

Status of Dialogue with Shareholders and Investors

May 28, 2024



Status of Dialogue (FY2023)

The Company actively engages in dialogue with shareholders and institutional investors with the aim of enhancing its corporate value and provides internal feedback on the content of such dialogue and advice received in a timely manner through the Board of Directors' meetings and other means.

	No. of times	With whom	Correspondent
Press conferences (quarterly)	4	Analysts Fund managers	General Manager, Management Planning Department
Financial results briefings	2		President, Directors, Executive Officers and Chiefs of Command
Plant tour	1	Japanese and overseas institutional investors Analysts	President, Managing Executive Officers and Chiefs of Command, General Manager of Management Planning Department
Individual meetings/interviews	60	Japanese and overseas institutional investors Analysts Fund managers	President, General Manager of Management Planning Department, person in charge of IR

Main topics and points of shareholders' interest

Topic	Details
Overview of financial results	<ul style="list-style-type: none"> • Factors behind changes in net sales, operating income, etc. • Income status by segment • Financial soundness and balance sheet status
Business strategies and business overview	<ul style="list-style-type: none"> • Relation between changes in the market environment and growth strategies • Characteristics and strengths of the Company • Status of MONOZUKURI improvement
Financial strategies	<ul style="list-style-type: none"> • Measures to improve PBR and the capital cost • Approach for return to shareholders • Criteria for determining orders and investment projects
Governance	<ul style="list-style-type: none"> • Selection process for the skill matrix • Measures for active discussions at meetings of the Board of Directors and the Nomination and Compensation Committee • Evaluation of the effectiveness of the Board of Directors
Sustainability and others	<ul style="list-style-type: none"> • Actions to address climate change • Status of diversity promotion • Initiatives concerning respect for human rights

Internal feedback and actions taken based on dialogue

Status of internal feedback

	Details	Frequency
Board of Directors	<ul style="list-style-type: none"> • Results of annual IR activities and issues addressed • Shareholder trends 	Once a year
Management and relevant departments	<ul style="list-style-type: none"> • Discussing and deciding on IR activities and measures at management meetings • Review of materials for financial results briefings, integrated reports, etc. 	As needed

Actions taken based on dialogue [Actions taken in FY2023] *Including ongoing actions

Requested actions	Details
Enhancing the skill matrix Strengthening governance	<ul style="list-style-type: none"> • Added items for human resources and ESG to strengthen sustainability management • Appointment of an Outside Director who is not an Audit and Supervisory Committee member * To be appointed upon approval at the annual shareholders' meeting scheduled to be held in June 2024
Enhancement of disclosure materials	<ul style="list-style-type: none"> • Disclosed Ahresty's approach to Gigacasting at the financial results briefings • Reviewed contents of the integrated report (to strengthen linkage between the Company's strategies and the improvement of corporate value)
Communicating financial management guidelines Enhancing return to shareholders	<ul style="list-style-type: none"> • Formulated and disclosed financial strategies in line with the 10-year Business Plan (long-term management plan) • Continuous purchase of treasury shares and the Company's first cancellation of treasury shares