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(Stock Exchange Code 5631)
June 4, 2021

To Shareholders with Voting Rights:

Naotaka Miyauchi
Representative Director & President
The Japan Steel Works, Ltd.
11-1, Osaki 1-chome, Shinagawa-ku, Tokyo, Japan

NOTICE OF
THE 95TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

Please be informed that the 95th Annual General Meeting of Shareholders of The Japan Steel Works, Ltd. (the "Company") will be held for the purposes as described below.

In light of the situation of concern over the novel coronavirus infection, to ensure the safety and to prevent the spread of the infection, we would like to ask our shareholders to consider exercising your voting rights in advance in writing or via the Internet, etc. wherever possible, by 5:45 p.m. on Friday, June 18, 2021, Japan time.

For shareholders who are attending the meeting, please be mindful of your physical condition. For those who are of an advanced age, have underlying disease, or are not feeling well, please consider refraining from attending the meeting. We ask your cooperation to prevent infection to yourself and to other shareholders through preventive measures at the venue such as constantly wearing a face mask.

Upon oncoming situation, we may make revisions to the operation of the meeting such as shortening the meeting time and limiting the number of shareholders to be accommodated. We appreciate your kind understanding and cooperation.

1. **Date and Time:** Monday, June 21, 2021, at 10:00 a.m. Japan time
   (The reception desk opens at 9 a.m.)
2. **Place:** Gate City Hall at West Tower B1, Gate City Ohsaki, located at
   11-1, Osaki 1-chome, Shinagawa-ku, Tokyo, Japan
3. **Meeting Agenda:**

Matters to be reported:

1. The Business Report, Consolidated Financial Statements for the Company's 95th Fiscal Year (April 1, 2020–March 31, 2021) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 95th Fiscal Year (April 1, 2020–March 31, 2021)

Proposals to be resolved:

Proposal 1: Appropriation of Surplus
Proposal 2: Election of 9 Directors
Proposal 3: Election of 1 Audit & Supervisory Board Member

4. Matters Determined with Regard to the Convocation

(1) If voting rights are exercised multiple times via the Internet, etc., the last vote shall be deemed to be valid.
(2) If voting rights are exercised both in writing and via the Internet, etc., the last vote shall be deemed to be valid.
(3) If you have exercised your voting rights both in writing and via the Internet, and your vote via the Internet and your Voting Rights Exercise Form arrive on the same date, those exercised via the Internet will be taken as valid.

(Requests)

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- If you exercise your voting rights by a proxy attending this general meeting of shareholders, please submit a written document certifying the right of proxy representation to this company along with the Voting Rights Exercise Form at the reception desk. (The proxy shall be only one shareholder holding voting rights in the Company.)

(Notices)

- Of the documents that should be provided along with this convocation, the following items are posted on the Company's Web site (https://www.jsw.co.jp/) pursuant to laws and regulations, as well as the provision of Article 17 of the Company's Articles of Incorporation.
  (1) Consolidated Statement of Changes in Equity and Notes to the Consolidated Financial Statements
  (2) Non-consolidated Statement of Changes in Equity and Notes to the Non-consolidated Financial Statements

  The Consolidated Statement of Changes in Equity and the Notes to the Consolidated Financial Statements, as well as the Non-consolidated Statement of Changes in Equity and the Notes to the Non-consolidated Financial Statements were audited by the Accounting Auditor and the Audit & Supervisory Board Members of the Company to prepare audit reports as part of the Consolidated Financial Statements and the Non-consolidated Financial Statements that they audited.

- Should the Appendix and the Reference Documents for the General Meeting of Shareholders require revisions, the revised versions will be posted on the Company's Web site (https://www.jsw.co.jp/) immediately.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Concerning the appropriation of surplus, the Company has a basic policy to provide stable and continuous dividends and to increase the amounts thereof. Also, to improve the corporate value and shareholders' value of the Company, we ensure stable earning capabilities, promote capital investments and investments in R&D to grow new businesses and products and strive to improve our financial structure.

With the recognition of its responsibility toward shareholders, the Company pays an interim dividend and a year-end dividend annually, in principle, based on the business results for each fiscal year.

With regard to a year-end dividend for the fiscal year under review, taking the above policy into account, we will pay ¥17.5 per share.

Combined with the interim dividend of ¥17.5 per share, the annual dividend will be ¥35.0 per share.

(1) Type of asset for the dividends: Cash
(2) Matters related to the allocation of the assets for the year-end dividend to shareholders and the aggregate amount: ¥17.5 per common share of the Company
Aggregate amount: ¥1,287,221,723
(3) Effective date and payment start date: June 22, 2021

Proposal 2: Election of 9 Directors

The terms of office of all 9 Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. It is therefore proposed to elect 9 Directors.

The candidates for Director are as follows, and matters concerning the respective candidates are stated on pages 5 to 10:

No.	Name	Remarks
1	Naotaka Miyauchi Reappointment	
2	Toshio Matsuo Reappointment	
3	Junichiro Deguchi Reappointment	
4	Takashi Iwamoto Reappointment	
5	Hiroki Kikuchi Reappointment	
6	Shingo Mito New appointment	
7	Sadao Degawa Reappointment	Candidate for Outside Director Independent Officer
8	Yoshiyuki Nakanishi Reappointment	Candidate for Outside Director Independent Officer
9	Hisao Mitsui Reappointment	Candidate for Outside Director Independent Officer

(Notes)

1. There are no business transactions or special interests between the respective candidates and the Company.
2. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. An overview of this insurance contract is provided in Note 6. of "4. (1) Names, etc. of Directors and Audit & Supervisory Board Members (as of March 31, 2021)," on page 31 (available in Japanese). If the candidates assume the office of Director, they will be insured under this insurance contract. The insurance contract is scheduled to be renewed at the next renewal with the same terms and conditions.
3. Of the attendance at Board of Directors' meetings stated in matters concerning the respective candidates on pages 5 to 10, the numbers of Board of Directors' meetings mentioned in the attendance at Board of Directors' meetings by Mr. Hiroki Kikuchi, Mr. Yoshiyuki Nakanishi and Mr. Hisao Mitsui are the numbers of meetings since their assumption of the office of Director.

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions and responsibilities at the Company, and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">1</td><td>Reappointment

Naotaka Miyauchi
(January 30, 1958)

Attendance at Board of Directors' meetings
14/14 (100%)</td><td>April 1981 Joined the Company
April 2011 Deputy General Plant Manager, Hiroshima Plant
April 2013 Executive Officer; General Plant Manager, Hiroshima Plant
April 2015 Managing Executive Officer; Deputy Director of Machinery Business Division (Machinery Business Unit Head)
April 2016 In charge of Ordnance Business Headquarters; Director of Machinery Business Division
June 2016 Director & Managing Executive Officer
April 2017 Representative Director & President (current position)

(Significant concurrent positions)
None</td><td>23,853</td></tr>
<tr><td colspan="3">[Reasons for nomination as Director]
After having engaged in the management of the industrial machinery products business, Mr. Naotaka Miyauchi has served as Representative Director & President since April 2017. In that capacity he has been responsible for decision-making of material items with respect to the Group and overseeing the business execution, thereby acquiring considerable experience and achievements as a business manager. Accordingly, he is qualified to continue to take the leadership of the Group and to achieve sustainable improvement in our corporate value, and he is therefore nominated for the position of Director.</td></tr>
<tr><td rowspan="2">2</td><td>Reappointment

Toshio Matsuo
(March 6, 1962)

Attendance at Board of Directors' meetings
14/14 (100%)</td><td>April 1984 Joined the Company
April 2013 Deputy General Plant Manager, Hiroshima Plant
April 2015 General Plant Manager, Hiroshima Plant
April 2016 Executive Officer
April 2017 Managing Executive Officer; Director of Injection Molding Machinery Business Division; In charge of Hiroshima Plant
June 2017 Director & Managing Executive Officer
April 2020 Representative Director & Executive Vice President (current position); In charge of Export Control Administration (current position); In charge of Plastics Machinery Business Division, Injection Molding Machinery Business Division, Industrial Machinery Business Division (current position); In charge of Meiki Plant (current position)
April 2021 In charge of Ordnance Business Headquarters (current position); In charge of Business Development Office (current position); In charge of Hiroshima Plant and Yokohama Plant (current position)

(Significant concurrent positions)
None</td><td>14,313</td></tr>
<tr><td colspan="3">[Reasons for nomination as Director]
Mr. Toshio Matsuo has long engaged in the industrial machinery products business. After having taking charge of an extensive range of management duties at plant management as General Plant Manager of Hiroshima Plant, he assumed the office of Director of Injection Molding Machinery Business Division in April 2017 and has since taken charge of management duties of the business in its entirety, thereby acquiring outstanding engineering knowledge, experience and achievements of the business. In addition, after assuming the office as Representative Director & Executive Vice President in April 2020, he acquired experience on overall management. These experiences and achievements make him qualified to assume a role in realizing management strategies and enhancing product quality and customer satisfaction, while achieving sustainable improvement in our corporate value, and he is therefore nominated for the position of Director.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions and responsibilities at the Company, and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">3</td><td>Reappointment

Junichiro Deguchi
(September 2, 1958)

Attendance at Board of Directors' meetings
14/14 (100%)</td><td>April 1981 Joined the Company
April 2013 Deputy General Plant Manager, Muroran Plant
April 2015 Executive Officer; Deputy Director of Steel Business Division
October 2017 General Manager, Personnel Department
April 2018 In charge of CSR & Risk Management (current position); In charge of Export Control Administration (current position); In charge of Safety & Hygiene Control and Environmental Management (current position); In charge of Secretary Office & General Affairs Department
June 2018 Director & Executive Officer
July 2018 In charge of General Affairs Department (current position); General Manager, Secretary Office (current position)
April 2019 Director & Managing Executive Officer (current position)
April 2020 Chief Information Security Officer; In charge of Office of Information Technology; In charge of Personnel Department (current position)
April 2021 In charge of Promoting ESG (current position)
(Significant concurrent positions)
None</td><td>13,072</td></tr>
<tr><td colspan="3">[Reasons for nomination as Director]
Mr. Junichiro Deguchi has long engaged in the material and engineering products business. After having taking charge of an extensive range of management duties as Deputy Director of Steel Business Division, he assumed the office of General Manager of Personnel Department in October 2017 and took charge of management duties regarding personnel and labor matters of the Group, thereby acquiring considerable experience and achievements. Based on his experience and achievements, it is expected that he, as a member of the Board of Directors, will continue to be able to promote the sharing of information and reinforcement of the Board's decision-making and supervisory functions, and he is therefore nominated for the position of Director.</td></tr>
<tr><td rowspan="2">4</td><td>Reappointment

Takashi Iwamoto
(May 8, 1959)

Attendance at Board of Directors' meetings
14/14 (100%)</td><td>April 1983 Joined the Company
April 2013 Deputy General Plant Manager, Muroran Plant
April 2016 Executive Officer; General Plant Manager, Muroran Plant
October 2017 Director of Steel Business Division
June 2018 Director & Executive Officer
April 2020 Director & Managing Executive Officer (current position); Representative Director & President, Japan Steel Works M&E, Inc.
April 2021 Chief Information Security Officer (current position); In charge of Promoting Digitalization (current position); In charge of material and engineering products business (current position); In charge of Office of Information Technology and Intellectual Property Department (current position)
(Significant concurrent positions)
None</td><td>10,123</td></tr>
<tr><td colspan="3">[Reasons for nomination as Director]
Mr. Takashi Iwamoto has long engaged in the material and engineering products business and has taken charge of an extensive range of management duties, including plant management serving as General Plant Manager of Muroran Plant. He was appointed to Director of Steel Business Division in October 2017 and has since taken charge of management duties of the business in its entirety, thereby acquiring considerable experience and achievements. In addition, since assuming position as Representative Director & President of Japan Steel Works M&E, Inc., he acquired experience on overall management of the said company. These experiences and achievements make him continuously qualified to assume a role in realizing management strategies and enhancing product quality and customer satisfaction, while supervising the operational departments, and he is therefore nominated for the position of Director.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions and responsibilities at the Company, and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">5</td><td>Reappointment

Hiroki Kikuchi
(May 12, 1961)

Attendance at Board of Directors' meetings
11/11 (100%)</td><td>April 1985 Joined Mitsui Bank (currently Sumitomo Mitsui Banking Corporation)
April 2012 General Manager, Nihonbashi-higashi Corporate Business Office, Sumitomo Mitsui Banking Corporation
April 2015 Joined the Company
July 2015 General Manager, General Affairs Department
April 2016 General Manager, Secretary Office
April 2018 Executive Officer
July 2018 General Manager, Corporate Planning Office (current position)
April 2020 Chief Financial Officer (current position), In charge of Finance & Accounting Department (current position); General Manager, Business Development Office
June 2020 Director & Executive Officer
April 2021 Director & Managing Executive Officer (current position)

(Significant concurrent positions)
None</td><td>7,184</td></tr>
<tr><td colspan="3">[Reasons for nomination as Director]
In addition to work experience in sales at a financial institution, after joining the Company, Mr. Hiroki Kikuchi has served in positions including General Manager of General Affairs Department, General Manager of Secretary Office and General Manager of Corporate Planning Office. He has been Chief Financial Officer and in charge of Finance & Accounting Department since April 2020, thereby acquiring considerable experience and achievements in overall corporate management. Based on his experience and achievements, it is expected that he, as a member of the Board of Directors, will continue to be able to promote the sharing of information and reinforcement of the Board of Directors' decision-making and supervisory functions, and he is therefore nominated for the position of Director.</td></tr>
<tr><td rowspan="2">6</td><td>New appointment

Shingo Mito
(November 19, 1959)

Attendance at Board of Directors' meetings
-</td><td>April 1984 Joined the Company
July 2006 General Manager, Personnel Department
July 2011 Deputy General Plant Manager, Hiroshima Plant
April 2014 Deputy Director of Machinery Business Division
April 2016 Deputy Director of Research and Development Headquarters
April 2017 Executive Officer (current position)
October 2017 Deputy Director of New Business Promotion Headquarters
April 2021 Director of New Business Promotion Headquarters (current position)

(Significant concurrent positions)
None</td><td>11,228</td></tr>
<tr><td colspan="3">[Reasons for nomination as Director]
In addition to having engaged in management duties regarding personnel and labor matters of the Group as General Manager of Personnel Department, Mr. Shingo Mito took charge of an extensive range of management duties as Deputy Director of Machinery Business Division and has abundant experience and achievements. He assumed the office of Deputy Director of Research and Development Headquarters in April 2016, and has acquired abundant and extensive knowledge in business operations overall, from research and development to launching of new businesses. Based on his experience and achievements, it is judged that he, as a member of the Board of Directors, is qualified to promote the reinforcement of the Board of Directors' decision-making while supervising new businesses, and he is therefore nominated for the position of Director.</td></tr>
</table>

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions and responsibilities at the Company, and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">7</td><td>Reappointment

Candidate for Outside Director
Independent Officer

Sadao Degawa
(July 20, 1951)

Attendance at Board of Directors' meetings
14/14 (100%)</td><td>April 1977 Joined Ishikawajima-Harima Heavy Industries Co., Ltd. (currently IHI Corporation)
June 2009 Director and Executive Officer, IHI Corporation
April 2011 Director and Managing Executive Officer, IHI Corporation
April 2012 Executive Vice President, IHI Corporation
October 2015 Executive Vice President and Senior Executive Officer, IHI Corporation (retired in March 2016)
April 2016 Director, IHI Corporation (retired in June 2016)
June 2016 Advisor, IHI Corporation (retired in June 2020)
June 2016 Outside Director, NISHISHIBA ELECTRIC CO., LTD. (retired in March 2020)
June 2018 Director (current position)
(Significant concurrent positions)
None</td><td>3,194</td></tr>
<tr><td colspan="3">[Reasons for nomination as Outside Director and outline of expected roles]
Mr. Sadao Degawa is an experienced business manager of an international manufacturing company, with a wealth of experience in corporate management. By continuing to have him reflect his engineering knowledge in deliberations at the Board of Directors as well as supervise overall management of the Company and by taking part in important decision making from an independent standpoint, it is expected to strengthen the Board of Directors' functions, and he is therefore nominated for the position of Outside Director.
If Mr. Degawa is elected, the Company plans to continue having him be involved in the selection of candidates for the Company's officers and the determination of remuneration for officers, etc. as a member of the Nomination Advisory Committee and the Remuneration Advisory Committee from an objective and unbiased standpoint. In addition, the Company plans to continue having him participate in the Executive Board, which decides on important management matters and business execution decisions, in addition to discussing, reporting on, and monitoring overall management matters.
[Independence of the candidate for Outside Director]
Mr. Sadao Degawa had served as Executive Vice President & Senior Executive Officer of IHI Corporation, with which the Company has business transactions, until March 2016, and served as Director of the said company until June 2016. However, the Company's net sales to the said company for the latest fiscal year account for 0.2% of the Company's consolidated net sales.
Therefore, Mr. Degawa satisfies the Company's Criteria of Independence for Outside Officers (on page 12) and it can be judged that he has the necessary independence to be an Outside Director.</td></tr>
</table>

(Notes) 1. Mr. Sadao Degawa is a candidate for Outside Director. The Company has appointed him as an Independent Director as prescribed by the Tokyo Stock Exchange, and submitted a notification of the appointment to the Exchange.

2. It was revealed that IHI Corporation, at which Mr. Degawa had served as Director until June 2016, had committed a violation of standards stipulated by the Ministry of Land, Infrastructure, Transport and Tourism since January 2009 at the latest, in connection to the civil aero engine maintenance business. In this regard, IHI Corporation received an operational improvement order from the Ministry of Land, Infrastructure, Transport and Tourism on April 9, 2019. Mr. Degawa, during his time serving as Director at the said company, routinely provided suggestions as necessary on the importance of law compliance and internal control based on his wealth of experience and high insights, fulfilling his duties appropriately from a viewpoint of compliance-based management.

3. It will have been three years since the appointment of Mr. Degawa as an Outside Director at the conclusion of this year's Annual General Meeting of Shareholders.

4. Pursuant to Article 427, Paragraph 1, of the Companies Act and Article 28 of the Company's Articles of Incorporation, the Company has concluded a limited liability agreement with Mr. Degawa to limit the liability for damages prescribed in Article 423, Paragraph 1, of the Companies Act. The maximum amount of liability for damage under the agreement is equal to the amount prescribed by applicable law. If the reappointment of Mr. Degawa is approved, the Company will continue said agreement with him.

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th>Past experience, positions and responsibilities at the Company, and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">8</td><td>Reappointment

Candidate for Outside Director Independent Officer

Yoshiyuki Nakanishi
(November 3, 1954)

Attendance at Board of Directors' meetings
11/11 (100%)</td><td>April 1978 Joined Dainippon Ink and Chemicals, Incorporated (currently DIC Corporation)
April 2010 Executive Officer, DIC Corporation
June 2011 Director and Executive Officer, DIC Corporation
April 2012 Representative Director, President and CEO, DIC Corporation (retired in December 2017)
January 2018 Chairman of the Board of Directors, DIC Corporation (retired in January 2021)
June 2020 Director, the Company (current position)
Outside Director, IHI Corporation (current position)
January 2021 Director, DIC Corporation (retired in March 2021)
March 2021 Executive Advisor, DIC Corporation (current position)
June 2021 Outside Director, SHIMADZU CORPORATION (scheduled to assume office)
(Significant concurrent positions)
Executive Advisor, DIC Corporation
Outside Director, IHI Corporation</td><td>0</td></tr>
<tr><td colspan="3">[Reasons for nomination as Outside Director and outline of expected roles]
Mr. Yoshiyuki Nakanishi is an experienced business manager of an international manufacturing company, with experience in an extensive range of management duties including product strategy planning, engineering development and production field, and has a wealth of achievement in corporate management. By continuing to have him reflect his management knowledge in deliberations at the Board of Directors as well as supervise overall management of the Company and by taking part in important decision making from an independent standpoint, it is expected to strengthen the Board of Directors' functions, and he is therefore nominated for the position of Outside Director.
If Mr. Nakanishi is elected, the Company plans to continue having him be involved in the selection of candidates for the Company's officers and the determination of remuneration for officers, etc. as a member of the Nomination Advisory Committee and the Remuneration Advisory Committee from an objective and unbiased standpoint. In addition, the Company plans to continue having him participate in the Executive Board, which decides on important management matters and business execution decisions, in addition to discussing, reporting on, and monitoring overall management matters.
[Independence of the candidate for Outside Director]
Mr. Yoshiyuki Nakanishi had served as Representative Director, President and CEO of DIC Corporation, with which the Company has business transactions, until December 2017, and had served as Chairman of the Board of Directors of the said company until January 2021. Although he is currently serving as Executive Advisor of the said company, the Company's net sales to the said company for the latest fiscal year account for less than 0.1% of the Company's consolidated net sales.
Therefore, Mr. Nakanishi satisfies the Company's Criteria of Independence for Outside Officers (on page 12) and it can be judged that he has the necessary independence to be an Outside Director.</td></tr>
</table>

(Notes) 1. Mr. Yoshiyuki Nakanishi is a candidate for Outside Director. The Company has appointed him as an Independent Director as prescribed by the Tokyo Stock Exchange, and submitted a notification of the appointment to the Exchange.

2. It will have been one year since the appointment of Mr. Nakanishi as an Outside Director at the conclusion of this year's Annual General Meeting of Shareholders.

3. Pursuant to Article 427, Paragraph 1, of the Companies Act and Article 28 of the Company's Articles of Incorporation, the Company has concluded a limited liability agreement with Mr. Nakanishi to limit the liability for damages prescribed in Article 423, Paragraph 1, of the Companies Act. The maximum amount of liability for damage under the agreement is equal to the amount prescribed by applicable law. If the reappointment of Mr. Nakanishi is approved, the Company will continue said agreement with him.

<table>
<tr><th>No.</th><th>Name
(Date of birth)</th><th colspan="2">Past experience, positions and responsibilities at the Company, and significant concurrent positions</th><th>Number of shares of the Company held</th></tr>
<tr><td rowspan="2">9</td><td>Reappointment

Candidate for Outside Director
Independent Officer

Hisao Mitsui
(February 20, 1953)

Attendance at Board of Directors' meetings
11/11 (100%)</td><td>April 1978
June 2006
June 2010
June 2012

April 2015

June 2020

(Significant concurrent positions)
Outside Auditor, LiveDo Corporation</td><td>Joined Kao Soap Co., Ltd. (currently Kao Corporation)
Executive Officer, Kao Corporation
Director and Executive Officer, Kao Corporation
Director and Managing Executive Officer, Kao Corporation (retired in March 2014)
Auditor, National Institute of Technology and Evaluation (retired in June 2019)
Outside Auditor, LiveDo Corporation (current position)</td><td>67</td></tr>
<tr><td colspan="4">[Reasons for nomination as Outside Director and outline of expected roles]
Mr. Hisao Mitsui is an experienced business manager of an international manufacturing company, with a wealth of achievement in corporate management. By continuing to have him reflect his management knowledge in deliberations at the Board of Directors as well as supervise overall management of the Company and by taking part in important decision making from an independent standpoint, it is expected to strengthen the Board of Directors' functions, and he is therefore nominated for the position of Outside Director.
If Mr. Mitsui is elected, the Company plans to continue having him be involved in the selection of candidates for the Company's officers and the determination of remuneration for officers, etc. as a member of the Nomination Advisory Committee and the Remuneration Advisory Committee from an objective and unbiased standpoint. In addition, the Company plans to continue having him participate in the Executive Board, which decides on important management matters and business execution decisions, in addition to discussing, reporting on, and monitoring overall management matters.
[Independence of the candidate for Outside Director]
Mr. Hisao Mitsui had served as Director and Managing Executive Officer of Kao Corporation, with which the Company has business transactions, until March 2014. However, the Company's net sales to the said company for the latest fiscal year account for less than 0.1% of the Company's consolidated net sales.
Therefore, Mr. Mitsui satisfies the Company's Criteria of Independence for Outside Officers (on page 12) and it can be judged that he has the necessary independence to be an Outside Director.</td></tr>
</table>

(Notes) 1. Mr. Hisao Mitsui is a candidate for Outside Director. The Company has appointed him as an Independent Director as prescribed by the Tokyo Stock Exchange, and submitted a notification of the appointment to the Exchange.

2. It will have been one year since the appointment of Mr. Mitsui as an Outside Director at the conclusion of this year's Annual General Meeting of Shareholders.

3. Pursuant to Article 427, Paragraph 1, of the Companies Act and Article 28 of the Company's Articles of Incorporation, the Company has concluded a limited liability agreement with Mr. Mitsui to limit the liability for damages prescribed in Article 423, Paragraph 1, of the Companies Act. The maximum amount of liability for damage under the agreement is equal to the amount prescribed by applicable law. If the reappointment of Mr. Mitsui is approved, the Company will continue said agreement with him.

Proposal 3: Election of 1 Audit & Supervisory Board Member

Audit & Supervisory Board Member Kenji Watanabe will retire at the conclusion of this year's Annual General Meeting of Shareholders. It is therefore proposed to elect 1 Audit & Supervisory Board Member.

This proposal has already gained the consent of the Audit & Supervisory Board.

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

Name (Date of birth)	Past experience and positions at the Company, and significant concurrent positions	Number of shares of the Company held
New appointment Takashi Shibata (September 17, 1958)	April 1984 Joined the Company April 2011 Deputy General Plant Manager, Muroran Plant April 2013 Executive Officer; General Plant Manager, Muroran Plant April 2015 Managing Executive Officer April 2016 In charge of Wind Power Business Office; Director of Steel Business Division June 2016 Director & Managing Executive Officer October 2017 Director of New Business Promotion Headquarters April 2018 In charge of Technology and Quality April 2021 Director (current position) (Significant concurrent positions) None	13,421
[Reasons for nomination as Audit & Supervisory Board Member] Mr. Takashi Shibata has long engaged in the material and engineering products business, and after having taken charge of the management duties of the steel business in its entirety as Director of Steel Business Division, he has served as Director of New Business Promotion Headquarters since October 2017, thereby acquiring outstanding engineering knowledge, experience and achievements. Since he has considerable experience and achievements in overall corporate management as Director, Mr. Shibata is judged to have the ability to conduct objective and appropriate audits, and he is therefore nominated for the position of Audit & Supervisory Board Member.		

(Notes) 1. There are no business transactions or special interests between Mr. Takashi Shibata and the Company.

2. Pursuant to Article 427, Paragraph 1, of the Companies Act and Article 36 of the Company's Articles of Incorporation, the Company has concluded a limited liability agreement with each Audit & Supervisory Board Member to limit the liability for damages prescribed in Article 423, Paragraph 1, of the Companies Act. The maximum amount of liability for damage under the agreement is equal to the amount prescribed by applicable law. If the appointment of Mr. Shibata is approved, the Company will conclude a similar limited liability agreement with him.

3. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. An overview of this insurance contract is provided in Note 6. of "4. (1) Names, etc. of Directors and Audit & Supervisory Board Members (as of March 31, 2021)," on page 31 (available in Japanese). If Mr. Shibata assumes the office of Audit & Supervisory Board Member, he will be insured under this insurance contract. The insurance contract is scheduled to be renewed at the next renewal with the same terms and conditions.

Reference: Criteria of Independence for Outside Officers of The Japan Steel Works, Ltd.

An Outside Director or an Outside Audit & Supervisory Board Member of the Company (hereinafter collectively an "Outside Officer") shall not fall under any of the following items to be judged to be an independent Outside Officer (hereinafter an "Independent Outside Officer").

(1) A person for which the Company is a major customer[1] or a person who executes business thereof;
(2) A major customer of the Company[2] or a person who executes business thereof;
(3) A person who executes business of a financial institution that is indispensable for the Company's fund procurement and meets an outstandingly high share of the financing needs of the Company;
(4) A consultant, an accounting professional or a legal professional who obtained an amount of money or other form of property that exceeds ¥10 million from the Company for the latest fiscal year, other than directors' compensation (if such person is an organization, including a corporation and a partnership, it refers to a person belonging to such organization);
(5) A major shareholder of the Company (who directly or indirectly holds the voting rights of the Company that account for not less than 10% of the total voting rights);
(6) A person who fell under any of (1) to (5) above during the past three years; or
(7) A spouse or a relative within the second degree of kinship of a person who falls under any of (1) to (6) above (limited to a person in a significant post[3]).

Provided, however, even if an Outside Officer falls under any of (1) to (7) above, the Company may designate such Outside Officer as an Independent Outside Officer, if the Company regards him or her as qualified as an Independent Outside Officer in light of his or her personality, expertise and other factors; such Officer satisfies the relevant requirements of the Companies Act; and the reasons why such Officer is regarded to be qualified for an Independent Outside Officer of the Company are explained externally.

(Notes) 1. A person for which the Company is a major customer refers to a person who was paid an amount of money from the Company that exceeds 5% of the said person's consolidated net sales for the latest fiscal year.
2. A major customer of the Company refers to a person who paid an amount of money to the Company that exceeds 5% of the Company's consolidated net sales for the latest fiscal year.
3. A person in a significant post refers to a person who is a director (excluding an outside director), an executive officer, an employee in a senior managerial position that equals to or is higher than a division/department manager, a Certified Public Accountant belonging to an auditing firm, a lawyer belonging to a law firm or equivalent.