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Securities code: 5482
June 2, 2021

To our shareholders:

Takahiro Fujioka,
President
AICHI STEEL CORPORATION
220, Rinowari, Arao-machi, Tokai-shi, Aichi

NOTICE OF THE 117th GENERAL MEETING OF SHAREHOLDERS

You are cordially invited to attend the 117th General Meeting of Shareholders of AICHI STEEL CORPORATION (the “Company”), which will be held as indicated below.

Meeting Details

- 1. Date and Time:** Wednesday, June 23, 2021, 10:00 a.m. (Japan Standard Time)
- 2. Venue:** **Main Conference Room, Main Building, AICHI STEEL CORPORATION**
220, Rinowari, Arao-machi, Tokai-shi, Aichi
- 3. Purposes:**
 - Items to be reported;**
Business Report, Consolidated Financial Statements, Financial Statements and Audit Reports concerning Consolidated Financial Statements by the Financial Auditors and the Audit & Supervisory Board for the 117th Term (April 1, 2020 to March 31, 2021)
 - Items to be resolved;**
 - Proposal 1:** Election of Six (6) Directors
 - Proposal 2:** Election of One (1) Audit & Supervisory Board Member
 - Proposal 3:** Election of One (1) Substitute Audit & Supervisory Board Member

Reference Document for the General Meeting of Shareholders

Proposals and Reference Matters

Proposal 1: Election of Six (6) Directors

The terms of all current Directors will expire at the close of this General Meeting of Shareholders. Accordingly, we would like to propose the election of six (6) Directors.

The candidates for the Directors are as follows.

No.	Name	Positions in the Company	Attendance at meetings of the Board of Directors (FY2020)	Term of office as Director
1	Takahiro Fujioka [Reelection]	President and Director	14/14 (100%)	10 years
2	Motoshi Nakamura [Reelection]	Executive Vice President and Director	14/14 (100%)	3 years
3	Naohiro Yasunaga [Reelection]	Director	14/14 (100%)	2 years
4	Katsunori Kojima [Reelection]	Director	11/11 (100%)	1 year
5	Koichi Yasui [Reelection] [Outside] [Independent]	Director	13/14 (93%)	6 years
6	Yuko Arai [Reelection] [Outside] [Independent]	Director	13/14 (93%)	5 years

- Notes:
- There are no special interests between the candidates and the Company.
 - Mr. Koichi Yasui and Ms. Yuko Arai are candidates for Outside Director.
 - The number of attendances at meetings of the Board of Directors differs depending on the timing of the appointment.
 - The Company has designated Mr. Koichi Yasui and Ms. Yuko Arai as Independent Officer pursuant to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange.
 - The Company has concluded agreements to limit the liability for damages with Mr. Koichi Yasui and Ms. Yuko Arai as prescribed in Article 423, Paragraph 1 of the Companies Act. Based on these agreements, their liability shall be limited to the amount stipulated by Article 425, Paragraph 1 of the Companies Act. In the event that their reelection is approved, the aforementioned agreement is planned to continue.
 - Candidates are selected based on the proposal submitted to the Board of Directors by the optional officer remuneration and nomination committee, where the majority of members composed of Independent Outside Directors and chaired by an Independent Outside Director, and it assesses and deliberates each candidate's experience, knowledge, accomplishments, etc. The Enforcement Rules for Securities Listing Regulations stipulated by the Tokyo Stock Exchange and the Nagoya Stock Exchange are used as a reference for the independence criteria for Outside Director candidates. Furthermore, at the time of appointment, various factors such as background, knowledge, character, etc. are holistically taken into consideration, with the most appropriate person becoming a candidate.
 - The Company has concluded a directors and officers liability insurance contract with an insurance company. The insurance covers any damages that may arise when a claim for damages is made against the insured director or officer, etc. during the term of the policy due to duties performed by the insured person as a director or an officer, etc. The Company plans to renew the contract with the same contents at the next renewal. Each candidate will be insured under the said insurance contract. Regarding the overview of the contents of the insurance contract, please refer to Matters related to Directors and Officers Liability Insurance Contract described in Business Report 3. (9).

Candidates for Director

No.	Name	Career summary, positions and areas of responsibility in the Company, and notable concurrent positions	Number of the Company's shares held
1	<p>Takahiro Fujioka (August 31, 1954) [Reelection]</p> <p>Attendance at meetings of the Board of Directors (FY2020) 14/14 (100%)</p> <p>Term of office as Director (at the conclusion of this meeting) 10 years</p>	<p>April 1979 Joined Toyota Motor Industrial Corporation (current Toyota Motor Corporation)</p> <p>June 2006 Managing Officer of Toyota Motor Corporation</p> <p>May 2011 Standing Corporate Advisor of the Company</p> <p>June 2011 President and Director of the Company (to present)</p> <p>[Notable Concurrent Positions] Vice Chairman of the Board of Shanghai Aichi Forging Co., Ltd.</p>	19,820
<p>[Reasons for Election of the Candidate for Director]</p> <p>Mr. Takahiro Fujioka has been serving as Representative Director since 2011. While exhibiting leadership as a head manager and working to improve the Group's corporate value, he has been aptly performing supervision on determining important matters and business execution. Furthermore, he also possesses a wealth of business experience and knowledge regarding global business operation and overall management in both the Company and Toyota Motor Corporation. Thus, the Company proposes his continued appointment as Director.</p>			
2	<p>Motoshi Nakamura (September 4, 1960) [Reelection]</p> <p>Attendance at meetings of the Board of Directors (FY2020) 14/14 (100%)</p> <p>Term of office as Director (at the conclusion of this meeting) 3 years</p>	<p>April 1983 Joined Toyota Motor Corporation</p> <p>April 2014 Standing Director of Toyota Motor Corporation</p> <p>January 2018 Standing Corporate Advisor of the Company</p> <p>April 2018 Senior Managing Officer of the Company</p> <p>June 2018 Director and Senior Managing Officer of the Company</p> <p>April 2020 Executive Vice President and Director of the Company (to present)</p> <p>[Responsibility] Assist overall management Production Management Officer</p> <p>[Notable Concurrent Positions] Outside Audit & Supervisory Board Member of Chuo Spring Co., Ltd.</p>	10,830
<p>[Reasons for Election of the Candidate for Director]</p> <p>Mr. Motoshi Nakamura has been serving as Director since 2018. Currently, while working to assist in overall management to improve the Group's corporate value, he strives to strengthen activities for production management functions and the Toyota Production System (TPS). Furthermore, he also possesses a wealth of business experience and knowledge regarding global business management and production technology in both the Company and Toyota Motor Corporation. Thus, the Company proposes his continued appointment as Director.</p>			

No.	Name	Career summary, positions and areas of responsibility in the Company, and notable concurrent positions	Number of the Company's shares held
3	<p>Naohiro Yasunaga (December 16, 1959) [Reelection]</p> <p>Attendance at meetings of the Board of Directors (FY2020) 14/14 (100%)</p> <p>Term of office as Director (at the conclusion of this meeting) 2 years</p>	<p>April 1982 Joined the Company</p> <p>June 2008 Officer and General Manager, Chita Plant of the Company</p> <p>June 2012 Director of the Company</p> <p>June 2013 Operating Officer of the Company</p> <p>April 2015 Senior Operating Officer of the Company</p> <p>June 2015 Director and Senior Operating Officer of the Company</p> <p>April 2016 Director and Managing Officer of the Company</p> <p>June 2018 Managing Officer of the Company</p> <p>April 2019 Senior Managing Officer of the Company</p> <p>June 2019 Director and Senior Managing Officer of the Company</p> <p>April 2020 Director and Senior Executive Officer of the Company (to present)</p> <p>[Responsibility] General Manager of Manufacturing Innovation Headquarters Safety & Environmental Officer</p>	5,031
<p>[Reasons for Election of the Candidate for Director]</p> <p>Mr. Naohiro Yasunaga has been serving as Director since 2019. As General Manager of Manufacturing Innovation Headquarters, he has been working to bolster the Group's basis for manufacturing functions, and also as Safety & Environmental Officer, making efforts to ensure safe and healthy environments at workplace and achieve sustainable global environments, striving to improve the Group's corporate value. Furthermore, he has a wealth of business experience and knowledge regarding global business management and production technology in the Company. Thus, the Company proposes his continued appointment as Director.</p>			
4	<p>Katsunori Kojima (February 24, 1957) [Reelection]</p> <p>Attendance at meetings of the Board of Directors (FY2020) 11/11 (100%)</p> <p>Term of office as Director (at the conclusion of this meeting) 1 year</p>	<p>April 1981 Joined Toyota Motor Industrial Corporation (current Toyota Motor Corporation)</p> <p>January 2004 Representative Manager and Global Production Planning Department Vehicle Planning Section of Toyota Motor Corporation</p> <p>June 2008 President of Toyota Motor Manufacturing (UK) Ltd.</p> <p>January 2013 Standing Corporate Advisor of the Company</p> <p>June 2013 Operating Officer of the Company</p> <p>June 2013 Chairman and President of Aichi International (Thailand) Co., Ltd.</p> <p>April 2015 Senior Operating Officer of the Company</p> <p>April 2016 Managing Officer of the Company</p> <p>June 2016 Director and Managing Officer of the Company</p> <p>June 2018 Managing Officer of the Company</p> <p>April 2020 Senior Executive Officer of the Company</p> <p>June 2020 Director and Senior Executive Officer of the Company (to present)</p> <p>[Responsibility] Smart Company President</p>	6,810
<p>[Reasons for Election of the Candidate for Director]</p> <p>Mr. Katsunori Kojima has been serving as Director since 2020. As Smart Company President, he strives to strengthen the brand power and competitiveness of the electromagnetic component business and improve the Group's corporate value. Furthermore, he also possesses a wealth of business experience and knowledge regarding global business management and production technology in both the Company and Toyota Motor Corporation. Thus, the Company proposes his continued appointment as Director.</p>			

No.	Name	Career summary, positions and areas of responsibility in the Company, and notable concurrent positions		Number of the Company's shares held
5	Koichi Yasui (January 8, 1952) [Reelection] [Outside] [Independent] Attendance at meetings of the Board of Directors (FY2020) 13/14 (93%) Term of office as Director (at the conclusion of this meeting) 6 years	April 1976	Joined Toho Gas Co., Ltd.	2,700
		June 2006	Operating Officer of Toho Gas Co., Ltd.	
		June 2008	Director and Managing Officer of Toho Gas Co., Ltd.	
		June 2010	Director and Senior Managing Officer of Toho Gas Co., Ltd.	
		June 2012	President and Director of Toho Gas Co., Ltd.	
		June 2015	Director of the Company (to present)	
		June 2016	Chairman and Director of Toho Gas Co., Ltd. (to present)	
		[Notable Concurrent Positions]		
		Chairman and Director of Toho Gas Co., Ltd. Outside Director of Chubu-Nippon Broadcasting Co., Ltd.		
	[Reasons for Election of the Candidate for Director and Expected Roles]			
	Mr. Koichi Yasui has abundant experience, broad insight, an excellent and highly ethical character acquired through active performance as a corporate manager following experience in important positions in the sales division of Toho Gas Co., Ltd., one of the core companies in the Chubu area. Leveraging these assets, the Company expects, he will devote himself to strengthening supervisory functions for overall management. Since 2015, as an Outside Director, with regard to important matters in Board of Directors deliberations, he has given proactive opinions and proposals that come from his independent position and distinct viewpoint from a background in a different industry, helping to strengthen corporate governance. Thus, the Company proposes his continued appointment as Director. (Matters regarding independence)			
	Mr. Yasui is Chairman and Director of Toho Gas Co., Ltd. Although Toho Gas Co., Ltd. has transactions with the Company to operate as a usual gas supplier, the transactions amount to less than 2 % of the Company's sales and there are no special interests between the candidate and the Company. The Company therefore judges that there would be no risk of conflicts of interest arising between Toho Gas Co., Ltd. and ordinary shareholders.			

No.	Name	Career summary, positions and areas of responsibility in the Company, and notable concurrent positions	Number of the Company's shares held
6	<p>Yuko Arai (January 27, 1961) [Reelection] [Outside] [Independent]</p> <p>Attendance at meetings of the Board of Directors (FY2020) 13/14 (93%)</p> <p>Term of office as Director (at the conclusion of this meeting) 5 years</p>	<p>April 1979 Joined All Nippon Airways Co., Ltd</p> <p>April 2010 Assistant Branch Manager of Osaka Office of All Nippon Airways Co., Ltd</p> <p>April 2011 Assistant Branch Manager of Tokyo Office of All Nippon Airways Co., Ltd</p> <p>April 2014 Executive Officer, Branch Manager of Osaka Office, All Nippon Airways Co., Ltd</p> <p>April 2016 Senior Executive Officer and Deputy Director of Business Center, General Manager of Kansai Branch, All Nippon Airways Co., Ltd.</p> <p>June 2016 Director of the Company (to present) Executive Vice President and Director of ANA Sales Co., Ltd. (currently ANA Akindo Co., Ltd.) (to present)</p> <p>March 2021 Retired from Senior Executive Officer of All Nippon Airways Co., Ltd.</p> <p>[Notable Concurrent Positions] Executive Vice President and Director of ANA Akindo Co., Ltd. Member of the Board (external) of Daikin Industries, Ltd. (scheduled to assume office in June 2021)</p>	2,000
<p>[Reasons for Election of the Candidate for Director and Expected Roles]</p> <p>Ms. Yuko Arai has abundant experience, broad insight, an excellent and highly ethical character acquired through active performance as a corporate manager following experience in important positions in the sales division of All Nippon Airways Co., Ltd and ANA Akindo Co., Ltd., which have expanded their businesses globally. Leveraging these assets, the Company expects, she will devote herself to strengthening supervisory functions for overall management. Since 2016, as an Outside Director, with regard to important matters in Board of Directors deliberations, she has given proactive opinions and proposals that come from her independent position and distinct viewpoint from a background in a different industry, helping to strengthen corporate governance. Thus, the Company proposes her continued appointment as Director.</p> <p>(Matters regarding independence)</p> <p>The Company has judged that there are no personal interests, capital interests, transactional interests, or other special interests between the candidate and the Company, and that there is no possibility of conflict of interest with general shareholders.</p>			

Proposal 2: Election of One (1) Audit & Supervisory Board Member

At the close of this General Meeting of Shareholders, Mr. Takashi Goto will resign as Audit & Supervisory Board Member. Accordingly, we would like to propose the election of one (1) Audit & Supervisory Board Member. The candidate for the Audit & Supervisory Board Member is as follows.

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

Name	Positions in the Company
Hirofumi Yokota [New]	General Manager of Quality Assurance Division

- Notes:
1. There are no special interests between the candidate and the Company.
 2. If this proposal is approved as originally proposed, and Mr. Hirofumi Yokota assumes office, the Company plans to conclude an agreement to limit the liability for damages with him as prescribed in Article 423, Paragraph 1 of the Companies Act. Based on this agreement, his liability shall be limited to the amount stipulated by Article 425, Paragraph 1 of the Companies Act.
 3. Candidates are selected based on the proposal submitted to the Board of Directors by the optional officer remuneration and nomination committee, where the majority of members composed of Independent Outside Directors and chaired by an Independent Outside Director, and it assesses and deliberates each candidate's experience, knowledge, accomplishments, etc.
 4. The Company has concluded a directors and officers liability insurance contract with an insurance company. The insurance covers any damages that may arise when a claim for damages is made against the insured director or officer, etc. during the term of the policy due to duties performed by the insured person as a director or an officer, etc. The Company plans to renew the contract with the same contents at the next renewal. The candidate will be insured under the said insurance contract. Regarding the overview of the contents of the insurance contract, please refer to Matters related to Directors and Officers Liability Insurance Contract described in Business Report 3. (9).

Candidate for Audit & Supervisory Board Member

Name	Career summary and positions		Number of the Company's shares held
Hirofumi Yokota (March 29, 1962) [New]	April 1984	Joined the Company	0
	January 2011	Chief of Quality Management Office, Electro-Magnetic Product Business Headquarters of the Company (General Manager level)	
	January 2015	General Manager of Quality Assurance Division of the Company (to present)	
[Reasons for Election of the Candidate for Audit & Supervisory Board Member] Mr. Hirofumi Yokota has been engaged in quality assurance operations for many years. Since 2015, as General Manager of Quality Assurance Division, he has been striving to supervise and improve quality management system and product quality, contributing to improving the power of the Company's quality assurance. Furthermore, he has a wealth of business experience and a high level of knowledge regarding quality assurance in the Company. Thus, the Company proposes his appointment as Audit & Supervisory Board Member.			

Proposal 3: Election of One (1) Substitute Audit & Supervisory Board Member

To prevent the situation where the number of Audit & Supervisory Board Members of the Company is less than the number required by law, the Company proposes to appoint one (1) Substitute Audit & Supervisory Board Member in advance. In this proposal, the Company proposes the election of a substitute for the incumbent Outside Audit & Supervisory Board Members, Messrs. Koichi Ito and Katsuyuki Ogura. If the Substitute Audit & Supervisory Board Member assumes office as an Audit & Supervisory Board Member, his term of office will be the remaining term of the person he succeeds. This effectiveness of this proposal expires at the start of the 117th General Meeting of Shareholders. However, limited to the period before the candidate has assumed office, conditional upon approval by the Audit & Supervisory Board, this proposal may be cancelled via a Board of Directors resolution.

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

Candidate for Substitute Audit & Supervisory Board Member

Candidate for Substitute Audit & Supervisory Board Member		
Name	Career summary, positions and notable concurrent positions	Number of the Company's shares held
Yu Munakata (January 10, 1968) [Reelection] [Outside] [Independent]	April 1997 Registered as an attorney-at-law (under the Tokyo Bar Association)	0
	April 1997 Joined Sekiya Law Office (currently Sekiya Munakata Law Office) (to present)	
	[Notable Concurrent Positions] Attorney-at-law	
[Reasons for Election of the Candidate for Substitute Audit & Supervisory Board Member] Although Mr. Yu Munakata has not directly been involved in corporate management, he possesses specialized knowledge regarding the law as an attorney-at-law, as well as a high level of specialized knowledge, broad insight and abundant experience regarding corporate governance and internal control, and an excellent and highly ethical character. Furthermore, as he can give useful opinions and advice on the Company's management that come from his independent position and distinct viewpoint as a lawyer, he is deemed as being able to contribute to the strengthening of corporate governance. Thus, the Company proposes his appointment as Substitute Outside Audit & Supervisory Board Member. (Matters regarding independence) The Company has judged that there are no personal interests, capital interests, transactional interests, or other special interests between the candidate and the Company, and that there is no possibility of conflict of interest with general shareholders		

- Notes:
1. There are no special interests between the candidate and the Company.
 2. Mr. Yu Munakata is a candidate for Substitute Outside Audit & Supervisory Board Member.
 3. If this proposal is approved as originally proposed, and Mr. Yu Munakata assumes office as an Audit & Supervisory Board Member, the Company plans to designate him as Independent Officer pursuant to the provisions of the Tokyo Stock Exchange and the Nagoya Stock Exchange.
 4. If this proposal is approved as originally proposed, and Mr. Yu Munakata assumes office as an Audit & Supervisory Board Member, the Company plans to conclude an agreement to limit the liability for damages with him as prescribed in Article 423, Paragraph 1 of the Companies Act. Based on this agreement, his liability shall be limited to the amount stipulated by Article 425, Paragraph 1 of the Companies Act.
 5. Candidates are selected based on the proposal submitted to the Board of Directors by the optional officer remuneration and nomination committee, where the majority of members composed of Independent Outside Directors and chaired by an Independent Outside Director, and it assesses and deliberates each candidate's experience, knowledge, accomplishments, etc. The Enforcement Rules for Securities Listing Regulations stipulated by the Tokyo Stock Exchange and the Nagoya Stock Exchange are used as a reference for the independence criteria for Substitute Outside Audit & Supervisory Board Member candidates, but at the time of appointment, various factors such as background, knowledge, character, etc. are holistically taken into consideration, with the most appropriate person becoming a candidate.
 6. The Company has concluded a directors and officers liability insurance contract with an insurance company. The insurance covers any damages that may arise when a claim for damages is made against the insured director or officer, etc. during the term of the policy due to duties performed by the insured person as a director or an officer, etc. The Company plans to renew the contract with the same contents at the next renewal. If he assumes office as Audit & Supervisory Board Member, he will be insured under the said insurance contract. Regarding the overview of the contents of the insurance contract, please refer to Matters related to Directors and Officers Liability Insurance Contract described in Business Report 3. (9).