

Please note that the following is an unofficial English translation of Japanese original text of the Notice of Convocation of the 123rd Ordinary General Meeting of Shareholders of Niterra Co., Ltd. The Company provides this translation for reference and convenience purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Securities Code: 5334

June 5, 2023

(Date of initiating measures for providing
information in electronic format: May 26, 2023)

Dear Shareholders

Shinichi Odo
Representative Director and
Chairman of the Board

Niterra Co., Ltd.

1-1-1 Higashisakura, Higashi-ku, Nagoya, Japan

NOTICE OF CONVOCATION OF THE 123rd ORDINARY GENERAL MEETING OF SHAREHOLDERS

The 123rd Ordinary General Meeting of Shareholders of Niterra Co., Ltd. (the “Company”) is to be held as follows.

In convening this General Meeting of Shareholders, the Company has taken measures for provision of information contained in the reference documents for the General Meeting of Shareholders, etc. (the “Matters for Electronic Provision Measure”) in electronic format. Matters for Electronic Provision Measure are posted on the Company’s website on the Internet below.

The Company’s Website

<https://www.ngkntk.co.jp/ir/events/shareholders.html> (In Japanese)

In addition to the website above, the Matters for Electronic Provision Measure are also posted on the website of the Tokyo Stock Exchange (TSE). Access the following TSE website (TSE Listed Company Information Service), enter and search for the Company’s name (Niterra Co., Ltd.) or security code (5334), and select "Basic Information" and " Documents for public inspection/PR information".

TSE website (TSE Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (In Japanese)

Instead of attending the meeting, you may otherwise exercise your voting rights via the Internet or in writing. Please read the attached REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS provided below. You are requested to exercise your Voting Rights before 5:00 p.m., on Monday, June 26, 2023.

- 1. Time and Date:** 10:00 a.m., Tuesday, June 27, 2023
- 2. Place:** Komaki Plant, Office Building "N-FOREST", Main conference room
2808, Iwasaki, Komaki, Aichi

3. Objectives of the Meeting:

- Reports:**
1. Reports on Business Report and Consolidated Financial Statements, as well as Results of the Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee for Fiscal 2022 (From April 1, 2022, to March 31, 2023)
 2. Reports on Non-Consolidated Financial Statements for Fiscal 2022 (From April 1, 2022, to March 31, 2023)

Agenda:

- Proposal:** Election of Seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members)

©The following documents has been posted only on the Company's website on the Internet and the TSE website (TSE Listed Company Search) based on the provisions of laws and regulations and Article 15 of the Company's Articles of Incorporation, and are not stated in the documents delivered to shareholders requesting written documents.

- "Overview of the System to Ensure the Appropriateness of Business Activities and the Operating Status of the System" in the Business Report
- "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
- "Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-Consolidated Financial Statements

Accordingly, the documents delivered to shareholders requesting written documents are part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing their audit report.

©If any amendment is made to the Matters for Electronic Provision Measure, the amended information will be disclosed on the Company's Web site and TSE website (TSE Listed Company Search) above.

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and Items of Reference

Proposal: Election of Seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members)


The terms of office of all of the current seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders. As such, we hereby propose the election of seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members).


In order to achieve sustainable growth and enhance corporate value over the medium to long term, the Company believes it is important to ensure that the Board of Directors is composed of diverse human resources with different backgrounds that include specialized knowledge, experience, etc. In addition, as Outside Directors constitute a majority of the Board of Directors, the Company places great emphasis on strengthening supervisory functions of the Board of Directors while securing transparency for decision-making processes.


Based on the aforementioned belief, in order to ensure the reasonability and the transparency of the process, the selection of candidates for Directors is determined at the Board of Directors through the deliberation of Nomination Committee, an advisory body for the Board of Directors in which a majority of the members are Independent Outside Directors.


The candidates for Directors are as follows:


No.	Name		Current positions at the Company	Assignments
1	Shinichi Odo	Re-appointed	Representative Director and Chairman of the Board	—
2	Takeshi Kawai	Re-appointed	Representative Director and President, Chief Operating Officer	Head of All Businesses / Head of Global Strategy Headquarters, Global Group Governance Headquarters, and Strategic Port Folio Dept.
3	Toru Matsui	Re-appointed	Representative Director, Executive Vice President	Assistant to President / Head of Sustainability Strategy Dept., Scientific Research Laboratory, and Niterra Ventures Company
4	Mackenzie Donald Clugston	Re-appointed Outside Director Independent Director	Outside Director	—
5	Miwako Doi	Re-appointed Outside Director Independent Director	Outside Director	—
6	Chiharu Takakura	Re-appointed Outside Director Independent Director	Outside Director	—
7	Takayoshi Mimura	Newly appointed Outside Director Independent Director	—	—


No.	Name (Date of Birth)	Brief Personal History, Positions and Assignments and Significant Positions Concurrently Held	Number of Shares Held
1	 <p data-bbox="295 629 475 689">Shinichi Odo (April 3, 1954)</p>	<p data-bbox="528 271 1286 331">Apr. 1977 Joined NGK SPARK PLUG CO., LTD. (currently, Niterra Co., Ltd.)</p> <p data-bbox="528 333 1286 456">Feb. 2003 General Manager of Overseas Aftermarket Sales & Marketing Dept., Sales & Marketing Div., Automotive Components Group, NGK SPARK PLUG CO., LTD.</p> <p data-bbox="528 459 1286 519">Jul. 2005 President, NGK Spark Plugs (U.S.A.) (currently, Niterra North America, Inc.), Inc.</p> <p data-bbox="528 521 1286 551">Jun. 2007 Director, NGK SPARK PLUG CO., LTD.</p> <p data-bbox="528 553 1286 582">Jun. 2010 Managing Director, NGK SPARK PLUG CO., LTD.</p> <p data-bbox="528 584 1286 645">Jun. 2011 Representative Director and President, NGK SPARK PLUG CO., LTD.</p> <p data-bbox="528 647 1286 707">Apr. 2012 Representative Director and President, Chief Executive Officer, NGK SPARK PLUG CO., LTD.</p> <p data-bbox="528 710 1286 810">Apr. 2016 Representative Director, Chairman of the Board and President, Chief Executive Officer, NGK SPARK PLUG CO., LTD.</p> <p data-bbox="528 813 1286 873">Apr. 2019 Representative Director and Chairman of the Board, NGK SPARK PLUG CO., LTD. (up to the present)</p> <p data-bbox="528 875 1286 904">May 2020 Chairman, Japan Auto Parts Industries Association</p>	36,108 shares
<Attendance at Board of Directors Meetings in Fiscal 2022> 12/12			
<p data-bbox="279 1039 884 1068">【Reason for appointment as a candidate for Director】</p> <p data-bbox="263 1070 1442 1288">Mr. Odo has been engaged in the operation and management including domestic/overseas sales divisions concerning automotive components businesses for many years, and from June 2011 he served as Representative Director and President of the Company. Since April 2019, he has been involved in the Company's management from the perspective of medium- to long-term corporate growth and further strengthening corporate governance as Representative Director and Chairman of the Board. The Company has continuously selected Mr. Odo as a candidate for Director based on the judgment that he has extensive management experience at the Company and insights into the global business operations.</p>			


No.	Name (Date of Birth)	Brief Personal History, Positions and Assignments and Significant Positions Concurrently Held	Number of Shares Held
2	 <p data-bbox="276 555 494 613">Takeshi Kawai (October 13, 1962)</p>	<p data-bbox="528 259 1257 318">Apr. 1987 Joined NGK SPARK PLUG CO., LTD. (currently, Niterra Co., Ltd.)</p> <p data-bbox="528 322 1270 412">Feb. 2011 General Manager of Sensor Engineering Dept. II, Sensor Div., Automotive Components Group, NGK SPARK PLUG CO., LTD.</p> <p data-bbox="528 416 1267 452">Apr. 2012 Corporate Officer, NGK SPARK PLUG CO., LTD.</p> <p data-bbox="528 456 1267 492">Apr. 2015 Managing Officer, NGK SPARK PLUG CO., LTD.</p> <p data-bbox="528 497 1286 555">Jun. 2015 Director and Managing Officer, NGK SPARK PLUG CO., LTD.</p> <p data-bbox="528 560 1190 618">Apr. 2016 Director and Senior Managing Officer, NGK SPARK PLUG CO., LTD.</p> <p data-bbox="528 622 1267 725">Apr. 2019 Representative Director and President, Chief Operating Officer, NGK SPARK PLUG CO., LTD. (up to the present)</p>	18,423 shares
	<p data-bbox="264 752 443 788"><Assignments></p> <p data-bbox="264 792 1174 869">Head of All Businesses / Head of Global Strategy Headquarters, Global Group Governance Headquarters, and Strategic Port Folio Dept.</p> <p data-bbox="264 900 954 958"><Attendance at Board of Directors Meetings in Fiscal 2022> 12/12</p>		
	<p data-bbox="277 994 880 1030">【Reason for appointment as a candidate for Director】</p> <p data-bbox="264 1034 1439 1285">Mr. Kawai has been engaged in engineering division in the Sensor Division for many years, and from April 2016, as Director and Senior Managing Officer, he was in charge of the Business Planning Management Division which has an overall control of the Group's business divisions. He has extensive management experience and knowledge of the Company's business operations. The Company has continuously selected Mr. Kawai as a candidate for Director based on the fact that he has been leading the Group as Representative Director and President, the most senior corporate officer for the business operations of the Company, to achieve the medium- to long-term management targets since he assumed the position in April 2019.</p>		

No.	Name (Date of Birth)	Brief Personal History, Positions and Assignments and Significant Positions Concurrently Held	Number of Shares Held
3	 Toru Matsui (February 14, 1962)	<p>Apr. 1984 Joined NGK SPARK PLUG CO., LTD. (currently, Niterra Co., Ltd.)</p> <p>Apr. 2011 President, NGK SPARK PLUG EUROPE GmbH (currently, Niterra EMEA GmbH)</p> <p>Oct. 2013 General Manager of OEM Sales & Marketing Dept., Sales and Marketing Div., Automotive Components Group, NGK SPARK PLUG CO., LTD.</p> <p>Dec. 2014 President, NGK SPARK PLUG (SHANGHAI) CO., LTD. (currently, Niterra (Shanghai) Co., Ltd.)</p> <p>Apr. 2015 Corporate Officer, NGK SPARK PLUG CO., LTD.</p> <p>Jul. 2016 President, NGK SPARK PLUG (SHANGHAI) TRADING CO., LTD. (currently, Niterra Trading (Shanghai) Co., Ltd.)</p> <p>Apr. 2018 Managing Officer, NGK SPARK PLUG CO., LTD.</p> <p>Jun. 2018 Director and Managing Officer, NGK SPARK PLUG CO., LTD.</p> <p>Apr. 2019 Director and Executive Vice President, NGK SPARK PLUG CO., LTD.</p> <p>April 2020 Representative Director, Executive Vice President, NGK SPARK PLUG CO., LTD. (up to the present)</p>	12,254 shares
<p><Assignments> Assistant to President / Head of Sustainability Strategy Dept., Scientific Research Laboratory, and Niterra Ventures Company</p> <p><Attendance at Board of Directors Meetings in Fiscal 2022> 12/12</p>			
<p>【Reason for appointment as a candidate for Director】 Mr. Matsui has been engaged in sales and marketing division concerning automotive components businesses for many years. After serving as President of our major overseas group companies, he has been serving as Representative Director, Executive Vice President since April 2019. As such, he has extensive sales and marketing experience at the Company and insights into the global business operations. The Company has continuously selected Mr. Matsui as a candidate for Director based on the fact that he is currently in charge of new business and R&D, leading the strategy implementation to transform the Group's business portfolio.</p>			

No.	Name (Date of Birth)	Brief Personal History, Positions and Assignments and Significant Positions Concurrently Held	Number of Shares Held
4	 Mackenzie Donald Clugston (June 19, 1950)	Jun. 1982 Joined Department of Foreign Affairs and International Trade of the Canadian Government Aug. 2000 Canadian Consul General in Osaka Aug. 2003 Minister, Embassy of Canada in Japan Aug. 2009 Ambassador of Canada to Indonesia, Timor-Leste and the ASEAN Nov. 2012 Ambassador of Canada to Japan Jun. 2016 Outside Director, KAMEDA SEIKA CO., LTD. (up to the present) Sep. 2016 Specially Appointed Professor, Kwansei Gakuin University (up to the present) Jun. 2017 Outside Director, Idemitsu Kosan Co., Ltd. Mar. 2018 Outside Director, Sapporo Holdings Limited (up to the present) Jun. 2019 Outside Director, NGK SPARK PLUG CO., LTD. (currently, Niterra Co., Ltd.) (up to the present)	0 shares
	<Significant Positions Concurrently Held> Outside Director, KAMEDA SEIKA CO., LTD Specially Appointed Professor, Kwansei Gakuin University Outside Director, Sapporo Holdings Limited		
	<Attendance at Board of Directors Meetings in Fiscal 2022> 12/12 <Years served as a Director of the Company> 4 years (at the conclusion of this General Meeting of Shareholders)		
<p>【Reason for appointment as a candidate for Outside Director and expected roles】 Mr. Clugston has abundant global experience and a high level of insight about international affairs and trade, accumulated through his career as a diplomat over many years. As an Outside Director, he has overseen business execution by the Company’s management team and provided advice to the team. He has been playing a key role in strengthening the Company’s corporate governance by actively speaking out at the Company’s Board of Directors’ Meetings in order to enhance transparency in decision-making. The Company has selected Mr. Clugston as a candidate for Outside Director with the expectation that, after his appointment, he will continue to oversee business execution by the Company’s management team and provide advice to the team based on the experience and insight described above. Although Mr. Clugston has not contributed to corporate management in a capacity other than as Outside Director, for the reasons above, the Company has determined that he will be able to appropriately fulfill the duties of Outside Director.</p> <p>【Regarding the independence of the candidate for Outside Director】 We deem that his independence is sufficiently assured given that the election criteria for independent officers set by the Company is met. Accordingly, the Company intends to notify the Tokyo Stock Exchange and the Nagoya Stock Exchange of his continued appointment as Independent Outside Director, upon approval of his re-election.</p>			

No.	Name (Date of Birth)	Brief Personal History, Positions and Assignments and Significant Positions Concurrently Held	Number of Shares Held
5	 Miwako Doi (June 2, 1954)	<p>Apr. 1979 Joined Tokyo Shibaura Electric Co., Ltd. (currently Toshiba Corporation)</p> <p>Jul. 2005 Senior Fellow, Corporate Research & Development Center, Toshiba Corporation</p> <p>Jul. 2008 Chief Fellow, Corporate Research & Development Center, Toshiba Corporation</p> <p>Apr. 2014 Auditor, National Institute of Information and Communications Technology, an Incorporated Administrative Agency (currently, a National Research and Development Agency) (up to the present)</p> <p>Jun. 2015 Outside Director, Nomura Research Institute, Ltd.</p> <p>Apr. 2017 Executive Director, Nara Institute of Science and Technology (up to the present)</p> <p>Jun. 2019 Outside Director, Isetan Mitsukoshi Holdings Ltd. (up to the present)</p> <p>Apr. 2020 Vice President, Tohoku University (up to the present)</p> <p>Jun. 2020 Outside Director, SUBARU CORPORATION (up to the present) Outside Director, NGK SPARK PLUG CO., LTD. (currently, Niterra Co., Ltd.) (up to the present)</p> <p><Significant Positions Concurrently Held> Auditor (part-time), National Institute of Information and Communications Technology Executive Director (part-time), Nara Institute of Science and Technology Outside Director, Isetan Mitsukoshi Holdings Ltd. Vice President (part-time), Tohoku University Outside Director, SUBARU CORPORATION</p> <p><Attendance at Board of Directors Meetings in Fiscal 2022> 12/12</p> <p><Years served as a Director of the Company> 3 years (at the conclusion of this General Meeting of Shareholders)</p>	2,267 shares
<p>【Reason for appointment as a candidate for Outside Director and expected roles】 Ms. Doi has abundant experience and an outstanding track record as a researcher in the information and communication fields. She is currently engaged in the research of advanced technology at a research institution and universities. As an Outside Director, she has overseen business execution by the Company's management team and provided advice to the team. She has been playing a key role in strengthening the Company's corporate governance by actively speaking out at the Company's Board of Directors' Meetings in order to enhance transparency in decision-making. The Company has selected Ms. Doi as a candidate for Outside Director with the expectation that, after her appointment, she will continue to oversee business execution by the Company's management team and provide advice to the team based on the experience and track record described above. Although Ms. Doi has not contributed to corporate management in a capacity other than as Outside Director, for the reasons above, the Company has determined that she will be able to appropriately fulfill the duties of Outside Director.</p> <p>【Regarding the independence of the candidate for Outside Director】 The Company has a business relationship with Tohoku University, for which Ms. Doi serves as Vice President, primarily in the consigning of research. However, the value of that business is extremely small at around five million yen per year. In addition, there is no business relationship between the Company and Nara Institute of Science and Technology, for which she serves as Executive Director. For the reasons above, we deem that her independence is sufficiently assured given that the election criteria for independent officers set by the Company is met. Accordingly, the Company intends to notify the Tokyo Stock Exchange and the Nagoya Stock Exchange of her continued appointment as Independent Outside Director, upon approval of her re-election.</p>			

No.	Name (Date of Birth)	Brief Personal History, Positions and Significant Positions Concurrently Held	Number of Shares Held
	 <p>Chiharu Takakura (December 22, 1959)</p>	<p>Apr. 1983 Joined the Ministry of Agriculture, Forestry and Fisheries</p> <p>May 1992 Obtained an MBA from Georgetown University (U.S.A)</p> <p>Aug. 1993 Consultant, Sanwa Research Institute Corp.</p> <p>Jul. 1999 Planning Manager, Human Resources Division., Pfizer Japan Inc.</p> <p>Oct. 2006 General Manager of Human Resources Department, Human Resources and Communication Division, Novartis Pharma K.K</p> <p>Jul. 2014 Corporate Fellow, General Manager, Global Human Resources Dept., Ajinomoto Co., Inc.</p> <p>Apr. 2020 HR Advisor, ROHTO PHARMACEUTICAL CO., LTD.</p> <p>Jun. 2020 Director, Head of Well-being Management Promotion Division, ROHTO PHARMACEUTICAL CO., LTD.</p> <p>Jun. 2021 Outside Audit and Supervisory Board Member, NGK SPARK PLUG CO., LTD. (currently, Niterra Co., Ltd.)</p> <p>Apr. 2022 Director, Chief Human Resource Officer, ROHTO PHARMACEUTICAL CO., LTD. (up to the present)</p> <p>Jun. 2022 Outside Director, NGK SPARK PLUG CO., LTD. (up to the present)</p>	945 shares
6		<p><Significant Positions Concurrently Held></p> <p>Outside Director, Nomura Real Estate Holdings, Inc. (scheduled to take office on June 23, 2023)</p> <p>Outside Director, Mitsui Sumitomo Insurance Company, Limited (scheduled to take office on June 23, 2023)</p> <p><Attendance at Board of Directors Meetings in Fiscal 2022></p> <p>12/12</p> <p><Years served as a Director of the Company></p> <p>1 year (at the conclusion of this General Meeting of Shareholders)</p>	
		<p>【Reason for appointment as a candidate for Outside Director and expected roles】</p> <p>After obtaining her MBA at Georgetown University (U.S.A), Ms. Chiharu Takakura worked as a consultant in organization building and human resources development before taking up successive important positions with several global companies, including international pharmaceuticals companies. As such, she has a wealth of experience and knowledge concerning organizational development and human resources development. As an Outside Director, she has overseen business execution by the Company's management team and provided advice to the team. She has been playing a key role in strengthening the Company's corporate governance by actively speaking out at the Company's Board of Directors' Meetings in order to enhance transparency in decision-making. The Company has selected Ms. Takakura as a candidate for Outside Director with the expectation that, after her appointment, she will continue to oversee business execution by the Company's management team and provide advice to the team based on the experience and knowledge described above.</p> <p>【Regarding the independence of the candidate for Outside Director】</p> <p>There is no business relationship between the Company and ROHTO PHARMACEUTICAL CO., LTD. for which Ms. Takakura serves as Director and Chief Human Resource Officer, and the election criteria for independent officers set by the Company is met. As such, the independence of Ms. Takakura is sufficiently assured, and the Company intends to notify the Tokyo Stock Exchange and the Nagoya Stock Exchange of her continued appointment as Independent Outside Director, upon approval of her re-election.</p>	

No.	Name (Date of Birth)	Brief Personal History, Positions and Assignments and Significant Positions Concurrently Held	Number of Shares Held
7	 Takayoshi Mimura (June 18, 1953)	Apr. 1977 Joined Terumo Corporation Jun. 2002 Executive Officer, Terumo Corporation Jun. 2003 Director and Executive Officer, Terumo Corporation Jun. 2004 Director and Senior Executive Officer, Terumo Corporation Jun. 2007 Director and Managing Executive Officer, Terumo Corporation Apr. 2008 Director and Managing Executive Officer, responsible for Hospital Company and Sales Supervisory Dept., Terumo Corporation Jun. 2009 Director and Managing Executive Officer, Representative of China/Asia, Terumo Corporation Apr. 2010 Director and Managing Executive Officer, Chief Representative of China, Terumo Corporation Jun. 2010 Director and Senior Managing Executive Officer, Terumo Corporation Aug. 2011 President and CEO, Terumo (China) Holdings Co., Ltd. Apr. 2017 Chairman of the Board, Terumo Corporation Jun. 2021 Chairman, The Japan Federation of Medical Devices Associations (up to present) Apr. 2022 Director and Corporate Advisor, Terumo Corporation Jun. 2022 Corporate Advisor, Terumo Corporation (up to present) Outside Director, AUTOBACS SEVEN Co., Ltd. (up to present) Outside Director, Mitsui Chemicals, Inc. (up to present)	0 shares
<Significant Positions Concurrently Held> Corporate Advisor, Terumo Corporation Outside Director, AUTOBACS SEVEN Co., Ltd. Outside Director, Mitsui Chemicals, Inc.			
<p>【Reason for appointment as a candidate for Outside Director and expected roles】 Mr. Takayoshi Mimura has been engaged in corporate management from the viewpoint of business execution and supervision over many years, including successively holding positions as an officer responsible for the business operation and Chairman of the Board in operating companies. As such, he has great insight into business management and corporate governance. In addition, he has been involved in the medical device business and development of overseas markets for many years, and has a wealth of experience concerning the medical device sector and global business. Therefore, the Company has newly selected Mr. Mimura as a candidate for Outside Director with the expectation that, after his appointment, he will be able to oversee business execution by the Company's management team and provide advice to the team based on the insight and experience described above.</p> <p>【Regarding the independence of the candidate for Outside Director】 There is no business relationship between the Company and Terumo Corporation for which Mr. Mimura serves as Corporate Advisor, and the election criteria for independent officers set by the Company is met. As such, the independence of Mr. Mimura is sufficiently assured, and the Company intends to notify the Tokyo Stock Exchange and the Nagoya Stock Exchange of his appointment as Independent Outside Director, upon approval of his election.</p>			

Notes:

1. Each candidate has no special interest in the Company.
2. The number of shares of the Company held by each candidate includes the shares that each candidate holds in Executive Stock Ownership Association.
3. Mr. Mackenzie Donald Clugston, Ms. Miwako Doi, Ms. Chiharu Takakura and Mr. Takayoshi Mimura are candidates for Outside Director as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
4. MICARD Co. LTD., a subsidiary of Isetan Mitsukoshi Holdings Ltd. where Ms. Miwako Doi has been serving as an outside director since June 17, 2019, received an Order for Action on July 8, 2019 and Order for Payment of Surcharge on March 24, 2020 from the Consumer Affairs Agency for misleading representation that falls under Article 5, Item 1 or Item 2 of the Act against Unjustifiable Premiums and Misleading Representations regarding service transactions related to a credit card “MI Card Plus Gold” which is supplied by MICARD Co. LTD. She has been making various proposals from the viewpoint of legal compliance at the meetings of the Board of Directors, and even after this was found out, through deliberations at meetings of the Board of Directors, she has fulfilled her duties, including making efforts to formulate recurrence prevention measures and strengthen employee education at Isetan Mitsukoshi Holdings Ltd. and its subsidiaries.
5. Ms. Chiharu Takakura currently serves as Director and Chief Human Resource Officer of ROHTO PHARMACEUTICAL CO., LTD. At the conclusion of the said company’s General Meeting of Shareholders scheduled for June 28, 2023, she will retire from the position.
6. Ms. Chiharu Takakura will assume office as Outside Director of Nomura Real Estate Holdings, Inc., upon approval of her election at the General Meeting of Shareholders scheduled for June 23, 2023. In addition, she will assume office as Outside Director of Mitsui Sumitomo Insurance Company, Limited, upon approval of her election at the General Meeting of Shareholders scheduled for June 23, 2023.
7. Ms. Chiharu Takakura served as Outside Audit and Supervisory Board Member before assuming office as Outside Director on June 24, 2022. Adding one (1) year of service as an Outside Audit and Supervisory Board Member, her term of office will be two (2) years in total.
8. Mr. Mackenzie Donald Clugston, Ms. Miwako Doi and Ms. Chiharu Takakura have already concluded a liability limitation agreement with the Company as Outside Directors, which limits compensation for damages to the minimum liability amount established by laws and regulations, in accordance with the Articles of Incorporation. Upon approval of their re-election as Outside Directors, the Company intends to continue the said agreements with them. In addition, upon approval of the election of Mr. Takayoshi Mimura as an Outside Director, the Company intends to newly conclude a similar agreement with him.
9. The Company has entered into a directors and officers liability insurance contract with an insurance company with the Directors, Executive Officers, and other important employees under the Companies Act as the insured. This insurance contract will cover any damages including legal damages and litigation expenses that may arise due to the insured assuming liability for the execution of their duties or receiving a claim for the pursuit of such liability. If the appointment of the candidates is approved, they will each become the insured under the insurance contract. The Company plans to renew the insurance contract with similar contents on June 30, 2023.

Opinion of the Audit and Supervisory Committee

Concerning the election of Directors (excluding Directors who are Audit and Supervisory Committee Members), the Audit and Supervisory Committee reviewed under the standards for audit and other matters by Audit and Supervisory Committee whether the Board of Directors had set the election criteria correctly and whether the Board of Directors had followed proper processes, including deliberations by the Nomination Committee. As a result, the Committee concluded that the content of this proposal is appropriate.

(Reference)

Criteria for Independence of Outside Directors

In addition to the qualifications of outside directors specified in the Companies Act and the criteria on the independence of independent officers specified by financial instrument exchanges, the Company adopted its own Election Criteria of Independent Officers* set forth below and elects only persons who meet all of those criteria as independent outside officers.

1. Persons who in the preceding three (3) years have not served as a director, audit and supervisory board member, executive, manager, or other employee (including Corporate Officers but excluding outside directors and outside audit and supervisory board members; referred to as “Directors, etc.”) of a trading partner with which transactions accounted for 2% or more of the consolidated net sales of the Company, its subsidiaries or affiliate companies (referred to as “the Group”) or the trading partner’s consolidated net sales in any of the preceding three (3) years.
2. Persons who are not currently principal shareholders of the Group, or who are not Directors etc. of a company one of whose principal shareholder is the Group (a principal shareholder holds 10% or more of voting rights).
3. Persons who have not been employed by a principal lender of the Group in the preceding three (3) years (a principal lender is a financial institution or other financial creditor that is essential for the procurement of capital by the Group and on which the Group relies to a degree that it is irreplaceable).
4. Persons who are not attorneys, certified public accountants, consultants, or providers of other professional services who currently receive compensation from the Group.
5. Persons who have not received donations of ¥10 million or more from the Group in any of the preceding three (3) years. **
6. Persons who are not Directors etc. of companies or subsidiaries of such companies, to which Directors etc. have been seconded by the Group.
7. Persons who are not relatives within two (2) degrees of consanguinity of a current or former Director etc. of the Group.
8. Persons who are not likely to give rise to substantive conflicts of interest with the Group on a regular basis.

Notes:

* However, in cases where there are grounds for a clear explanation of independence that can be provided to third parties against a backdrop of corporate merger or other unintended circumstances, even when these criteria are not met, approval may be given after giving consideration to the opinions of Independent Officers.

** However, even in cases where a donation of ¥10 million or more is made, if there are grounds for a clear explanation of the lack of impact resulting from such donation on the judgement of the independence of the candidate Independent Officer that can be provided to third parties, for example, the case that the donation was made to a different professor in the same research lab or a different research lab at the same university with which the candidate Independent Officer is affiliated, approval may be given after giving consideration to the opinions of Independent Officers.

[Reference] Director Candidates' Skills and Expertise (at the conclusion of this General Meeting of Shareholders)

Name	Position	Independence	*1						*2				
			Corporate management	Finance/Accounting	Governance/Legal/Risk management	Experience overseas	Technology/R&D	Sales/Marketing	New business/M&A	HRD/HR	IT/DX	SCM	
Shinichi Odo	Representative Director and Chairman of the Board, Chief Executive Officer		○		○	○			○	○		○	
Takeshi Kawai	Representative Director and President, Chief Operating Officer		○		○			○		○		○	○
Toru Matsui	Representative Director, Executive Vice President		○		○	○			○	○			○
Mackenzie Donald Clugston	Outside Director	●			○	○					○		
Miwako Doi	Outside Director	●						○		○		○	
Chiharu Takakura	Outside Director	●			○	○					○		
Takayoshi Mimura	Outside Director	●	○		○	○			○				
Mikihiko Kato	Director, Full-time Audit and Supervisory Committee Member		○	○		○					○		
Kanemaru Yasui	Outside Director, Audit and Supervisory Committee Member	●		○	○								
Fumiko Nagatomi	Outside Director, Audit and Supervisory Committee Member	●			○								
Christina L. Ahmadjian	Outside Director, Audit and Supervisory Committee Member	●	○		○	○					○		

*1 Areas fundamental for critical decision-making in the management and supervision of business operations

*2 Areas that require active promotion and supervision to realize the mid-term management plan

*3 The above matrix represents the areas of expertise that we expect from each candidate and does not represent all of the knowledge and experience that they possess.

*4 The "Position" in the above matrix represents the candidates' positions when the appointment of the candidates is approved at this General Meeting of Shareholders.