

KURA SUSHI ASIA CO., LTD.

Prepared by	Administration Dep.	Rules for Election of Directors	No.	FI-B-028
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- 1 Except otherwise provided by laws and regulations or by the Company's Articles of Incorporation, the election of the Company's directors shall be conducted in accordance with these Rules for Election of Director.
- 2 Qualifications of directors
 - 2.1 The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's directors. The composition of the Board of Directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the Company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:
 - 2.1.1 Basic qualification and value: gender, age, nationality, and culture.
 - 2.1.2 Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.
 - 2.2 All members of the board shall have the knowledge, skills, and experience necessary to perform their duties. The entire Board of Directors shall possess the following abilities:
 - 2.2.1 Capability to make sound business judgments
 - 2.2.2 Accounting and financial analysis capabilities
 - 2.2.3 Business management ability
 - 2.2.4 Crisis management capability
 - 2.2.5 Industrial knowledge
 - 2.2.6 Global market viewpoint
 - 2.2.7 Leadership skills
 - 2.2.8 Capability to make decisions
 - 2.3 More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.
 - 2.4 The Company's Board of Directors shall consider adjusting its composition based on the results of performance evaluation.

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- 3 Qualifications and election of independent directors
 - 3.1 The election of independent directors of the Company shall be in compliance with Articles 2 to 4 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies”.
 - 3.2 The election of the Company’s independent directors shall comply with Articles 5, 8, and 9 of the “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” and shall be conducted in accordance with Article 24 of the “Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies”.
- 4 Rules for election of directors
 - 4.1 The election of directors shall be conducted in accordance with the procedures of the candidate nomination system prescribed in Article 192-1 of the Company Act.
 - 4.2 When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one-third of the total number prescribed in the Company’s articles of incorporation, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
 - 4.3 Where the number of the independent directors falls below that required under the proviso of Article 14-2, Paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancies. When the independent directors are dismissed in mass, a provisional shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
- 5 Methods for electing directors

The cumulative voting method shall be used for election of the directors at the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
- 6 The Board of Directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- 7 The number of directors will be as specified in the company's Articles of Incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more

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persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chairperson drawing lots on behalf of any person not in attendance.

- 8 Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
- 9 A ballot is deemed void if any of the following circumstances occurs:
 - 9.1 A ballot was not prepared by the members with the convening right.
 - 9.2 A blank ballot thrown into the ballot box.
 - 9.3 Any ballot with illegible writing rendering it unrecognizable, or any ballot with corrections.
 - 9.4 Where the candidate voted for is a shareholder of the Company, such candidate's account name and shareholder account number filled in the ballot is inconsistent with that on the shareholder registry. Where the candidate voted for is not on the List of Director Candidates.
 - 9.5 Any ballot with characters the allocated number of voting rights.
- 10 Ballots shall be counted at the spot upon completion of casting the ballots, and the elected directors including number of votes shall be announced by the Chairman. The ballots shall be sealed and signed off by the ballot inspectors and be kept for at least a year. In the event of a lawsuit regarding the Directors election under Article 189 of the Company Law, those ballots shall be archived until the conclusion of the lawsuit.
- 11 The Board of Directors of the Company shall deliver a written notification to each of the elected directors.
- 12 These rules and any amendments thereafter shall become effective upon resolution at the shareholders meeting.
- 13 Initial formulation: Adopted by the Board of Directors (on behalf of shareholders meeting) on November 07, 2018.
First amendment: Approved by the shareholders meeting on July 27, 2021.