Regarding a Cease and Desist Order and a SurchargePayment Order to Harley-Davidson Japan K.K. (Summary of Violations)

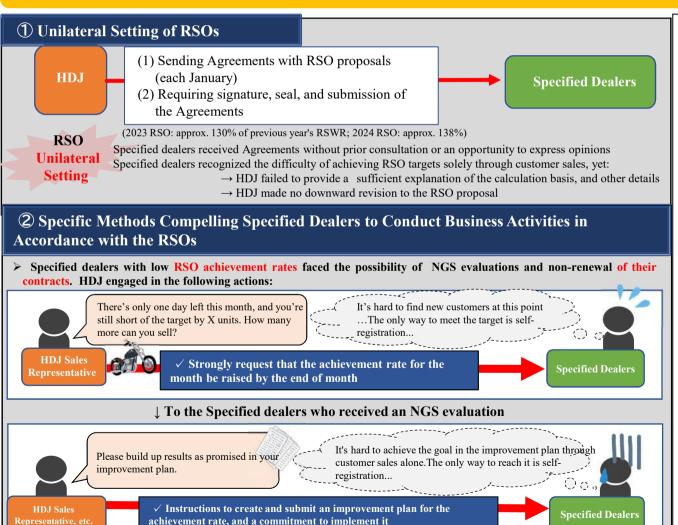
Harley-Davidson Japan (HDJ)



Abuse of Superior Bargaining Position

Specified Dealers

HDJ unilaterally set RSOs for the specified dealers that could only be achieved through self-registration as described in ① below, and then compelled those dealers to conduct business activities in accordance with these RSOs through methods such as those described in ② below.



Glossary



HD Vehicles

- •Harley-Davidson brand motorcycles (including motor trikes).
- •HDJ holds the top market share in Japan for new registrations of imported small motorcycles (2023 and 2024).

RSO (Retail Sales Outlet)

•The annual retail sales target for HD vehicles that dealers should sell at each sales outlet during the period from January 1 to December 31 of each year. (including breakdowns by quarter or month).

RSWR (Retail Sales Warranty Registration)

- Registration performed by dealers to initiate the manufacturer's warranty for HD vehicles.
- · RSWR counts are recorded as performance metrics for RSO

Self-Registration

 Among RSWRs, those registered by a dealer itself or its employees as the registered owner, without any actual sale or prospect of sale to that owner.

NGS (Not in Good Standing) Evaluation

- A low evaluation given to dealers whose Bar & Shield Program points (a standard for evaluating dealers based on RSO achievement rates, etc.) fall below certain standards.
- •In addition to the above, in fiscal year 2023, dealers whose monthly RSO achievement rate fell below 80% one or more times received an NGS evaluation.

Number of Times	Actions
Once	•Reward payment is withheld, etc.
Two Consecutive Times	Reward payment will be revoked Possibility of non-renewal of the dealer contract Possibility of being requested to transfer business operations related to HD product sales, etc.