i) Specially Related Parties as defined in Article 27-2, paragraph (7) of the same Act, (ii) investment banks, securities companies and other financial institutions that have entered into financial advisory agreements with the relevant specific shareholder, as well as the tender offer agent and lead managing securities company of such specific shareholder (hereinafter referred to as the “Contracted Financial Institutions, etc.”), attorneys, accountants and other advisors, and (iii) persons who acquired the Company’s share certificates, etc. from persons falling under (i) or (ii) above through off-market negotiated transactions or Tokyo Stock Exchange off-auction transactions (ToSTNeT-1), shall be deemed in this Policy to be Joint Holders of such specific shareholder (meaning Joint Holders as defined in Article 27-23, paragraph (5) of the Financial Instruments and Exchange Act, including persons whom the Board of Directors of the Company recognizes as being deemed Joint Holders pursuant to paragraph (6) of the same Article; the same shall apply hereinafter). In addition, in calculating such shareholding ratio, the total number of issued shares of the Company may be determined by reference to the most recent information publicly disclosed by the Company.

<sup>5</sup> “Shares, etc.” in (ii) means the “share certificates, etc.” prescribed in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act.

<sup>6</sup> “Tender offer” is defined in Article 27-2, paragraph (6) of the Financial Instruments and Exchange Act.

<sup>7</sup> “Share ownership ratio” means the “share certificate, etc. ownership ratio” prescribed in Article 27-2, paragraph (8) of the Financial Instruments and Exchange Act. The same shall apply hereinafter. In calculating such share ownership ratio, the total number of voting rights of the Company may be determined by reference to the most recent information publicly disclosed by the Company.

<sup>8</sup> “Specially Related Parties” means the Specially Related Parties defined in Article 27-2, paragraph (7) of the Financial Instruments and Exchange Act; provided, however, that with respect to the persons listed in item (i) of such paragraph, persons specified in Article 3, paragraph (2) of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other than Issuer shall be excluded. In addition, (i) Joint Holders and (ii) Contracted Financial Institutions, etc. shall, in this Policy, be deemed Specially Related Parties of the relevant specific shareholder. The same shall apply hereinafter unless otherwise specified.

<sup>9</sup> Whether a relationship has been established “whereby one of the relevant specific shareholder and the other shareholder substantially controls the other, or they act jointly or in concert” shall be determined in accordance with the criteria set forth in Exhibit 4. The criteria set forth in Exhibit 4 may be amended within a reasonable scope from time to time by resolution of the Independent Committee based on amendments to laws and regulations, trends in court precedents, and other developments, in which case such amendments shall be promptly disclosed.

<sup>10</sup> Whether an act prescribed in (iii) of the main text has been conducted shall be reasonably determined by the Board of Directors of the Company based on the recommendation of the Independent Committee. In addition, the Board of Directors of the Company may request shareholders of the Company to provide necessary information to the extent required to determine whether the requirements set forth in (iii) of the main text are satisfied.

document stating, among other things, that the Purchaser, etc. pledges to comply with the procedures set forth in this Policy in connection with the Large-Scale Purchase, etc. (the “Statement of Intent”).

Specifically, the Statement of Intent shall include the following items. In addition, where the Purchaser, etc. is a company or other legal entity, the Statement of Intent shall bear the signature, or name and seal, of its representative, and be accompanied by a certificate of qualification of such representative, the articles of incorporation of the Purchaser, etc., Certificate of Registered Matters (including all historical matters) or equivalent documents, and its non-consolidated and consolidated balance sheets and statements of income for the most recent five fiscal years.

- (i) Outline of the Purchaser, etc.
  - (a) Name and address or location
  - (b) Where the Purchaser, etc. is a company or other legal entity, the title of its representative and the names and ten-year career histories of its representative, directors (or equivalent officers; the same shall apply hereinafter) and corporate auditors (or equivalent officers; the same shall apply hereinafter)
  - (c) Where the Purchaser, etc. is a company or other legal entity, its purposes and business description
  - (d) Where the Purchaser, etc. is a company or other legal entity, an outline of its direct and indirect major shareholders or major investors (the top 10 by shareholding or equity interest), and its ultimate beneficial controlling shareholders (investors)
  - (e) Contact point in Japan
  - (f) Where the Purchaser, etc. is a company or other legal entity, the governing law of incorporation
  - (g) Names, head office locations and business descriptions of its principal investment targets, and the ratios of shareholding or equity interest in such principal investment targets
- (ii) The number of the Company’s shares, etc. currently held by the Purchaser, etc., and the trading status of the Company’s shares, etc. by the Purchaser, etc. during the 60 days prior to the submission of the Statement of Intent
- (iii) An outline of the Large-Scale Purchase, etc. contemplated by the Purchaser, etc. (including the type and number of the Company’s shares, etc. that the Purchaser, etc. plans to acquire through the Large-Scale Purchase, etc., and the purpose of the Large-Scale Purchase, etc. (including, where the purpose is acquisition of control, participation in management, pure investment, policy investment, transfer of the Company’s shares, etc. to a third party after the Large-Scale Purchase, etc., making a Material Proposal, etc.<sup>11</sup>, or any other purpose, a statement to that effect and the details thereof; and where there are multiple purposes, all such purposes))

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<sup>11</sup> “Material Proposal, etc.” means the material proposal acts, etc. prescribed in Article 27-26, paragraph (1) of the Financial Instruments and Exchange Act, Article 14-8-2, paragraph (1) of the Order for Enforcement of the Financial Instruments and Exchange Act, and Article 16 of the Cabinet Office Ordinance on Disclosure of the Status of Large-Volume Holding of Share Certificates, etc. The same shall apply hereinafter unless otherwise specified.

③ Provision of the “Necessary Information”

If the Statement of Intent described in ② above is submitted, the Purchaser, etc. shall provide the Company, in Japanese and in accordance with the procedures set forth below, with information necessary and sufficient for shareholders and investors to make a judgment on the Large-Scale Purchase, etc. and for the Board of Directors of the Company to evaluate and consider the same (the “Necessary Information”).

First, within 10 Business Days<sup>12</sup> (excluding the first day) from the date on which the Statement of Intent is submitted, the Company will send to the contact point in Japan set forth in ②(i)(e) above an “Information List” describing the information to be initially submitted, and the Purchaser, etc. shall submit sufficient information to the Company in accordance with such Information List.

In addition, if the information provided by the Purchaser, etc. in accordance with the above Information List is reasonably deemed by the Board of Directors of the Company to be insufficient, in light of the details, structure and other aspects of the Large-Scale Purchase, etc., for shareholders and investors to make a judgment and for the Board of Directors of the Company to evaluate and consider the same, the Purchaser, etc. shall provide such additional information as may be separately requested by the Board of Directors of the Company (in making such determination, the Board of Directors of the Company shall respect the opinion of the Independent Committee to the maximum extent). Requests for additional Necessary Information may be repeated until the Board of Directors of the Company determines that sufficient Necessary Information has been provided; provided, however, that the final due date for response shall not exceed 60 days from the date on which the Purchaser, etc. receives the Information List, even if the Board of Directors of the Company has not determined that sufficient Necessary Information has been provided (provided, further, that such period may be extended to the extent necessary upon the request of the Purchaser, etc.; hereinafter referred to as the “Necessary Information Provision Period”).

Regardless of the details, structure or other aspects of the Large-Scale Purchase, etc., information concerning each of the following items shall, in principle, be included as part of the Information List:

- (i) Detailed information regarding the Purchaser, etc. and its group (including major shareholders or investors, material subsidiaries and affiliates, Joint Holders, Specially Related Parties, and, in the case of a fund or other investment vehicle, regardless of whether established under Japanese law or foreign law and regardless of legal form (hereinafter referred to as “Funds, etc.”), or where there exists a Fund, etc. substantially controlled or managed by the Purchaser, etc., all partners, investors and other members thereof, and persons who continuously provide investment advice; the same shall apply hereinafter), including their history, specific names, addresses, governing law of incorporation, capital structure, business description, financial

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<sup>12</sup> “Business Day” means any day other than those set forth in the items of Article 1, paragraph (1) of the Act on Holidays of Administrative Organs. The same shall apply hereinafter.

condition, details of investment policies, details of investment and financing activities during the past 10 years, whether they fall under the category of “Foreign Investor” as provided in Article 26, paragraph (1) of the Foreign Exchange and Foreign Trade Act (the “FEFTA”) and information forming the basis therefor, whether there have been any violations of laws and regulations during the past 10 years (and, if so, an outline thereof), detailed information regarding experience in businesses of the same type as those of the Company and the Group and the possibility of future competition, and the names, employment histories and any past violations of laws and regulations by officers (and, if any, an outline thereof)

- (ii) The specific details of the internal control systems of the Purchaser, etc. and its group (including group internal control systems), and whether or to what extent such systems are effective
- (iii) The purpose, method and details of the Large-Scale Purchase, etc. (including details of the purpose disclosed in the Statement of Intent; and where the purpose includes acquisition of control, participation in management, pure investment, policy investment, transfer of the Company’s shares, etc. to a third party after the Large-Scale Purchase, etc., making a Material Proposal, etc., or any other purpose, a statement to that effect and an outline thereof; and where there are multiple purposes, all such purposes), including whether there is any intention to participate in management, the type and number of the Company’s shares, etc. subject to the Large-Scale Purchase, etc., the type and amount of consideration, the timing of the Large-Scale Purchase, etc., the structure of related transactions, the number of shares, etc. to be acquired and the share ownership ratio after the purchase, the legality of the method of the Large-Scale Purchase, etc., the feasibility of the Large-Scale Purchase, etc. and related transactions (including the details of any conditions to which the Large-Scale Purchase, etc. is subject), the post-completion policy for holding the Company’s shares, etc., and, if there is any possibility that the Company’s shares, etc. will be delisted, a statement to that effect and the reasons therefor. With respect to the legality of the method of the Large-Scale Purchase, etc., a legal opinion from a qualified attorney shall also be submitted.
- (iv) The basis for valuation of the consideration for the Large-Scale Purchase, etc. and the process of such valuation, including the facts assumed in the valuation, the valuation method, the numerical information used in the valuation, the amount of synergies expected to arise from the series of transactions relating to the Large-Scale Purchase, etc. and the basis for calculating such amount, the name of the valuation institution, where a third-party opinion has been obtained in the course of the valuation, the name of such third party and information relating thereto, an outline of such opinion, and the process that led to the determination of the amount based on such opinion
- (v) The basis for funding the Large-Scale Purchase, etc., including the specific names of the fund providers (including the ultimate providers, whether direct or indirect), the method of

procurement, whether there are any conditions for execution of the funding and the details thereof, whether there are any collateral arrangements or covenants after the funding and the details thereof, and the details of related transactions

- (vi) Whether there has been any communication of intention with any third party in connection with the Large-Scale Purchase, etc. (including communication of intention concerning the making of a Material Proposal, etc. to the Company; the same shall apply hereinafter), and if so, the specific manner and details thereof and an outline of such third party
- (vii) The status of holdings by the Purchaser, etc. and its group of the Company's shares, etc., derivatives or other financial derivative products whose underlying assets are the Company's shares, etc. or assets related to the business of the Company or the Group, and the status of agreements relating thereto, as well as the status of stock lending, stock borrowing and short selling of the Company's shares, etc.
- (viii) Where there exist any loan agreements, collateral agreements, buy-back agreements, reservations for sale and purchase, or other material contracts or arrangements (hereinafter collectively referred to as "Collateral Agreements, etc.") with respect to the Company's shares, etc. already held by the Purchaser, etc. and its group, the specific details thereof, including the type of contract, the counterparty thereto, and the number of shares, etc. subject thereto
- (ix) Where the Purchaser, etc. plans to enter into any Collateral Agreements, etc. or other agreements with any third party with respect to the Company's shares, etc. to be acquired through the Large-Scale Purchase, etc., the specific details of such planned agreements, including the type of agreement, the counterparty thereto, and the number of the Company's shares, etc. subject thereto
- (x) The management policies for the Company and the Group intended after the Large-Scale Purchase, etc., information regarding the backgrounds and other details of officer candidates proposed to be dispatched after the Large-Scale Purchase, etc. (including information regarding their knowledge of and experience in businesses of the same type as those of the Company and the Group), as well as business plans, financial plans, funding plans, investment plans, capital policies, dividend policies and asset utilization measures (including plans for the sale, provision as collateral or other disposition of the assets of the Company and the Group after the Large-Scale Purchase, etc.)
- (xi) Policies concerning the treatment of the Company's officers, employees, labor unions, business partners, customers, local governments and other stakeholders of the Company and the Group after the Large-Scale Purchase, etc.
- (xii) Specific measures to avoid conflicts of interest with the Company's other shareholders
- (xiii) Regulatory matters that may be applicable to the Large-Scale Purchase, etc. under the FEFTA and other domestic and foreign laws and regulations, and the possibility of obtaining approvals, licenses and permits required from domestic and foreign governments or third

parties under the Antimonopoly Act, the FEFTA and other laws and regulations. With respect to these matters, legal opinions from qualified attorneys in the relevant jurisdictions shall also be submitted.

- (xiv) The possibility of maintaining licenses and permits required under domestic and foreign laws and regulations in connection with the management of the Company and the Group after the Large-Scale Purchase, etc., and the possibility of compliance with domestic and foreign laws and regulations
- (xv) Whether there is any relationship, direct or indirect, with anti-social forces or terrorist-related organizations, and if so, the details thereof

The Board of Directors of the Company shall promptly disclose the fact that a proposal for a Large-Scale Purchase, etc. has been made by the Purchaser, etc., and if there is any information among the outline of the proposal, the outline of the Necessary Information and other information that is deemed necessary for shareholders and investors to make a judgment, the Company shall appropriately disclose such information.

If the Board of Directors of the Company or the Independent Committee determines that the provision of the Necessary Information has been completed (provided that, even where part of the requested information has not been submitted, the provision of the Necessary Information may be deemed complete if reasonable explanation has been given for such non-submission), or if the Necessary Information Provision Period expires, the Company shall promptly disclose such fact in accordance with applicable laws and regulations. As described in ④ below, the Board Evaluation Period (as defined in ④ below) shall commence on the day following the date of such disclosure.

④ Establishment of the Board Evaluation Period, etc.

Depending on the degree of difficulty involved in evaluating the Large-Scale Purchase, etc., the Board of Directors of the Company shall establish, and promptly disclose, either of the following periods (in each case to be calculated from the day following the date on which the Company discloses that the Board of Directors of the Company or the Independent Committee has determined that the provision of the Necessary Information has been completed, or that the Necessary Information Provision Period has expired) as the period for evaluation, consideration, negotiation, formulation of opinions, and preparation of alternative proposals by the Board of Directors of the Company (the “Board Evaluation Period”):

- (i) In the case of a tender offer for all of the Company’s shares, etc. in which the consideration consists solely of cash (Japanese yen): up to 60 days
- (ii) In the case of any other Large-Scale Purchase, etc.: up to 90 days

However, in either of (i) and (ii) above, the Board Evaluation Period may be extended only where both the Board of Directors of the Company and the Independent Committee reasonably determine

that such period is insufficient for evaluation and consideration, in which case the specific extension period and the reasons why such extension is necessary shall be notified to the Purchaser, etc. and disclosed to shareholders and investors. Any such extension shall be for no more than 30 days.

During the Board Evaluation Period, the Board of Directors of the Company shall, as necessary, obtain advice from external experts (including investment banks, securities companies, financial advisors, certified public accountants, attorneys, consultants and other experts; the same shall apply hereinafter), and shall sufficiently evaluate and consider the Necessary Information provided by the Purchaser, etc. and review the details of the Large-Scale Purchase, etc. by the Purchaser, etc. from the perspective of securing and enhancing the corporate value of the Company and the common interests of shareholders. Through such review, the Board of Directors of the Company shall carefully formulate its opinion on the Large-Scale Purchase, etc. as the Board of Directors of the Company, notify the Purchaser, etc. thereof, and disclose such opinion to shareholders and investors in a timely and appropriate manner. In addition, if necessary, the Board of Directors of the Company may negotiate with the Purchaser, etc. regarding the terms and method of the Large-Scale Purchase, etc. and may also present alternative proposals to shareholders and investors.

Upon receipt of the Statement of Intent and the Necessary Information from the Purchaser, etc., and simultaneously with the commencement of the Board Evaluation Period, the Board of Directors of the Company shall consult with the Independent Committee as to whether or not Countermeasures should be invoked. At that time, all information submitted by the Purchaser, etc. shall be provided to the Independent Committee.

⑤ Recommendation of the Independent Committee Regarding Invocation of Countermeasures

During the Board Evaluation Period, the Independent Committee shall, in parallel with the evaluation, consideration, negotiation, formulation of opinions, and preparation of alternative proposals by the Board of Directors of the Company described in ④ above, make a recommendation to the Board of Directors of the Company as to whether or not Countermeasures should be invoked, in accordance with the following procedures. In order to ensure that the Independent Committee's judgment is made in a manner that contributes to securing and enhancing the corporate value of the Company and the common interests of shareholders, the Independent Committee may obtain, at the Company's expense, advice from external experts independent of the management engaged in the execution of the Company's business. If the Independent Committee makes a recommendation to the Board of Directors of the Company as set forth in (i) or (ii) below, the Board of Directors of the Company shall promptly disclose the fact of such recommendation and an outline thereof, as well as any other matters deemed appropriate by the Board of Directors of the Company.

- (i) Where the Purchaser, etc. does not comply with the procedures set forth in this Policy

If the Purchaser, etc. fails to comply with the procedures set forth in this Policy, the Independent Committee shall, in principle, recommend to the Board of Directors of the Company that Countermeasures be invoked and may also recommend any other matters it deems necessary.

Even after the Independent Committee has recommended that Countermeasures be invoked, if the Large-Scale Purchase, etc. is withdrawn or if there is any change in the facts or other circumstances forming the basis for such recommendation, the Independent Committee may recommend to the Board of Directors of the Company that Countermeasures be discontinued or their invocation suspended, or may make such other recommendation as it deems appropriate.

(ii) Where the Purchaser, etc. complies with the procedures set forth in this Policy

If the Purchaser, etc. complies with the procedures set forth in this Policy, the Independent Committee shall, in principle, recommend to the Board of Directors of the Company that Countermeasures not be invoked.

However, even where the procedures set forth in this Policy have been complied with, if the acquisition is recognized as falling under any of the categories listed in Exhibit 5, and if such acquisition is deemed to significantly impair the corporate value of the Company and the common interests of shareholders and the invocation of Countermeasures is deemed appropriate, the Independent Committee may, as an exceptional measure, recommend that Countermeasures be invoked.

Where the Independent Committee recommends, as an exceptional measure, that Countermeasures be invoked pursuant to this (ii), such recommendation must be subject to the proviso that the shareholders' intention regarding the invocation of Countermeasures should be confirmed in advance. This is based on the view that, because the invocation of Countermeasures concerns a change in the person controlling the Company, the final decision should, after the Independent Committee's review, rest on the reasonable intention of shareholders (the principle of shareholders' intent).

⑥ Resolution of the Board of Directors and Confirmation of Shareholders' Intent

The Board of Directors of the Company shall respect to the maximum extent the recommendation of the Independent Committee set forth in ⑤ above and, based on such recommendation, shall promptly adopt a resolution as to whether or not Countermeasures should be invoked from the perspective of securing and enhancing the corporate value of the Company and the common interests of shareholders.

If, in recommending the invocation of the Countermeasures, the Independent Committee states, as a proviso, that the shareholders' intent regarding such invocation should be confirmed in advance, the Company shall convene, as promptly as practicable, a general meeting of shareholders for the

purpose of confirming shareholders' intent (the "Shareholders' Intent Confirmation Meeting") and submit a proposal regarding the invocation of the Countermeasures. In such case, the Board of Directors of the Company shall disclose, in accordance with applicable laws and regulations, the details of the scope of shareholders entitled to exercise voting rights (which is expected to be determined appropriately in light of recent court precedents, the structure of the relevant Large-Scale Purchase, etc., and other factors), the record date for exercise of voting rights, the date and time of the Shareholders' Intent Confirmation Meeting, and other relevant matters. A resolution at the Shareholders' Intent Confirmation Meeting shall be adopted by a majority of the voting rights of the shareholders present thereat who are entitled to exercise voting rights. The Shareholders' Intent Confirmation Meeting may also be held concurrently with an Annual General Meeting of Shareholders or an Extraordinary General Meeting of Shareholders. If the Board of Directors of the Company decides to convene a Shareholders' Intent Confirmation Meeting, the Board Evaluation Period shall end at that time. If the proposal regarding the invocation of Countermeasures is approved at the Shareholders' Intent Confirmation Meeting, the Board of Directors of the Company shall, in accordance with the decision made at such meeting, adopt a resolution to invoke Countermeasures and carry out the necessary procedures. On the other hand, if such proposal is rejected at the Shareholders' Intent Confirmation Meeting, the Board of Directors of the Company shall adopt a resolution not to invoke Countermeasures.

If the Board of Directors of the Company adopts any of the above resolutions, the Company shall promptly disclose an outline thereof, regardless of whether the resolution concerns the invocation or non-invocation of Countermeasures, and such other matters as the Board of Directors of the Company and the Independent Committee deem appropriate.

#### ⑦ Discontinuance of Countermeasures or Suspension of Their Invocation

Even after the Board of Directors of the Company has adopted a resolution to invoke Countermeasures in accordance with the procedures described in ⑥ above, or after such Countermeasures have been invoked, if (i) the Purchaser, etc. discontinues the Large-Scale Purchase, etc., or (ii) there is any change in the facts or other circumstances forming the basis for the decision as to whether or not Countermeasures should be invoked, and circumstances arise in which it is considered inappropriate, from the perspective of securing and enhancing the corporate value of the Company and the common interests of shareholders, to invoke Countermeasures or maintain the Countermeasures already invoked, the Board of Directors of the Company shall adopt a resolution to discontinue such Countermeasures or suspend their invocation.

In addition, even where the procedures for convening a Shareholders' Intent Confirmation Meeting have already commenced, if the Board of Directors of the Company thereafter adopts a resolution not to invoke Countermeasures, or if the Purchaser, etc. fails to comply with the procedures set forth in this Policy and the Board of Directors of the Company comes to determine

that it is appropriate to adopt a resolution to invoke Countermeasures, the Company may adopt a resolution to discontinue the procedures for convening the Shareholders' Intent Confirmation Meeting.

If the Board of Directors of the Company adopts any of the above resolutions, the Company shall promptly disclose an outline thereof and such other matters as the Board of Directors of the Company and the Independent Committee deem appropriate.

⑧ Commencement of the Large-Scale Purchase, etc.

The Purchaser, etc. shall comply with the procedures set forth in this Policy and may not commence the Large-Scale Purchase, etc. until the Board of Directors of the Company has adopted a resolution as to whether or not Countermeasures are to be invoked.

(2) Specific Details of the Countermeasures under this Policy

The Countermeasures to be invoked by the Company pursuant to the resolution described in (1)⑥ above shall be a gratis allotment of stock acquisition rights (the "Stock Acquisition Rights").

An outline of the gratis allotment of the Stock Acquisition Rights shall be as set forth in Exhibit 6, "Outline of Gratis Allotment of Stock Acquisition Rights."

Even after the Board of Directors of the Company has adopted a resolution to invoke Countermeasures, or after such Countermeasures have been invoked, the Board of Directors of the Company may, as described in (1)⑦ above, decide to discontinue the Countermeasures or suspend their invocation. For example, where the Board of Directors of the Company has resolved to implement a gratis allotment of the Stock Acquisition Rights as Countermeasures, if the Purchaser, etc. discontinues the Large-Scale Purchase, etc. and the Board of Directors of the Company adopts the resolution described in (1)⑦ above, the Company may suspend the invocation of the Countermeasures by such means as cancelling the gratis allotment of the Stock Acquisition Rights up to the day immediately preceding the ex-rights date relating to the record date set for such allotment, or acquiring the Stock Acquisition Rights without consideration during the period from the effective date of the gratis allotment of the Stock Acquisition Rights until the day immediately preceding the commencement date of the exercise period thereof.

(3) Effective Period, Abolition and Amendment of this Policy

If approved at this Annual General Meeting of Shareholders, this Policy shall remain effective from the time of such approval until the conclusion of the Annual General Meeting of Shareholders scheduled to be held in June 2029.

However, if, at the time of expiration of such effective period, there exists any person actually conducting, or intending to conduct, a Large-Scale Purchase, etc. and designated by the Board of Directors of the Company, such effective period shall be extended to the extent necessary to respond to such act being conducted or contemplated. In addition, even before the expiration of such effective period, if a

resolution is adopted at a general meeting of shareholders of the Company, based on a proposal submitted by the Company, to amend or abolish this Policy, this Policy shall be amended or abolished at that time in accordance with such resolution. Further, if the Board of Directors, consisting of Directors elected at a general meeting of shareholders of the Company, adopts a resolution to abolish this Policy, this Policy shall be abolished at that time.

In addition, if the Board of Directors of the Company determines that formal amendments are necessary due to revisions to the Companies Act, the Financial Instruments and Exchange Act, other laws and regulations or the rules of financial instruments exchanges, or changes in the interpretation or operation thereof, or due to changes in the tax system, court precedents or otherwise, the Board of Directors of the Company may revise or amend this Policy, subject to the approval of the Independent Committee.

If this Policy is abolished, or if any changes are made to this Policy that would have a substantive impact on shareholders of the Company, the Company shall disclose the fact of such abolition or amendment, and, in the case of an amendment, the details thereof, as well as such other matters as the Board of Directors of the Company deems appropriate.

### **3. Reasonableness of this Policy**

(1) Full Satisfaction of the Requirements of the “Guidelines Regarding Takeover Defense Measures,” etc.

This Policy satisfies all three principles set forth in the “Guidelines Regarding Takeover Defense Measures for the Purposes of Protection and Enhancement of Corporate Value and Shareholders’ Common Interests,” released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005, namely, the principle of protecting and enhancing corporate value and the common interests of shareholders, the principle of prior disclosure and shareholders’ intent, and the principle of ensuring necessity and reasonableness, and also reflects the “Takeover Defense Measures in Light of Recent Environmental Changes,” released by the Corporate Value Study Group on June 30, 2008. In addition, this Policy has been formulated in consideration of “Principle 1-5. So-called Anti-Takeover Measures” of the Corporate Governance Code introduced by the Tokyo Stock Exchange on June 1, 2015 and revised on June 1, 2018 and June 11, 2021, respectively, as well as the “Guidelines for Corporate Takeovers — Toward the Enhancement of Corporate Value and Securing Shareholders’ Interests,” published by the Ministry of Economy, Trade and Industry on August 31, 2023. As a result, the Company has determined that the continuation of this Policy is the best course of action.

(2) Introduced for the Purpose of Securing and Enhancing the Company’s Corporate Value and the Common Interests of Shareholders

As described in 1. above, this Policy has been introduced for the purpose of securing and enhancing the Company’s corporate value and the common interests of shareholders by enabling shareholders, when a Large-Scale Purchase, etc. of the Company’s shares, etc. is conducted, to determine whether or not to accept

such Large-Scale Purchase, etc., by securing the information and time necessary for such determination or for the Board of Directors of the Company to present alternative proposals, and by making it possible for the Company to negotiate with the Purchaser, etc. for the benefit of shareholders.

### (3) Emphasis on Prior Disclosure and Shareholders' Intent

The Company will disclose this Policy in advance in order to enhance the predictability of shareholders, investors and the Purchaser, etc. and to ensure that shareholders are given an appropriate opportunity to make a decision.

In addition, the Company will continue to make timely and appropriate disclosures as necessary in accordance with applicable laws and regulations and the rules of financial instruments exchanges.

This Policy will be continued subject to the approval of shareholders at this Annual General Meeting of Shareholders. In addition, as described in 2.(3) above, even after such approval is obtained at this Annual General Meeting of Shareholders, if a resolution to amend or abolish this Policy is adopted at a subsequent general meeting of shareholders based on a proposal submitted by the Company, this Policy will be amended or abolished in accordance with such resolution. Accordingly, the continuation of this Policy is subject to a mechanism that sufficiently reflects the shareholders' intent. Furthermore, if the Purchaser, etc. complies with the procedures set forth in this Policy, the Company shall in all cases hold a Shareholders' Intent Confirmation Meeting with respect to the decision on whether or not to invoke Countermeasures.

In this manner, this Policy places maximum emphasis on the shareholders' intent.

### (4) Emphasis on the Judgment of Highly Independent Outside Persons and Information Disclosure

The Board of Directors of the Company is composed such that a majority of its members are Independent Outside Directors who are independent from the management engaged in the execution of the Company's business. In addition, under this Policy, in order to eliminate arbitrary judgments by the Board of Directors of the Company, the Company has established the Independent Committee as an advisory body to the Board of Directors of the Company that objectively makes resolutions and recommendations concerning the operation of this Policy, including the invocation of Countermeasures.

The Independent Committee shall consist of three or more members selected from among the Company's Outside Directors, Outside Audit & Supervisory Board Members, or outside experts (including experienced corporate managers, former government officials, attorneys-at-law, certified public accountants, academics, or persons of equivalent qualifications), all of whom are independent from the management engaged in the execution of the Company's business.

In addition, the Company will, as necessary, disclose to shareholders and investors an outline of the judgments of the Independent Committee, thereby ensuring a mechanism for the transparent operation of this Policy so that it will contribute to the Company's corporate value and the common interests of shareholders.

(5) Establishment of Reasonable and Objective Requirements for Invocation

As described in 2.(1) above, this Policy is designed so that it will not be invoked unless reasonable and objective requirements for invocation are satisfied, thereby ensuring a mechanism to prevent arbitrary invocation by the Board of Directors of the Company.

(6) Not a Dead-Hand or Slow-Hand Takeover Defense Measure

As described in 2.(3) above, this Policy may be abolished at any time by the Board of Directors of the Company, which is composed of Directors elected at a general meeting of shareholders of the Company. Therefore, this Policy does not constitute a dead-hand takeover defense measure (namely, a takeover defense measure that cannot be prevented from being invoked even if a majority of the members of the Board of Directors are replaced).

In addition, because the Company does not adopt a staggered term system for Directors, this Policy does not constitute a slow-hand takeover defense measure (namely, a takeover defense measure the invocation of which requires time to prevent because the composition of the Board of Directors cannot be replaced all at once).

#### **4. Impact on Shareholders and Investors**

(1) Impact on Shareholders and Investors upon the Continuation of this Policy

Upon the continuation of this Policy, the Stock Acquisition Rights themselves will not be issued. Therefore, the continuation of this Policy will not directly and specifically affect the legal rights or economic interests pertaining to the Company's shares held by shareholders.

However, as described in 2.(1) above, the Company's response to a purchase action will differ depending on, among other things, whether or not the Purchaser, etc. complies with this Policy. Shareholders and investors are therefore requested to pay close attention to the actions of the Purchaser, etc.

(2) Impact on Shareholders and Investors upon the Gratis Allotment of the Stock Acquisition Rights

If the Board of Directors of the Company decides to invoke Countermeasures and conducts a gratis allotment of the Stock Acquisition Rights, the Stock Acquisition Rights will be allotted without consideration to shareholders recorded in the shareholder register as of a certain date separately determined by the Board of Directors of the Company (the "Allotment Date"), at a ratio of up to one Stock Acquisition Right per share held.

Under this mechanism, even at the time of the gratis allotment of the Stock Acquisition Rights, although dilution in the value per share of the Company's shares held by shareholders will occur, there will be no dilution in the total value of the Company's shares held by shareholders as a whole, and therefore no direct and specific impact on the legal rights or economic interests pertaining to the Company's shares held by shareholders is contemplated.

However, with respect to Non-Qualified Persons (as defined in 7. of Exhibit 6, "Outline of Gratis

Allotment of Stock Acquisition Rights”; the same shall apply hereinafter), the invocation of such Countermeasures may, as a result, have some impact on their legal rights or economic interests.

In addition, even where the Board of Directors of the Company has adopted a resolution for a gratis allotment of the Stock Acquisition Rights, if it decides to discontinue the Countermeasures or suspend their invocation in accordance with the procedures described in 2.(1)⑦ above, the market price of the Company’s shares may fluctuate accordingly. For example, if, after the shareholders entitled to receive the gratis allotment of the Stock Acquisition Rights have been determined, the Company implements a suspension of the invocation of Countermeasures and acquires the Stock Acquisition Rights without consideration without delivering new shares, no dilution in the economic value per share of the Company’s shares held by shareholders will occur. Shareholders and investors who traded on the assumption that dilution in the economic value per share of the Company’s shares would occur should therefore note that they may suffer losses due to fluctuations in the share price.

Furthermore, if discriminatory conditions are attached to the exercise or acquisition of the Stock Acquisition Rights, the legal rights and economic interests of Non-Qualified Persons may be affected upon such exercise or acquisition. Even in such case, however, no direct and specific impact on the legal rights or economic interests pertaining to the Company’s shares held by shareholders other than Non-Qualified Persons is contemplated.

### (3) Procedures Required of Shareholders in Connection with the Gratis Allotment of the Stock Acquisition Rights

Shareholders recorded in the final shareholder register as of the Allotment Date for the Stock Acquisition Rights will automatically become holders of the Stock Acquisition Rights on the effective date of the gratis allotment thereof, and therefore no application procedure will be required.

In addition, if the Company adopts procedures to acquire Stock Acquisition Rights subject to acquisition provisions, shareholders other than Non-Qualified Persons will receive the Company’s shares as consideration for the acquisition by the Company of the Stock Acquisition Rights, without being required to pay any amount equivalent to the exercise price of the Stock Acquisition Rights. Accordingly, no payment or other procedures relating to such Stock Acquisition Rights will be required.

In addition to the foregoing, after the Board of Directors of the Company adopts a resolution concerning the gratis allotment of the Stock Acquisition Rights, the Company will, in accordance with applicable laws and regulations and the rules of financial instruments exchanges, make timely and appropriate disclosure or provide notice regarding the details of the procedures, including the method of allotment, method of exercise, method of acquisition by the Company, and method of delivery of shares. Shareholders are requested to review the contents of such disclosure or notice.

End

**Outline of the Rules of the Independent Committee**

1. The Independent Committee shall be established, by resolution of the Board of Directors of the Company, as an advisory body to the Board of Directors of the Company for the purpose of eliminating arbitrary judgments by the Board of Directors of the Company regarding the invocation of Countermeasures against a Large-Scale Purchase, etc. and other matters, and ensuring the objectivity and reasonableness of the judgments and responses of the Board of Directors of the Company.
2. The members of the Independent Committee (hereinafter referred to as the “Independent Committee Members”) shall consist of not less than three persons and shall be selected, with the consent of the Independent Committee and by resolution of the Board of Directors of the Company, from among persons independent from the management engaged in the execution of the Company’s business who fall under any of the following categories: (1) the Company’s Outside Directors, (2) the Company’s Outside Audit & Supervisory Board Members, or (3) outside experts (including experienced corporate managers, former government officials, attorneys-at-law, certified public accountants, academics, or persons of equivalent qualifications). In the event that an outside expert is appointed as an Independent Committee Member, the Company shall enter into a service agreement in the form separately prescribed by the Company (including provisions regarding the member’s duty of care of a good manager and confidentiality obligation to the Company).
3. The term of office of each Independent Committee Member shall expire on the date of the conclusion of the Annual General Meeting of Shareholders relating to the last fiscal year ending within three years from the date of his or her appointment, or on such other date as may be separately agreed between such Independent Committee Member and the Company; provided, however, that this shall not apply where otherwise provided by resolution of the Board of Directors of the Company.
4. The Independent Committee may be convened at any time by the Representative Director of the Company or by any Independent Committee Member.
5. The chairperson of the Independent Committee shall be elected by mutual vote among the Independent Committee Members. The chairperson shall serve as the presiding officer of the Independent Committee, and if the chairperson is unable to act, another Independent Committee Member shall serve in his or her place.
6. Resolutions of the Independent Committee shall, in principle, be adopted with all Independent

Committee Members in attendance and by a majority thereof. Provided, however, that if any Independent Committee Member is unable to attend due to accident or any other unavoidable reason, resolutions shall be adopted with a majority of the Independent Committee Members in attendance and by a majority thereof.

7. The Independent Committee shall deliberate and adopt resolutions on the matters set forth in each of the following items and shall make recommendations to the Board of Directors of the Company, together with the reasons therefor, with respect to the content of such resolutions:
  - (1) Whether or not Countermeasures under this Policy should be invoked (including whether prior confirmation of shareholders' intent with respect to such invocation should be obtained)
  - (2) Discontinuance of Countermeasures under this Policy or suspension of their invocation
  - (3) Abolition or amendment of this Policy
  - (4) Any other matters relating to this Policy on which the Representative Director of the Company or the Board of Directors of the Company voluntarily consults the Independent Committee:  
In deliberations and resolutions of the Independent Committee, each Independent Committee Member shall act solely from the perspective of whether the matter contributes to the medium- to long-term corporate value of the Group and the common interests of shareholders, and shall not act for the purpose of seeking the personal interests of himself or herself or of the Company's management.
8. The Independent Committee may, as necessary, require the attendance of Directors, Audit & Supervisory Board Members, employees of the Company, or any other persons it deems necessary, and may request such persons to provide opinions or explanations regarding matters requested by the Independent Committee.
9. In performing its duties, the Independent Committee may obtain, at the Company's expense, advice from external experts independent from the management engaged in the execution of the Company's business.

**Biographies of the Members of the Independent Committee**

**Toshihiko Itami**

April	1980	Appointed Public Prosecutor, Tokyo District Public Prosecutors Office
April	2005	Director-General, Public Security Bureau, Tokyo District Public Prosecutors Office
June	2010	Director, General Affairs Department, Supreme Public Prosecutors Office
July	2012	Chief Prosecutor, Tokyo District Public Prosecutors Office
July	2014	Deputy Prosecutor-General, Supreme Public Prosecutors Office
December	2015	Superintending Prosecutor, Osaka High Public Prosecutors Office
November	2016	Registered as an Attorney at Law Advisor, Nagashima Ohno & Tsunematsu
March	2018	Audit & Supervisory Board Member, THE HOKKOKU SHIMBUN CO., LTD.
June	2018	Outside Director, Seven Bank, Ltd.
June	2018	Outside Director, TODA CORPORATION (to present)
June	2020	Outside Director (Audit & Supervisory Committee Member), JP-HOLDINGS, INC. (to present)
September	2025	Attorney-at-Law, WIN LAW OFFICE (to present)

**Shunji Momoi**

October	1984	Joined Showa Audit Corporation (Currently Ernst & Young ShinNihon LLC)
March	1988	Registered as CPA
May	2000	Partner
May	2005	Senior Partner
June	2019	Outside Audit & Supervisory Board Member, TODA CORPORATION
June	2020	Full-time Audit & Supervisory Board Member, TODA CORPORATION (to present)
June	2022	Audit & Supervisory Board Member, SBI Regional Bank Holdings, Co., Ltd. (to present)

**Kumi Arakane**

April	1981	Joined KOBAYASHI KOSÉ COMPANY LIMITED (Currently KOSÉ Holdings Corporation)
March	2002	Senior Chief Researcher, R&D Headquarters Advanced Cosmetic Research Laboratories
March	2004	General Manager, Product Development Dept., Marketing Headquarters
March	2006	Executive Officer, Deputy Director-General of Marketing Headquarters and General Manager of Product Development Dept.
March	2010	General Manager, R&D Laboratories
March	2011	General Manager, Quality Assurance Dept. (Marketing Supervisor-General)
June	2011	Director (in charge of Quality Assurance Dept., Customer Service Center, Purchasing Dept., and Product Designing Dept.)
June	2017	Audit & Supervisory Board Member
March	2019	Outside Audit & Supervisory Board Member, Kubota Corporation
March	2020	External Director, Kagome Co., Ltd. (to present)
June	2020	Outside Director, TODA CORPORATION (to present)
March	2021	Outside Director, Kubota Corporation (to present)

**Masahiro Muroi**

April	1978	Joined Nomura Computer Systems Co., Ltd.
January	1988	The Nomura Research Institute, Ltd. and the Nomura Computer Systems Co., Ltd. Merge
June	2000	Director and Group General Manager, Planning and Business Division, EC Knowledge Solution Division, Knowledge Solution Group
April	2002	Director and Executive Officer, Senior Manager, e-Solution Division
April	2008	Director and Senior Executive Officer, Senior Manager, Investigation & Creation Center, Headquarter Organization Management
April	2013	Representative Director and Executive Vice President, Senior Management, Corporate Division, in charge of Quality and Innovative Production and Risk Management
April	2015	Director, Vice Chairman & Chair, Board of Directors
June	2016	Outside Director, RYODEN CORPORATION
June	2017	Outside Director, MARUI GROUP CO., LTD.
June	2018	Auditor, The Norinchukin Bank (to present)
June	2022	Outside Director, TODA CORPORATION (to present)

**Kiyoshi Mizuhara**

April	1983	Joined Komatsu Ltd.
January	1988	Assigned to work at Komatsu Dresser Company (currently Komatsu America Corp.) (until March 1993)
March	1997	Assigned to work at Komatsu Hanomag GmbH (currently Komatsu Germany GmbH) (until March 2003)
April	2005	General Manager, Sales Planning Department, Construction & Mining Equipment Marketing Division, Komatsu Ltd.
April	2008	General Manager, Business Control Department, General Manager, Overseas Transportation Department, Construction & Mining Equipment Marketing Division
April	2011	General Manager, Construction Equipment Corporate Planning Department, Construction & Mining Equipment Marketing Division
April	2013	Executive Officer Representative of All India Operations President, Komatsu India Pvt. Ltd.
April	2017	Senior Executive Officer President of Construction Equipment Marketing Division
June	2019	Director and Senior Executive Officer
April	2021	Chief Marketing Officer (CMO) President of Construction Equipment Solution Division
April	2022	Representative Director Senior Executive Officer and CMO
July	2023	Advisor (to present)
June	2025	Outside Director, TODA CORPORATION (to present)

Note: Each of the above members is an independent officer who is unlikely to have any conflict of interest with general shareholders, as required by the Tokyo Stock Exchange.

**Shareholding Status of the Company's Major Shareholders**

As of March 31, 2026

Name of Shareholder	Number of Shares Held (Thousands of Shares)	Percentage of Shares Held to the Total Number of Issued Shares (Excluding Treasury Shares) (%)
Daiichi Shokusan Co., Ltd.	42,923	14.32
The Master Trust Bank of Japan, Ltd. (Trust Account)	33,224	11.09
Custody Bank of Japan, Ltd. (Trust Account)	10,492	3.50
Ally General Incorporated Association	8,977	3.00
Hiroko Toda	6,611	2.21
STATE STREET BANK AND TRUST COMPANY 505001 (Standing Proxy: Settlement Sales Department, Mizuho Bank, Ltd.)	6,009	2.01
MUFG Bank, Ltd.	5,891	1.97
TODA CORPORATION Shareholding Association	5,831	1.95
TODA CORPORATION Business Partners' Shareholding Association	5,823	1.94
Yakult Honsha Co., Ltd.	4,955	1.65
Total	130,741	43.63

Note: In addition to the above, the Company holds 18,330 thousand shares of treasury stock.

**Criteria for Determination of Joint or Concerted Action, etc.**

- \* Determination shall be made with respect to the person subject to such determination (including its parent company, subsidiaries, and other entities that should be regarded as identical to such person; hereinafter referred to as the “Subject Person”), by way of a comprehensive assessment that takes into account not only the factors set forth in each of the following items, but also the existence or non-existence of direct or indirect facts suggesting that there is “no” communication of intent with a specific shareholder of the Company.
  - \* Hereinafter, “specific shareholder of the Company” shall include such specific shareholder’s parent company and subsidiaries (including such specific shareholder, collectively, the “Specific Shareholder Group”), and the officers and major shareholders of the Specific Shareholder Group.
- 1) Whether the period during which the Company’s shares, etc. are being acquired overlaps with the period during which the specific shareholder of the Company is acquiring the Company’s shares, etc. or otherwise taking actions toward an acquisition of the Company, such as making a Material Proposal, etc.
  - 2) Whether the number of the Company’s shares, etc. acquired has reached a considerable level.
  - 3) Whether the timing of commencement of the acquisition of the Company’s shares, etc. is close to the timing at which the specific shareholder commenced actions toward an acquisition of the Company, such as commencing the acquisition of the Company’s shares, etc. or expressing an intention to acquire management control of the Company or make a Material Proposal, etc., or whether such timing is close to an event relating to the actions of such specific shareholder, such as the record date for a general meeting of shareholders whose agenda includes a proposal relating to this Policy.
  - 4) Whether there is any commonality with the characteristics of the timing and manner of the specific shareholder’s acquisition of the Company’s share certificates, etc. (for example, whether margin purchases or other such methods are utilized), such as the acquisition of the Company’s share certificates, etc. during the same period in which trading conditions in the market for the Company’s shares, etc. are abnormal (for example, where trading volume is significantly inflated compared with average trading volume, or the share price rises sharply compared with the average share price during a preceding period).
  - 5) Whether the Subject Person has acquired shares, etc. of another listed company in which the specific shareholder is (or was) also acquiring shares, etc., and whether the timing of such acquisition and the holding period overlap with those of the specific shareholder.
  - 6) During the overlapping period referred to in 5) above, whether the exercise of shareholder rights (rights held in common by shareholders) with respect to such other listed company (that is, another listed company in which the Subject Person was a shareholder together with the specific shareholder) was

aligned with that of the specific shareholder, and, if so, the degree of such alignment in light of the type and content of the shareholder rights exercised and the results thereof.

- 7) In the other listed company referred to in 5) above, where directors or other officers were appointed or dismissed as a result of the exercise of voting rights or other rights held in common by shareholders by the Subject Person and the specific shareholder (and, where applicable, by shareholders other than the Subject Person who exercised such rights in alignment with the specific shareholder), whether, during the tenure of the officers following such change, any risk of impairment of corporate value or shareholder value has arisen at such other listed company (for example, the occurrence of, or risk of occurrence of, a material violation of laws and regulations, delisting, designation as a security on alert for special disclosure, bankruptcy or other legal insolvency proceedings, or the issuance of shares or stock acquisition rights involving substantial dilution), and, if so, the degree of such risk of impairment of corporate value or shareholder value.
- 8) Whether there exists or has existed, directly or indirectly, any capital relationship or loan relationship, etc. with the specific shareholder.
- 9) Whether there exists or has existed, directly or indirectly, any human relationship with the specific shareholder, such as an interlocking officer relationship (including a person recognized as having control equivalent to that of an officer), a family relationship (including a de facto marital relationship or other similar relationship; the same shall apply hereinafter), a business relationship, or a personal relationship within a community such as an alma mater, or whether there exists any relationship in which one party is or was an employee, member, or other constituent of the other party.
- 10) Whether the exercise of shareholder rights (rights held in common by shareholders) with respect to the Company was aligned with that of the specific shareholder, and, if so, the degree of such alignment in light of the type and content of the shareholder rights exercised and the results thereof. (Provided, however, that item 10) alone shall not constitute the sole basis for determining the existence of “a relationship between the specific shareholder and the other shareholder in which one substantially controls the other or in which they act jointly or in concert,” or of “a person substantially controlled by such persons or acting jointly or in concert with such persons.”)
- 11) Whether statements or conduct relating to the Company’s business or management policies are similar to those of the specific shareholder, and, if such similar statements or conduct exist, the degree of such similarity in light of the timing and content thereof. (Provided, however, that item 11) alone shall not constitute the sole basis for determining the existence of “a relationship between the specific shareholder and the other shareholder in which one substantially controls the other or in which they act jointly or in concert,” or of “a person substantially controlled by such persons or acting jointly or in concert with such persons.”)
- 12) Whether the Subject Person’s agent or advisor has any relationship with the specific shareholder that would facilitate communication of intent between them (whether directly or indirectly), such as belonging or having belonged to the same office, corporation or organization as that of the specific

shareholder, having a business alliance with the specific shareholder, having jointly handled similar matters, and/or having a family or other personal relationship with the specific shareholder.

- 13) Whether there exist any other direct or indirect facts suggesting the existence of communication of intent with the specific shareholder.

**Categories Recognized as Causing Significant Damage to  
the Company's Corporate Value and the Common Interests of Shareholders**

1. Where the Purchaser, etc. is determined to be acquiring or attempting to acquire the Company's shares, etc. for the sole purpose of driving up the share price and causing the Company or its related parties to purchase such shares, etc. at a high price, despite having no genuine intention to participate in the management of the Company (a so-called greenmailer), or where the principal purpose of acquiring the Company's shares, etc. is determined to be the realization of short-term gains.
2. Where the Purchaser, etc. is determined to be acquiring the Company's shares, etc. for the purpose of temporarily controlling the management of the Company and transferring to the Purchaser, etc. or its group companies, etc. assets of the Company or the Group, such as intellectual property rights, know-how, confidential business information, major business partners, or customers, that are necessary for the business operations of the Company or the Group.
3. Where the Purchaser, etc. is determined to be acquiring the Company's shares, etc. for the purpose, after obtaining control of the management of the Company, of diverting the assets of the Company or the Group to secure or satisfy the debts of the Purchaser, etc. or its group companies, etc.
4. Where the Purchaser, etc. is determined to be acquiring the Company's shares, etc. for the purpose of temporarily controlling the management of the Company, causing the Company or the Group to dispose of high-value assets, such as real estate or securities, that are not presently related to the business of the Company or the Group, by means of sale or otherwise, and using the gains from such disposition either to cause the Company to pay temporarily high dividends or to sell the Company's shares, etc. at a high price by taking advantage of a sharp rise in the share price resulting from such temporarily high dividends.
5. Where the method of purchase of the Company's shares, etc. proposed by the Purchaser, etc. is determined to restrict the opportunity or freedom of shareholders to make a judgment and, in effect, to coerce shareholders into selling the Company's shares, etc. (so-called coerciveness), such as a coercive two-tier acquisition (meaning a purchase of shares, etc., including by tender offer, in which the purchase of all of the Company's shares, etc. is not solicited in the initial purchase, and the conditions for the second-stage purchase are set unfavorably or left unclear).
6. Where the Purchaser, etc. is determined, after acquiring the Company's shares, etc., not to show any particular interest or involvement in the management of the Company, but rather to employ various

measures solely for the purpose of realizing gains by reselling the Company's shares, etc. to the Company itself or to a third party in the short to medium term, and ultimately to pursue only its own interests even to the extent of contemplating disposal of the Company's assets.

7. Where the terms and conditions of the proposed purchase of the Company's shares, etc. by the Purchaser, etc. (including, without limitation, the type and amount of the purchase consideration, the basis for calculating such amount, the specific details of other conditions, including the timing and method of the acquisition, the existence or non-existence of illegality, and feasibility) are determined to be significantly insufficient or inappropriate in light of the Company's intrinsic corporate value.
8. Where it is determined that the acquisition of control by the Purchaser, etc. would be likely to significantly impair the Company's corporate value or the common interests of shareholders, including by destroying relationships not only with shareholders but also with customers, employees and other stakeholders who are the source of the Company's corporate value, and would otherwise be likely to materially hinder the securing or enhancement of the Group's corporate value or the common interests of shareholders.
9. Where the corporate value of the Group in the event that the Purchaser, etc. acquires control is determined, in comparison with its medium- to long-term future corporate value, to be significantly inferior to the corporate value of the Group in the event that the Purchaser, etc. does not acquire control.
10. Where the Purchaser, etc. is determined to be significantly inappropriate as a controlling shareholder of the Company from the perspective of public order and morals, such as where the management, major shareholders or investors of the Purchaser, etc. include persons having relationships with anti-social forces or terrorist-related organizations.
11. Any other case analogous to items 1 through 10 above, where it is determined that the Group's corporate value or the common interests of shareholders would be significantly impaired.

### **Outline of Gratis Allotment of Stock Acquisition Rights**

#### 1. Total Number of Stock Acquisition Rights to be Allotted

The total number of Stock Acquisition Rights to be allotted shall be the number separately determined by the Board of Directors of the Company in the resolution of the Board of Directors of the Company concerning the gratis allotment of the Stock Acquisition Rights (hereinafter referred to as the “Resolution on Gratis Allotment of the Stock Acquisition Rights”), up to the same number as the final total number of issued shares of the Company as of a certain date separately determined by the Board of Directors of the Company in such Resolution on Gratis Allotment of the Stock Acquisition Rights (hereinafter referred to as the “Allotment Date”); provided, however, that the number of shares of the Company held by the Company itself as of such date shall be excluded.

#### 2. Shareholders to Whom the Allotment Is Made

The Company shall make a gratis allotment of the Stock Acquisition Rights to shareholders recorded in the final shareholder register as of the Allotment Date, at a ratio separately determined by the Board of Directors of the Company in the Resolution on Gratis Allotment of the Stock Acquisition Rights, up to one Stock Acquisition Right for each share of common stock of the Company held by such shareholders; provided, however, that shares of the Company held by the Company itself as of such date shall be excluded.

#### 3. Effective Date of the Gratis Allotment of the Stock Acquisition Rights

The effective date of the gratis allotment of the Stock Acquisition Rights shall be the date separately determined by the Board of Directors of the Company in the Resolution on Gratis Allotment of the Stock Acquisition Rights.

#### 4. Type and Number of Shares to Be Issued upon Exercise of the Stock Acquisition Rights

The type of shares to be issued upon exercise of the Stock Acquisition Rights shall be shares of common stock of the Company, and the number of shares to be issued upon exercise of each Stock Acquisition Right shall be the number separately determined by the Board of Directors of the Company in the Resolution on Gratis Allotment of the Stock Acquisition Rights, with one share as the upper limit. Provided, however, that if the Company conducts a stock split, stock consolidation or any similar action, necessary adjustments shall be made.

#### 5. Description and Amount of Property to Be Contributed upon Exercise of the Stock Acquisition Rights

The property to be contributed upon exercise of the Stock Acquisition Rights shall be cash, and the amount of property to be contributed upon exercise of each Stock Acquisition Right per share of common

stock of the Company shall be an amount of one yen or more separately determined by the Board of Directors of the Company in the Resolution on Gratis Allotment of the Stock Acquisition Rights.

#### 6. Restriction on Transfer of the Stock Acquisition Rights

Any transfer of the Stock Acquisition Rights shall require the approval of the Board of Directors of the Company.

#### 7. Conditions for Exercise of the Stock Acquisition Rights

(1) the Purchaser, etc., (2) Joint Holders of the Purchaser, etc.<sup>13</sup>, (3) Specially Related Parties of the Purchaser, etc.<sup>14</sup>, (4) any person who has acquired or succeeded to the Stock Acquisition Rights from any person falling under (1) through (3) above without the approval of the Board of Directors of the Company, or (5) any Affiliated Person<sup>15</sup> of any person falling under (1) through (4) above (collectively, the “Non-Qualified Persons”), may not exercise the Stock Acquisition Rights. The details of the conditions for exercise of the Stock Acquisition Rights shall be separately determined by the Board of Directors of the Company in the Resolution on Gratis Allotment of the Stock Acquisition Rights.

#### 8. Acquisition of the Stock Acquisition Rights by the Company

Subject to the occurrence of certain events or the arrival of a date separately determined by the Board of Directors of the Company, the Company may, in accordance with a resolution of the Board of Directors of the Company, provide for acquisition provisions with respect to the Stock Acquisition Rights, taking into consideration their effectiveness as Countermeasures against a Large-Scale Purchase, etc., including, for example: ① an acquisition provision to the effect that the Company may acquire all of the Stock Acquisition Rights or only those Stock Acquisition Rights held by shareholders other than Non-Qualified Persons; and ② an acquisition provision to the effect that, while the Stock Acquisition Rights held by shareholders other than Non-Qualified Persons are acquired in exchange for shares of common stock of the Company, the Stock Acquisition Rights held by Non-Qualified Persons are acquired in exchange for other stock acquisition rights subject to certain exercise conditions (for example, exercise conditions to the effect that, where the Purchaser, etc. disposes of its shares, the Stock Acquisition Rights may be exercised only within the scope of certain conditions, such as the share certificate, etc. holding ratio after such exercise falling below 20%) or subject to acquisition provisions; provided, however, that such provisions shall be limited to those reasonably determined not to be detrimental to the interests of shareholders other than Non-Qualified Persons. In the

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<sup>13</sup> Including those deemed to be Joint Holders under this Policy.

<sup>14</sup> Including those deemed to be Specially Related Parties under this Policy.

<sup>15</sup> An “Affiliated Person” of a person means an investment bank, securities company, other financial institution or any other person that has entered into a financial advisory agreement with such person or otherwise shares a substantial common interest with such person, as well as a tender offer agent, attorney, certified public accountant, tax accountant or other advisor of such person, or any person substantially controlled by or acting jointly or in concert with any of the foregoing. Whether a person falls under “a person substantially controlled by or acting jointly or in concert with any of the foregoing” shall be determined in accordance with the criteria set forth in Exhibit 4. In determining whether a person is an “Affiliated Person” with respect to a partnership or other fund, the substantial identity of the fund manager and other relevant circumstances shall be taken into account.

event that the Company acquires Stock Acquisition Rights held by Non-Qualified Persons, no money or other property shall be delivered as consideration for such acquisition.

The details of the conditions for acquisition of the Stock Acquisition Rights shall be separately determined by the Board of Directors of the Company in the Resolution on Gratis Allotment of the Stock Acquisition Rights.

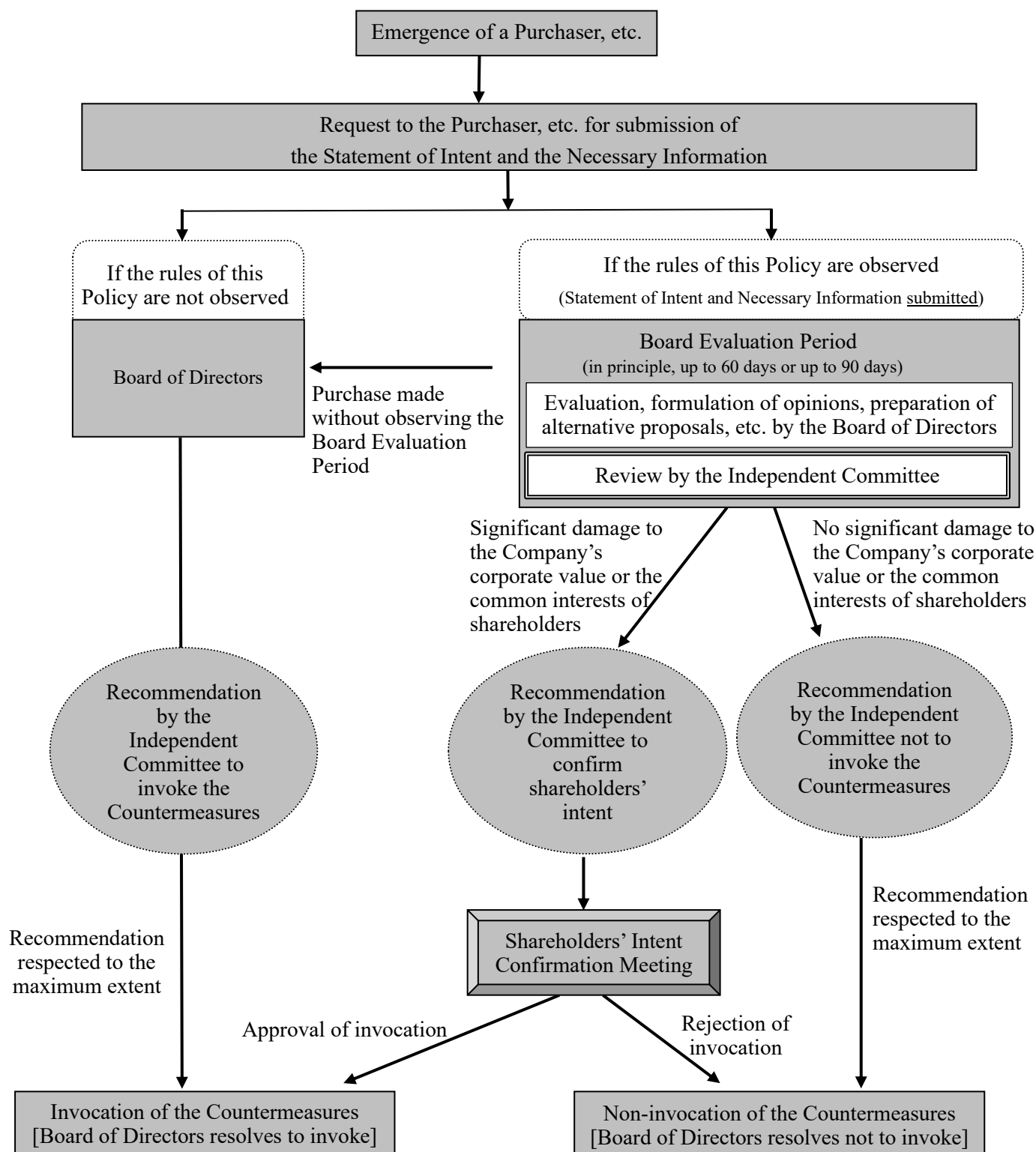
9. Acquisition without Consideration in the Event of Discontinuance of Countermeasures or Suspension of Their Invocation

If the Board of Directors of the Company decides to suspend the invocation of Countermeasures, or in any other case separately determined by the Board of Directors of the Company in the Resolution on Gratis Allotment of the Stock Acquisition Rights, the Company may acquire all of the Stock Acquisition Rights without consideration.

10. Exercise Period of the Stock Acquisition Rights and Other Matters

The exercise period of the Stock Acquisition Rights and any other necessary matters shall be separately determined by the Board of Directors of the Company in the Resolution on Gratis Allotment of the Stock Acquisition Rights.

<<Flow Chart of Procedures under this Policy>>



Note: This chart is provided solely for ease of understanding as an outline of this Policy. Please refer to the main text for the specific details of this Policy.

## Cross-shareholdings

The Group holds cross-shareholdings for the purpose of strengthening key alliances and business relationships in pursuit of business strategies and to enhance its corporate value over the medium- to long-term. The Group's basic policy is to reduce the balance of cross-shareholdings to mitigate risks and improve capital efficiency. The Board of Directors evaluates the significance and economic rationale of each holding, and shares deemed appropriate for continued ownership are retained. Meanwhile, for cross-shareholdings that are not deemed necessary to retain, we will proceed with their sale after thorough engagement with the issuing company. The proceeds from these sales are allocated as part of the funds to be invested in strengthening business foundation in the construction business, M&A, offshore wind power generation business, human capital, and other efforts aimed at improving corporate value. The timing of such sales is optimized accordingly, taking into account the Group's overall financial position.

Based on this policy, under the "Medium-Term Management Plan 2027," the Company plans to sell cross-shareholdings worth ¥50 billion or more (at market value) over the three fiscal years from FY2025 to FY2027. The Company aims to reduce the ratio of cross-shareholdings to consolidated net assets to below 20% by the end of FY2030.

### Changes in Cross-shareholdings

Three fiscal years from FY2025 to FY2027

Share sales amount (3-year total)	¥ 50 billion or more
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\*at market value

