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(Stock Exchange Code 5352)
June 7, 2021

To Shareholders with Voting Rights:

Kazuhiro Egawa
Representative Director, President
KROSAKI HARIMA CORPORATION
1-1, Higashihama-machi, Yahatanishi-ku, Kitakyushu City

NOTICE OF THE 130TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

We are pleased to inform you that the 130th Annual General Meeting of Shareholders (the "Meeting") of KROSAKI HARIMA CORPORATION (the "Company," together with its subsidiaries, the "Group") will be held for the purposes described below.

To prevent the spread of the COVID-19 infection, we ask you to exercise your voting rights in advance, if possible, in writing or by electromagnetic means such as the Internet for this Meeting.

Please review the attached Reference Documents for General Meeting of Shareholders and exercise your voting rights so that it is received by 5:00 p.m. Japan time, Monday, June 28, 2021.

1. **Date and time:** Tuesday, June 29, 2021 at 10:00 a.m. Japan time
(Reception starts at 9:00 a.m.)
2. **Venue:** Royal Hall (2nd floor), Active Resorts Fukuoka Yahata
1-1-1, Edamitsu, Yahatahigashi-ku, Kitakyushu City

To prevent the spread of the COVID-19 infection, we will space the seats further apart. Therefore, there will only be around half the number of seats available compared to the average year. We appreciate your understanding in advance.

Depending on the situation of the spread of the infection, we may have to change the date and time or venue. In that case, we will announce it by posting it on the Company's website (https://www.krosaki.co.jp/) (in Japanese).

If you intend to attend the Meeting in person, please check the Company's website beforehand.

3. **Purpose of the Meeting**

Matters to be reported

1. Business report and consolidated financial statements for the 130th fiscal year (April 1, 2020 to March 31, 2021) and results of audits of consolidated financial statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-consolidated financial results for the 130th fiscal year (April 1, 2020 to March 31, 2021)

Matters to be resolved

Proposal 1: Dividend of Surplus
Proposal 2: Election of 9 Directors
Proposal 3: Election of 1 Audit & Supervisory Board Member
Proposal 4: Election of 2 Substitute Audit & Supervisory Board Members

4. Decisions made in convocation

(1) If you do not indicate your approval or disapproval of each proposal, we will treat it as an approval.

(2) Voting rights exercised multiple times

If you exercise your voting rights both in writing and via the Internet, etc., the exercise via the Internet, etc. will be treated as the valid one. If you exercise your voting rights multiple times via the Internet, etc. or both on a PC and a smartphone, your last exercise will be treated as the valid one.

5. Other matters regarding this Notice

Of the documents to be provided with this Notice, "Structure and Policy of the Company" of the business report, notes to the consolidated financial statements, and notes to the non-consolidated financial statements are posted on the Company's website (https://www.krosaki.co.jp/) (in Japanese) pursuant to provisions of laws and regulations and Article 15 of the current Articles of Incorporation of the Company, and therefore are not presented in the attachments to this Notice.

The attachments to this Notice and the aforementioned documents posted on the Company's website are documents that the Accounting Auditor audited in preparing the Accounting Auditor Report and the Audit & Supervisory Board Members audited in preparing the Audit Report.

Any revisions to the Reference Documents for General Meeting of Shareholders, the business report, non-consolidated financial statements, and consolidated financial statements will be posted on the Company's website (https://www.krosaki.co.jp/) (in Japanese).

[Requests to shareholders]

- The above arrangements are subject to change depending on factors such as the status of the spread of the infection and the announcements made by the government and other bodies up to the day of the Meeting. Please check updates provided on the Company's website (https://www.krosaki.co.jp/) (in Japanese).
- As exercise of voting rights in writing poses an infection risk in the process of returning it and tallying work, please exercise your voting rights via the Internet, etc., if possible, when you exercise your voting rights in advance.
- Face masks and disinfectant will be available at the reception of the venue. We may take your temperature. We appreciate your understanding in advance.
- You may not be allowed to enter the venue if you have a fever, if you seem unwell, or if it has been less than 14 days since you came back to Japan from abroad. Please tell the receptionist if it has been less than 14 days since you came back to Japan from abroad.
- Administrative staff at the Meeting will attend you with a face mask on. Officers attending the Meeting may give you a briefing with a face mask on.

Reference Documents for General Meeting of Shareholders

Proposal and Reference

Proposal 1 Dividend of Surplus

The Company proposes to pay a year-end dividend of surplus as follows:

The Company has a policy of paying dividends of surplus to distribute profit commensurate with the business performance for each fiscal year, in principle, taking into account factors such as future business development, financial standing and the business environment.

The Company proposes to pay a year-end dividend for the fiscal year under review as follows:

(1) Allotment of dividend property to shareholders and its total amount
Cash in an amount of 110 yen per share of the Company's common stock at a total of 926,510,530 yen

(2) Effective date of the dividend of surplus
June 30, 2021

If this proposal is approved and resolved as originally proposed, the annual dividend for the fiscal year under review including the interim dividend will be 150 yen per share.

Proposal 2 Election of 9 Directors

The terms of office of all Directors (8 in all) will expire at the conclusion of this Meeting. The Company proposes the election of 9 Directors in order to increase the number of Outside Directors to 3.

If this proposal is approved and resolved as originally proposed, 3 of the 9 Directors will be Independent Directors as stipulated by Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange. Consequently, one-third of our Directors will be Independent Directors.

The candidates for Directors are as follows:

[Reference] Structure of Directors*

Candidate No.	Name	New/ Reappointment	Positions and responsibilities
1	**Kazuhiro Egawa**	Reappointment	Representative Director, President
2	**Masakazu Soejima**	Reappointment	Director, Managing Corporate Officer Management concerning Furnace Unit, Headquarters (Purchasing, Accounting & Finance)
3	**Masaya Honda**	Reappointment	Director, Managing Corporate Officer Management concerning Headquarters (ICT, General Administration, Risk Management, Business Process Innovation) General Manager, General Administration & Human Resources Department
4	**Toshikazu Takasu**	Reappointment	Director, Managing Corporate Officer Management concerning Refractories Manufacturing Unit, Coke Oven Business, Safety, Health, Environmental & Disaster Prevention General Manager, Refractories Manufacturing Division
5	**Takeshi Yoshida**	New	Director, Managing Corporate Officer Management concerning Ceramics Unit, Headquarters (Corporate Planning) General Manager, Corporate Planning Department
6	**Junpei Konishi**	New	Director, Managing Corporate Officer Management concerning Refractories Overseas Sales Unit, Research & Development Unit, Headquarters (Technical Management, Quality Assurance) General Manager, Technical Management Department Cooperating with General Manager, Corporate Planning Department on Corporate Planning
7	**Noboru Usami**	Reappointment	Director Outside Director Independent Director
8	**Matsuji Nishimura**	New	Director Outside Director Independent Director
9	**Yukinori Michinaga**	New	Director Outside Director Independent Director

*The structure if this proposal is approved and resolved as originally proposed (plan)

Candidate No. 1

Kazuhiro Egawa

(Date of Birth: February 24, 1959)

Reappointment

■Career summary, positions and responsibilities, and significant concurrent positions

April 1981	Joined Nippon Steel Corporation
June 2019	Representative Director, President, the Company (to present)

■Reasons for nomination as a candidate for Director

Mr. Kazuhiro Egawa has many years of experience in the overseas business of Nippon Steel Corporation, and has been involved in management as Director, the Company since June 2019. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the steel industry, which is the major customer market of the Group, the business of the Group, and corporate management.

■Number of shares of the Company held

4,300 shares

■Years served as Director

2 years (at the conclusion of this Meeting)

■Attendance at Board of Directors

13 / 13 times (100%)

Candidate No. 2

Masakazu Soejima

(Date of Birth: September 21, 1959)

Reappointment

■**Career summary, positions and responsibilities, and significant concurrent positions**

April 1983	Joined the Company
April 2021	Director, Managing Corporate Officer Management concerning Furnace Unit, Headquarters (Purchasing, Accounting & Finance) (to present)

■**Reasons for nomination as a candidate for Director**

Mr. Masakazu Soejima has many years of experience in the sales and corporate planning divisions of the Company, and has been involved in management as Director, the Company since June 2017. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the business of the Group and corporate management.

■**Number of shares of the Company held**

2,000 shares

■**Years served as Director**

4 years (at the conclusion of this Meeting)

■**Attendance at Board of Directors**

13 / 13 times (100%)

Candidate No. 3

Masaya Honda

(Date of Birth: January 13, 1960)

Reappointment

■**Career summary, positions and responsibilities, and significant concurrent positions**

April 1982	Joined the Company
January 2021	Director, Managing Corporate Officer Management concerning Headquarters (ICT, General Administration, Risk Management, Business Process Innovation) General Manager, General Administration & Human Resources Department (to present)

■**Reasons for nomination as a candidate for Director**

Mr. Masaya Honda has many years of experience in the accounting and finance divisions of the Company, and has been involved in management as Director, the Company since June 2017. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the business of the Group and corporate management.

■**Number of shares of the Company held**

2,500 shares

■**Years served as Director**

4 years (at the conclusion of this Meeting)

■**Attendance at Board of Directors**

13 / 13 times (100%)

Candidate No. 4

Toshikazu Takasu

(Date of Birth: February 7, 1959)

Reappointment

■**Career summary, positions and responsibilities, and significant concurrent positions**

April 2000	Joined the Company
April 2021	Director, Managing Corporate Officer Management concerning Refractories Manufacturing Unit, Coke Oven Business, Safety, Health, Environmental & Disaster Prevention General Manager, Refractories Manufacturing Division (to present)

■**Reasons for nomination as a candidate for Director**

Mr. Toshikazu Takasu has many years of experience in the manufacturing division of the Company, and has been involved in management as Director, the Company since June 2018. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the business of the Group and corporate management.

■**Number of shares of the Company held**

1,600 shares

■**Years served as Director**

3 years (at the conclusion of this Meeting)

■**Attendance at Board of Directors**

13 / 13 times (100%)

Candidate No. 5

Takeshi Yoshida

(Date of Birth: November 11, 1962)

New

■**Career summary, positions and responsibilities, and significant concurrent positions**

April 1985	Joined Nippon Steel Corporation
April 2021	Managing Corporate Officer
	Management concerning Ceramics Unit, Headquarters (Corporate Planning)
	General Manager, Corporate Planning Department (to present)

■**Reasons for nomination as a candidate for Director**

Mr. Takeshi Yoshida has many years of experience in the purchasing division of Nippon Steel Corporation and the corporate planning division of the Company. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the steel industry, which is the major customer market of the Group, and the business of the Group.

■**Number of shares of the Company held**

100 shares

Candidate No. 6

Junpei Konishi

(Date of Birth: April 9, 1963)

New

■**Career summary, positions and responsibilities, and significant concurrent positions**

April 1988	Joined Nippon Steel Corporation
April 2021	Managing Corporate Officer Management concerning Refractories Overseas Sales Unit, Research & Development Unit, Headquarters (Technical Management, Quality Assurance) General Manager, Technical Management Department Cooperating with General Manager, Corporate Planning Department on Corporate Planning (to present)

■**Reasons for nomination as a candidate for Director**

Mr. Junpei Konishi has many years of experience in the technical division of Nippon Steel Corporation, and served as a Director, the Company from June 2015 to June 2020. The Company has nominated him as a candidate for Director as it expects him to play a significant role in determining important matters and supervising the management of the Group as a Director by utilizing his experience in the steel industry, which is the major customer market of the Group, and the business of the Group.

■**Number of shares of the Company held**

100 shares

Candidate No. 7

Noboru Usami

(Date of Birth: October 7, 1951)

Reappointment | Outside Director | Independent Director

■Career summary, positions and responsibilities, and significant concurrent positions

March 1975	Jointed YASKAWA Electric Corporation
June 2016	Advisor, YASKAWA Electric Corporation (to present)
June 2018	Outside Director, NITTOKU CO., LTD. (to present)
June 2020	Outside Director, the Company (to present)

(Significant concurrent positions)
Advisor, YASKAWA Electric Corporation (scheduled to resign in June 2021)
Outside Director, NITTOKU CO., LTD.

■Reasons for nomination as a candidate for Outside Director and the outline of the roles expected to be fulfilled

Mr. Noboru Usami was involved in management as a Director, YASKAWA Electric Corporation from June 2004 to June 2016. He also served as an Outside Audit & Supervisory Board Member, the Company from June 2011 to June 2015. The Company has nominated him as a candidate for Outside Director as it expects him to utilize his knowledge on and experience in management as well as knowledge on the Company cultivated in this career in supervising the management of the Company. In addition, the Company has established voluntary advisory councils (Executive Compensation Advisory Council, Executive Personnel Advisory Council) in order to strengthen the independence, objectivity, and accountability of the functions of the Board of Directors with respect to compensation and nomination of officers. The Company also expects him to be involved in the process of compensating and nominating officers as a member of the councils.

■Number of shares of the Company held

0 share

■Years served as Director

1 year (at the conclusion of this Meeting)

■Attendance at Board of Directors

8 / 10 times (80%)
(after assuming office on June 26, 2020)

Candidate No. 8

Matsuji Nishimura

(Date of Birth: August 5, 1947)

New | Outside Director | Independent Director

■Career summary, positions and responsibilities, and significant concurrent positions

April 1971 Joined Kyudenko Corporation

June 2020 Director, Chairman, Kyudenko Corporation (to present)

(Significant concurrent position)

Director, Chairman, Kyudenko Corporation

■Reasons for nomination as a candidate for Outside Director and the outline of the roles expected to be fulfilled

Mr. Matsuji Nishimura was and has been involved in management as a Director, Kyudenko Corporation from June 2004 to June 2008 and since June 2009. The Company has nominated him as a candidate for Outside Director as it expects him to utilize his knowledge on and experience in management cultivated in this career in supervising the management of the Company. In addition, the Company expects him to be involved in the process of compensating and nominating officers as a member of Executive Compensation Advisory Council and Executive Personnel Advisory Council.

■Incident of inappropriate business execution at another company in the past five years

Employees of Kyudenko Corporation, where Mr. Matsuji Nishimura has been serving as a Director, were charged with obstruction of public contract-related auctions, etc., bribery, or bid-rigging in the period from March to April 2019 in connection with construction work of a human waste processing facility in Chikujo-machi (Fukuoka Prefecture), for which the company undertook a contract in July 2016. They were convicted in the period from July to September 2019, and the convictions are final and binding.

■Number of shares of the Company held

0 share

Candidate No. 9

Yukinori Michinaga

(Date of Birth: November 1, 1957)

New | Outside Director | Independent Director

■Career summary, positions and responsibilities, and significant concurrent positions

April 1981	Joined Saibu Gas Co., Ltd. (now SAIBU GAS HOLDINGS CO., LTD.)
April 2019	Representative Director, President, Saibu Gas Co., Ltd. (now SAIBU GAS HOLDINGS CO., LTD.) (to present)
June 2019	Outside Audit & Supervisory Board Member, Kyudenko Corporation (to present)
April 2021	Representative Director, President, Saibu Gas Co., Ltd (to present)

(Significant concurrent positions)
Representative Director, President, SAIBU GAS HOLDINGS CO., LTD.
Representative Director, President, Saibu Gas Co., Ltd.
Outside Audit & Supervisory Board Member, Kyudenko Corporation

■Number of shares of the Company held

0 share

■Reasons for nomination as a candidate for Outside Director and the outline of the roles expected to be fulfilled

Mr. Yukinori Michinaga has been involved in management as a Director, Saibu Gas Co., Ltd. (now SAIBU GAS HOLDINGS CO., LTD.) since June 2016. The Company has nominated him as a candidate for Outside Director as it expects him to utilize his knowledge on and experience in management cultivated in this career in supervising the management of the Company. In addition, the Company expects him to be involved in the process of compensating and nominating officers as a member of Executive Compensation Advisory Council and Executive Personnel Advisory Council.

Notes:

1. There are no special interests between any of the candidates and the Company.
2. Independence of candidates for Outside Directors

    (1) Mr. Noboru Usami

    The Company has registered Mr. Noboru Usami as an Independent Director with Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange.

    Mr. Noboru Usami was an executive (executive Director) at YASKAWA Electric Corporation in the past ten years, and currently is its Advisor (scheduled to resign in June 2021). In addition, he served as an Outside Audit & Supervisory Board Member, the Company from June 2011 to June 2015.

    The Company has a cross-shareholding relationship with YASKAWA Electric Corporation. However, our shareholding ratios are both less than 1% and immaterial. (The Company's shareholding ratio of YASKAWA Electric Corporation's shares is 0.19%, and YASKAWA Electric Corporation's shareholding ratio of the Company's shares is 0.77%, both as of Mach 31, 2021, calculated without deducting treasury stock.) In addition, the Company has transactions with YASKAWA Electric Corporation of ordering maintenance, inspection, and repair of equipment, and the transaction amount is 8,860 thousand yen (on a non-consolidated basis for the fiscal year ended March 31, 2021). However, it is immaterial when compared with the business scale of the Company and YASKAWA Electric Corporation. The Company therefore believes that the above relationship will not affect his independence.

    (2) Mr. Matsuji Nishimura

    Mr. Matsuji Nishimura will be an Independent Director stipulated by Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange if he is elected as originally proposed.

    Mr. Matsuji Nishimura has been served as an executive (executive Director) at Kyudenko Corporation for 10 years now.

    The Company has transactions with Kyudenko Corporation of ordering electricity work and the transaction amount is 140 thousand yen (on a non-consolidated basis for the fiscal year ended March 31, 2021). However, as the amount of the transactions is immaterial when compared with the business scale of the Company and Kyudenko Corporation, the Company believes that these transactions will not affect his independence.

    (3) Mr. Yukinori Michinaga

    Mr. Yukinori Michinaga will be an Independent Director stipulated by Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange if he is elected as originally proposed.

    Mr. Yukinori Michinaga has served an executive (executive Director) at Saibu Gas Co., Ltd. (now SAIBU GAS HOLDINGS CO., LTD.) for 10 years now.

    As the Company has no special relationships with SAIBU GAS HOLDINGS CO., LTD., the Company believes that there is no circumstance that will affect his independence.

3. Outline of the content of liability limitation agreements

    The Company has entered into an agreement to limit the liability under Article 423, Paragraph 1 of the Companies Act with Mr. Noboru Usami (The limit of liability under the agreement is the amount stipulated by laws and regulations.). If Mr. Noboru Usami is elected as originally proposed, the Company intends to extend the agreement with him.

    In addition, Article 27, Paragraph 2 of the current Articles of Incorporation of the Company stipulates that the Company may enter into agreements to limit the liability under Article 423, Paragraph 1 of the Companies Act with Directors (excluding executive Directors) (The limit of liability under the agreement is the amount stipulated by laws and regulations.). The Company intends to enter into the agreements with Mr. Matsuji Nishimura and Mr. Yukinori Michinaga if they are elected as originally proposed.

4. Outline of the content of a directors and officers liability insurance contract

    The Company has entered into a directors and officers liability insurance contract with an insurance company with all Directors as the insureds. The contract will cover damages (legal damages and litigation expenses) that may arise due to the insured Directors assuming liability for the execution of their duties or receiving a claim related to the pursuit of such liability. If the candidates are elected as originally proposed, they will be covered by the insurance contract. In addition, the Company intends to renew the policy during the terms of office of the Directors.

[Reference] Composition of the Board of Directors

In order to establish a system for flexible decision-making and effective corporate governance in response to changes in the business environment, the Board of Directors shall be of a size that is suitable for the business and management issues of the Group and its members shall be selected taking into consideration the balance and diversity of experience, insight, and expertise in the Board of Directors as a whole.

Of the experience, insight, and expertise, the Company has defined the areas that are particularly important in corporate management as shown below. The Company expects Directors to fully demonstrate their abilities.

*Composition of Board of Directors if this proposal is approved and resolved as originally proposed (plan)

Candidate No.	Name	①	②	③	④	⑤	⑥	⑦
1	Kazuhiro Egawa	●	●	●	●			●
2	Masakazu Soejima	●	●		●		●	
3	Masaya Honda	●					●	●
4	Toshikazu Takasu	●		●		●		
5	Takeshi Yoshida	●	●					●
6	Junpei Konishi	●	●	●		●		
7	Noboru Usami	●						
8	Matsuji Nishimura	●						
9	Yukinori Michinaga	●						

Notes:

① Knowledge/experience regarding management
② Knowledge/experience regarding customer industries
③ Internationality
④ Sales/marketing
⑤ Manufacturing/technology/R&D
⑥ Finance/accounting
⑦ Legal affairs/risk management

Proposal 3 **Election of 1 Audit & Supervisory Board Member**

At the conclusion of this General Meeting of Shareholders, Mr. Hidehiko Shimada will resign as Audit & Supervisory Board Member. Accordingly, the Company proposes the election of one Audit & Supervisory Board Member to substitute him.

The term of office of the Audit & Supervisory Board Member to be elected at this General Meeting of Shareholder shall expire at the expiration of the term of office of the resigning Audit & Supervisory Board Member pursuant to the provision of Article 31, Paragraph 2 of the current Articles of Incorporation of the Company.

The Company has obtained consent of the Audit & Supervisory Board to this proposal.

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

[Reference] Structure of Audit & Supervisory Board Members*

Candidate	Name	New/ Reappointment	Positions		
-	**Kinji Matsushita**	—	Standing Audit & Supervisory Board Member		
Candidate	**Yasuhiro Sukegawa**	New	Audit & Supervisory Board Member		
-	**Yuji Hiya**	—	Audit & Supervisory Board Member	Outside Audit & Supervisory Board Member	Independent Auditor
-	**Morio Matsunaga**	—	Audit & Supervisory Board Member	Outside Audit & Supervisory Board Member	Independent Auditor

*The structure if this proposal is approved and resolved as originally proposed (plan)

Candidate

Yasuhiro Sukegawa

New

(Date of Birth: July 4, 1968)

■**Career summary, positions and responsibilities, and significant concurrent positions**

April 1993	Joined Nippon Steel Corporation
May 2021	General Manager, Group Companies Planning Division, Nippon Steel Corporation (to present)

(Significant concurrent positions)

General Manager, Group Companies Planning Division, Nippon Steel Corporation

Outside Audit & Supervisory Board Member, Godo Steel, Ltd. (Scheduled to assume office in June 2021)

■**Reasons for nomination as a candidate for Audit & Supervisory Board Member**

Mr. Yasuhiro Sukegawa has many years of experience in the sales and general/personnel affairs divisions of Nippon Steel Corporation. The Company has nominated him as a candidate for Audit & Supervisory Board Member as it expects him to utilize his knowledge on and experience in marketing and general/personnel affairs cultivated in this career in strengthening the audit structure of the Company, which globally supplies refractories that are indispensable for the steelmaking process.

■**Number of shares of the Company held**

0 share

Notes:

1. There are no special interests between the candidate and the Company.
2. Outline of the content of liability limitation agreements
   Article 36, Paragraph 2 of the current Articles of Incorporation of the Company stipulates that the Company may enter into agreements to limit the liability under Article 423, Paragraph 1 of the Companies Act with Audit & Supervisory Board Members (The limit of liability under the agreement is the amount stipulated by laws and regulations.). The Company intends to enter into the agreement with Mr. Yasuhiro Sukegawa if he is elected as originally proposed.
3. Outline of the content of a directors and officers liability insurance contract
   The Company has entered into a directors and officers liability insurance contract with an insurance company with all Audit & Supervisory Board Members as the insureds. The policy will cover damages (legal damages and litigation expenses) that may arise due to the insured Audit & Supervisory Board Members assuming liability for the execution of their duties or receiving a claim related to the pursuit of such liability. If the candidate is elected as originally proposed, he will be covered by the insurance policy. In addition, the Company intends to renew the contract during the terms of office of the Audit & Supervisory Board Members.

Proposal 4 Election of 2 Substitute Audit & Supervisory Board Members

In case the number of Audit & Supervisory Board Members falls short of the number stipulated by Article 28 of the current Article of Incorporation of the Company, the Company proposes the election of Mr. Takahiro Tomoda as Substitute Audit & Supervisory Board Member to Mr. Yasuhiro Sukegawa, Audit & Supervisory Board Member, on condition that Proposal 3 is approved as originally proposed.

In addition, Mr. Hideki Kubota, who was elected at the 129th Annual General Meeting of Shareholders as Substitute Outside Audit & Supervisory Board Member to Mr. Morio Matsunaga, Outside Audit & Supervisory Board Member, notified the Company that he would like to resign as Substitute Audit & Supervisory Board Member at the commencement of this General Meeting of Shareholders. Accordingly, in case the number of Audit & Supervisory Board Members falls short of the number stipulated by Article 28 of the current Article of Incorporation of the Company, the Company proposes the election of Mr. Noriaki Ayukawa as Substitute Outside Audit & Supervisory Board Member to Mr. Morio Matsunaga, Outside Audit & Supervisory Board Member.

The Company has obtained consent of the Audit & Supervisory Board to this proposal.

The candidates for Substitute Audit & Supervisory Board Members are as follows:

Candidate No. 1

Takahiro Tomoda

(Date of Birth: January 5, 1971)

Substitute Audit & Supervisory Board Member to Mr. Yasuhiro Sukegawa

■Career summary, positions and responsibilities, and significant concurrent positions

April 1995	Joined Nippon Steel Corporation
April 2021	Deputy General Manager, Group Companies Planning Division, Nippon Steel Corporation (to present)

(Significant concurrent position)
Deputy General Manager, Group Companies Planning Division, Nippon Steel Corporation

■Reasons for nomination as a candidate for Substitute Audit & Supervisory Board Member

Mr. Takahiro Tomoda has many years of experience in the accounting division of Nippon Steel Corporation. The Company has nominated him as a candidate for Substitute Audit & Supervisory Board Member as it expects him to utilize his knowledge on and experience in accounting cultivated in this career in strengthening the audit structure of the Company, which globally supplies refractories that are indispensable for the steelmaking process.

■Number of shares of the Company held

0 share

Candidate No. 2

Noriaki Ayukawa

(Date of Birth：March 25, 1961)

Substitute Outside Audit & Supervisory Board Member to Mr. Morio Matsunaga

■**Career summary, positions and responsibilities, and significant concurrent positions**

April 1980	Joined City of Kitakyushu
March 2021	Retired City of Kitakyushu

(Significant concurrent position)

Senior Managing Director, Kitakyushu Foundation for the Advancement of Industry, Science and Technology (scheduled to assume office in June 2021)

■**Number of shares of the Company held**

0 share

■**Reasons for nomination as a candidate for Substitute Outside Audit & Supervisory Board Member and the outline of the roles expected to be fulfilled**

Mr. Noriaki Ayukawa has many years of experience in the industrial and economic division of City of Kitakyushu. The Company has nominated him as a candidate for Substitute Outside Audit & Supervisory Board Member as it expects him to utilize his knowledge on and experience in administrative policy making cultivated in this career in strengthening the audit structure of the Company. In addition, when he assumes office of Audit & Supervisory Board Member, the Company expects him to be involved in the process of compensating and nominating officers as a member of Executive Compensation Advisory Council and Executive Personnel Advisory Council.

■**Reasons for determining that he is able to properly perform his duties as Outside Audit & Supervisory Board Member**

Although he has not been directly involved in corporate management, the Company has determined that Mr. Noriaki Ayukawa is able to properly perform his duties as Outside Audit & Supervisory Board Member for the reasons presented above.

Notes:

1. There are no special interests between any of the candidates and the Company.
2. Independence of the candidate for Substitute Outside Audit & Supervisory Board Member
   If Mr. Noriaki Ayukawa assumes office of Audit & Supervisory Board Member, the Company intends to register him as an Independent Auditor with Tokyo Stock Exchange, Inc. and Fukuoka Stock Exchange.
   Mr. Noriaki Ayukawa was an employee of City of Kitakyushu in the past 10 years, and is scheduled to assume office of an executive (Senior Managing Director) of Kitakyushu Foundation for the Advancement of Industry, Science and Technology in June 2021.
   The Company has transactions with City of Kitakyushu of using water and sewage supplied by the city and purchasing commuter passes for the busses operated by the city for the Company's employees. The transaction amount is 33,540 thousand yen (on a non-consolidated basis for the fiscal year ended March 31, 2021). The Company also makes donations to projects, etc. sponsored by the city. The donation amount is 410 thousand yen (on a non-consolidated basis for the fiscal year ended March 31, 2021). However, the amounts of these transactions and donations are immaterial when compared with the business scale of the Company and the city, and the Company has no special relationships with Kitakyushu Foundation for the Advancement of Industry, Science and Technology. The Company therefore believes that these transactions and donations will not affect his independence.
3. Outline of the content of liability limitation agreements
   Article 36, Paragraph 2 of the current Articles of Incorporation of the Company stipulates that the Company may enter into agreements to limit the liability under Article 423, Paragraph 1 of the Companies Act with Audit & Supervisory Board Members (The limit of liability under the agreement is the amount stipulated by laws and regulations.). The Company intends to enter into the agreements with Mr. Takahiro Tomoda and Mr. Noriaki Ayukawa if they assume office of Audit & Supervisory Board Members.
4. Outline of the content of a directors and officers liability insurance contract
   The Company has entered into a directors and officers liability insurance contract with an insurance company with all Audit & Supervisory Board Members as the insureds. The contract will cover damages (legal damages and litigation expenses) that may arise due to the insured Audit & Supervisory Board Members assuming liability for the execution of their duties or receiving a claim related to the pursuit of such liability. If the candidates assume office of Audit & Supervisory Board Members, they will be covered by the insurance contract. In addition, if the candidates assume office of Audit & Supervisory Board Members, the Company intends to renew the contract during the terms of office of the Audit & Supervisory Board Members.

END