

To whom it may concern,

Company Name: Sanyo Special Steel Co., Ltd.
 Representative: MIYAMOTO Katsuhiko,
 Representative Director and President
 (Code Number: 5481, Prime of the TSE)
 Contact: General Administration Department
 (Telephone: +81-79-235-6003)

Notice Regarding Partial Amendments to the Articles of Incorporation

Sanyo Special Steel Co., Ltd. (the "Company") hereby notifies that today's meeting of the Board of Directors has resolved to propose partial amendments to the Articles of Incorporation at the 110th Ordinary General Meeting of Shareholders to be held on June 24, 2022, as described below.

1. Purpose of the Amendments to the Articles of Incorporation

(1) Transition to a Company with Audit & Supervisory Committee

As announced in the "Notice Regarding Transition to a Company with Audit & Supervisory Committee" dated January 27, 2022, the Company has decided to transition from a company with Audit & Supervisory Board to a company with Audit & Supervisory Committee. Accordingly, the Company will make the following amendments necessary for the transition to a Company with Audit & Supervisory Committee.

- (i) The Company will establish new provisions regarding the establishment of the "Audit & Supervisory Committee" and other provisions regarding the "Audit & Supervisory Committee," as well as provisions regarding the number of directors who are Audit & Supervisory Committee Members, the method of election, the term of office, and the method of determining remuneration, etc., delete the provisions concerning "Corporate Auditors" and "The Board of Corporate Auditors," and newly establish the necessary Supplementary Provisions accordingly.
 (Article 4, Articles 20 through 23, 25, 26, 31 through 33, and Article 1 of the Supplementary Provisions of the Articles of Incorporation after the amendment, Articles 30 through 32, 34 and 37 of the Articles of Incorporation before the amendment)
- (ii) The Company will establish a new provision to allow the Board of Directors to delegate all or part of decisions on the execution of important operations (excluding matters set forth in Article 399-13, Paragraph 5 of the Companies Act) to directors by a resolution of the Board of Directors.
 (Article 28 of the Articles of Incorporation after the amendment)

(2) Amendments for the introduction of a system for providing materials for general meetings of shareholders electronically

As the amended provisions stipulated in the proviso of Article 1 of the Supplementary Provisions of the "Act for Partially Amending of the Companies Act" (Act No. 70 of 2019) will come into effect on September 1, 2022, the Company will propose the following amendments to prepare for the introduction of a system for providing materials for general meetings of shareholders electronically.

- (i) The Company will stipulate that the Company will take measures to provide electronically information that is the contents of reference materials, etc. for the General Meeting of Shareholders.
 (Article 17, Paragraph 1 of the Articles of Incorporation after the amendment)
- (ii) The Company will establish a provision that the scope of matters to be stated in the documents to be delivered to shareholders who have requested the delivery of documents may be limited among the items for which electronic provision of information is to be taken with respect to the contents of reference materials, etc. for the General Meeting of Shareholders.
 (Article 17, Paragraph 2 of the Articles of Incorporation after the amendment)
- (iii) The Company will delete the provision on Internet disclosure and deemed provision of reference materials, etc. for the General Meeting of Shareholders as it is no longer necessary.
 (Article 17 of the Articles of Incorporation before the amendment)
- (iv) The Company will establish supplementary provisions regarding the effective date and other matters with respect to the establishment and deletion of the above.
 (Article 2 of the Supplementary Provisions of the Articles of Incorporation after the amendment)

2. Details of the Amendments to the Articles of Incorporation

The details of the amendments are shown in the Appendix.

3. Schedule (tentative)

- (1) Date of the General Meeting of Shareholders to amend the Articles of Incorporation: June 24, 2022
- (2) Effective date of the amendment to the Articles of Incorporation
 - (i) Amendments for the transition to a company with Audit & Supervisory Committee: June 24, 2022
 - (ii) Amendments for the introduction of a system for providing materials for general meetings of shareholders electronically: September 1, 2022

End

Please note that the official text of this document has been prepared in Japanese. If there is any discrepancy between the English translation and the original Japanese version, please refer to the Japanese version.

Details of the Amendments to the Articles of Incorporation

(The underlined parts indicate the changes.)

Current Articles of Incorporation	Proposed Articles of Incorporation after amendments
<p style="text-align: center;">Chapter 1 General Provisions</p> <p>(Organs)</p> <p>Article 4 In addition to the General Meeting of Shareholders and Directors, the Company shall also have the following organs in place.</p> <ol style="list-style-type: none"> 1. Board of Directors 2. <u>Corporate Auditors</u> 3. <u>Board of Corporate Auditors</u> 4. <u>Accounting Auditor</u> <p style="text-align: center;">Chapter 3 General Meeting of Shareholders (<u>Internet Disclosure and Deemed Provision of Reference Materials, etc. for General Meeting of Shareholders</u>)</p> <p>Article 17 In relation to convocation of the General Meeting of Shareholders, the Company <u>may, by way of the Internet in accordance with the Ordinance of the Ministry of Justice, disclose any information to be contained or presented in</u> the reference materials for the General Meeting of Shareholders, <u>business reports, financial statements and consolidated financial statements, thereby making such information deemed to have been disclosed to shareholders.</u></p> <p style="text-align: center;">Chapter 4 Directors and Board of Directors (Number of Directors)</p> <p>Article 20 The Company shall have not more than eighteen (18) Directors. (Newly established)</p> <p>(Election of Directors)</p> <p>Article 21 Directors shall be elected at the General Meeting of Shareholders. (Newly established)</p> <ol style="list-style-type: none"> 2. Adoption of a resolution for the election of Directors shall be reached by a majority vote of all shareholders present, where the attendance of shareholders holding not less than one-third (1/3) of the voting rights of shareholders entitled to exercise their voting rights is required. 3. Cumulative voting shall not be permitted for the election of the Directors. 	<p style="text-align: center;">Chapter 1 General Provisions</p> <p>(Organs)</p> <p>Article 4 In addition to the General Meeting of Shareholders and Directors, the Company shall also have the following organs in place.</p> <ol style="list-style-type: none"> 1. Board of Directors 2. <u>Audit & Supervisory Committee</u> 3. <u>Accounting Auditor</u> <p style="text-align: center;">Chapter 3 General Meeting of Shareholders (<u>Measures for Electronic Provision of Reference Materials, etc. for the General Meeting of Shareholders</u>)</p> <p>Article 17 In relation to convocation of the General Meeting of Shareholders, the Company shall <u>take measures to electronically provide the information that is the contents of the reference materials, etc. for the General Meeting of Shareholders.</u></p> <ol style="list-style-type: none"> 2. <u>The Company shall not be required to include all or part of the matters for which electronic provision measures are to be taken that are provided for in the applicable Ordinance of the Ministry of Justice in the documents to be delivered to shareholders who have requested the delivery of documents by the record date for voting rights.</u> <p style="text-align: center;">Chapter 4 Directors and Board of Directors (Number of Directors)</p> <p>Article 20 The Company shall have not more than eighteen (18) directors.</p> <ol style="list-style-type: none"> 2. <u>Of the Directors set forth in the preceding paragraph, not more than five (5) Directors shall be Audit & Supervisory Committee Members.</u> <p>(Election of Directors)</p> <p>Article 21 Directors shall be elected at the General Meeting of Shareholders.</p> <ol style="list-style-type: none"> 2. <u>The election of Directors shall be made separately for Directors who are Audit & Supervisory Committee Members and Directors who are not.</u> 3. Adoption of a resolution for the election of Directors shall be reached by a majority vote of all shareholders present, where the attendance of shareholders holding not less than one-third (1/3) of the voting rights of shareholders entitled to exercise their voting rights is required. 4. Cumulative voting shall not be permitted for the election of the Directors.

(The underlined parts indicate the changes.)

Current Articles of Incorporation	Proposed Articles of Incorporation after amendments
<p>(Term of office of Directors) Article 22 The term of office of Directors shall expire at the conclusion of the ordinary General Meeting of Shareholders held with respect to the last business year ending within one (1) year of election.</p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>(Term of office of Directors) Article 22 The term of office of Directors <u>(excluding those who are Audit & Supervisory Committee Members)</u> shall expire at the conclusion of the ordinary General Meeting of Shareholders held with respect to the last business year ending within one (1) year of election. <u>2. The term of office of Directors who are Audit & Supervisory Committee Members shall expire at the conclusion of the ordinary General Meeting of Shareholders held with respect to the last business year ending within two (2) years of election.</u> <u>3. The term of office of a Director elected as a substitute for a Director who is an Audit & Supervisory Committee Member who retired before the expiration of their term of office shall continue until the expiration of the term of office of the retired Director who is an Audit & Supervisory Committee Member.</u></p>
<p>(Election of Representative Directors and Executive Directors) Article 23 The Board of Directors shall, by its resolution, <u>elect several Representative Directors.</u></p> <p>2. The Board of Directors by its resolution shall elect <u>one (1) Chairman, one (1) President and a few Vice Presidents, Senior Managing Directors and Managing Directors.</u></p>	<p>(Election of Representative Directors and Executive Directors) Article 23 The Board of Directors shall, by its resolution, <u>elect one (1) or more Representative Directors from among the Directors (excluding Directors who are Audit & Supervisory Committee Members).</u></p> <p>2. The Board of Directors by its resolution shall elect <u>one (1) President from among the Directors (excluding Directors who are Audit & Supervisory Committee Members).</u></p>
<p>(Remuneration, etc. of Directors) Article 25 Compensation, <u>bonuses</u> and any other consideration for the performance of duties received from the Company (<u>hereinafter referred to as "Remuneration, etc."</u>) shall be determined by a resolution of the General Meeting of Shareholders.</p>	<p>(Remuneration, etc. of Directors) Article 25 Compensation and any other consideration for the performance of duties received from the Company shall be determined by a resolution of the General Meeting of Shareholders, <u>distinguishing between Directors who are Audit & Supervisory Committee Members and other Directors.</u></p>
<p>(Convocation Procedures of the Meeting of the Board of Directors) Article 26 The notice of the convocation of the Meeting of Board of Directors shall be given not less than three (3) days prior to the determined date to <u>each Director and Corporate auditor</u>. Provided, however, the meeting may be held without going through convocation procedures if the approval of <u>all Directors and Corporate Auditors</u> is received.</p>	<p>(Convocation Procedures of the Meeting of the Board of Directors) Article 26 The notice of the convocation of the Meeting of Board of Directors shall be given not less than three (3) days prior to the determined date to <u>each Director</u>. Provided, however, the meeting may be held without going through convocation procedures if the approval of <u>all Directors</u> is received.</p>

(The underlined parts indicate the changes.)

Current Articles of Incorporation	Proposed Articles of Incorporation after amendments
<p>(Newly established)</p> <p>Articles <u>28</u> - <u>29</u> (Omitted)</p> <p>Chapter 5 <u>Corporate Auditors and Board of Auditors</u> (Number of Corporate Auditors) <u>Article 30</u> The Company shall have not more than six (6) Corporate Auditors.</p> <p><u>(Election of Corporate Auditors)</u> <u>Article 31</u> Corporate Auditors shall be elected at the General Meeting of Shareholders. <u>2. Adoption of a resolution for the election of Corporate</u> <u>Auditors shall be reached by a majority vote of all</u> <u>shareholders present, where shareholders holding not less</u> <u>than one-third (1/3) of the voting rights of all shareholders</u> <u>entitled to exercise their voting rights are in attendance.</u></p> <p><u>(Term of Office of Corporate Auditors)</u> <u>Article 32</u> The term of office of Corporate Auditors shall expire at the conclusion of the ordinary General Meeting of Shareholders held with respect to the last business year ending within four (4) years of election. <u>2. The term of office for a Corporate auditor appointed to</u> <u>replace a Corporate auditor who resigned before maturity</u> <u>of his/her term shall be until the end of the term of office</u> <u>of the resigned Corporate auditor.</u></p> <p><u>(Full Time Corporate Auditors and Standing Corporate</u> <u>Auditors)</u> <u>Article 33</u> The Board of Corporate Auditors shall, by its resolution, elect Full Time Corporate Auditors.</p> <p><u>2. The Board of Corporate Auditors may, by its resolution,</u> <u>appoint Standing Corporate Auditors from among the</u> <u>Corporate Auditors.</u></p> <p><u>(Remuneration, etc. of Corporate Auditors)</u> <u>Article 34</u> Remuneration, etc. for Corporate Auditors shall be determined by a resolution of the General Meeting of Shareholders.</p>	<p><u>(Delegation of Decisions on the Execution of Important</u> <u>Operations)</u> <u>Article 28</u> The Company may delegate all or part of <u>decisions on execution of important operations (excluding</u> <u>the matters set forth in each item of Article 399-13,</u> <u>Paragraph 5 of the Companies Act) to Directors by a</u> <u>resolution of the Board of Directors.</u></p> <p>Articles <u>29</u> - <u>30</u> (Same as current articles)</p> <p>Chapter 5 <u>Audit & Supervisory Committee</u></p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Full Time <u>Audit & Supervisory Committee Members</u> and Standing <u>Audit & Supervisory Committee Members</u>) <u>Article 31</u> The <u>Audit & Supervisory Committee</u> shall, by its resolution, elect Full Time <u>Audit & Supervisory</u> <u>Committee Members from among its members.</u> <u>2. The Audit & Supervisory Committee may, by its</u> <u>resolution, appoint Standing Audit & Supervisory</u> <u>Committee Members from among the Full Time Audit &</u> <u>Supervisory Committee Members.</u></p> <p>(Deleted)</p>

(The underlined parts indicate the changes.)

Current Articles of Incorporation	Proposed Articles of Incorporation after amendments
<p>(Convocation Procedures for <u>the Board of Corporate Auditors</u>) Article 35 The notice of the convocation of <u>the Board of Corporate Auditors</u> shall be given no less than three (3) days prior to the determined date to each <u>Corporate auditor</u>. Provided, however, the meeting of <u>the Board of Corporate Auditors</u> may be held without going through the convocation procedures if the approval of all <u>Corporate Auditors</u> is received.</p>	<p>(Convocation Procedures for <u>the Audit & Supervisory Committee</u>) Article 35 The notice of the convocation of <u>the Audit & Supervisory Committee</u> shall be given no less than three (3) days prior to the determined date to each <u>Audit & Supervisory Committee Member</u>. Provided, however, the meeting of <u>the Audit & Supervisory Committee</u> may be held without going through the convocation procedures if the approval of all <u>Audit & Supervisory Committee Members</u> is received.</p>
<p>(Regulations of <u>the Board of Corporate Auditors</u>) Article 36 <u>Unless otherwise provided for in laws and regulations or these Articles of Incorporation, matters regarding the Board of Corporate Auditors shall be handled in accordance with the Regulations of the Board of Corporate Auditors as determined by the Board of Corporate Auditors.</u></p>	<p>(Regulations of <u>the Audit & Supervisory Committee</u>) Article 36 <u>Matters regarding the Audit & Supervisory Committee shall be handled in accordance with the Regulations of the Audit & Supervisory Committee as determined by the Audit & Supervisory Committee in addition to these Articles of Incorporation.</u></p>
<p>(Exemption of Liabilities of Auditors) <u>Article 37 In accordance with the provisions in Article 426 Paragraph 1 of the Companies Act, the Company may, by a resolution of the Board of Directors, exempt Corporate Auditors (including former Corporate Auditors) from liabilities arising from the performance of their duties to the extent permitted by laws and regulations.</u> <u>2. In accordance with the provisions in Article 427 Paragraph 1 of the Companies Act, the Company may execute an agreement with Outside Corporate Auditors to limit liabilities arising from the performance of their duties. Provided, however, the maximum amount of the limit of liability under the said agreement shall be the amount provided for in laws and regulations.</u></p>	<p>(Deleted)</p>
<p>Chapter 6 Calculation Article <u>38 - 41</u> (Omitted)</p>	<p>Chapter 6 Calculation Articles <u>34 - 37</u> (Same as current articles)</p>
<p>(Newly established)</p>	<p><u>Supplementary Provisions</u> <u>Article 1 The exemption from liability of Corporate Auditors by a resolution of the Board of Directors and the liability limitation agreement concluded with Corporate Auditors with regard to the acts under Article 423, Paragraph 1 of the Companies Act prior to the conclusion of the 110th Ordinary General Meeting of Shareholders shall continue to be governed by Article 37, Paragraph 1 and Paragraph 2 of the Articles of Incorporation prior to the amendment by a resolution of the same General Meeting of Shareholders (hereinafter referred to as the "Articles prior to Amendment")</u></p>

(The underlined parts indicate the changes.)

Current Articles of Incorporation	Proposed Articles of Incorporation after amendments
(Newly established)	<p><u>Article 2 The deletion of Article 17 (Internet Disclosure and Deemed Provision of Reference Materials, etc. for General Meeting of Shareholders) of the Articles prior to Amendment and the establishment of a new Article 17 (Measures for Electronic Provision of Reference Materials, etc. for the General Meeting of Shareholders) of the proposed Articles of Incorporation after amendments shall become effective as of the date of enforcement of amended provisions (hereinafter referred to as the "Effective Date") as stipulated in the proviso of Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019).</u></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, Article 17 of the Articles prior to Amendment shall remain in effect with respect to the General Meeting of Shareholders to be held on a day falling within six (6) months after the Effective Date.</u></p> <p><u>3. These Supplementary Provisions shall be deleted after six (6) months have elapsed from the Effective Date or three (3) months have elapsed from the date of the General Meeting of Shareholders set forth in the preceding paragraph, whichever comes later.</u></p>

End