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(Securities Code: 4044)

June 7, 2023

(Start date of measures for electronic provision) May 31, 2023

To Shareholders with Voting Rights

Tadashi Shimizu
Representative Director,
President & CEO
Central Glass Co., Ltd.
5253, Okiube, Ube City,
Yamaguchi Prefecture

NOTICE OF CONVOCATION OF THE 109TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 109th Ordinary General Meeting of Shareholders (the “Shareholders’ Meeting”) of Central Glass Co., Ltd. (the “Company”). The meeting will be held as described below.

When convening the Shareholders’ Meeting, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the Company’s website. Please access the website by using the Internet address shown below to review the information.

The Company’s website: <https://www.cgco.co.jp/ir/stockinfo/generalmeeting.html> (in Japanese)

In addition to the Company’s website, the items for which measures for providing information in electronic format are to be taken are also posted on the Tokyo Stock Exchange (TSE) website so please check from the link below.

TSE website (Listed Company Search):

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

Kindly access the TSE website above and enter the issue name (Central Glass) or securities code (4044), and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information” to check.

If you are unable to attend on the day of the Shareholders’ Meeting, you can exercise your voting rights via postal mail or the Internet in advance. Please review the following reference documents for the Shareholders’ Meeting and exercise your voting rights before 5:30 p.m. on Wednesday, June 28, 2023 (JST).

1. Date and Time **Thursday, June 29, 2023, 10:00 a.m. (Reception will open at 9:00 a.m.)**

2. Place **Central Glass Registered Head Office (Ube Plant)**
5253, Okiube, Ube City, Yamaguchi Prefecture

3. Meeting Agenda

Matters to be Reported: 1. The Business Report, the Consolidated Financial Statements, and the Results of the Audits of the Consolidated Financial Statements by the Accounting Auditors and the Board of Corporate Auditors for the 109th Fiscal Year (from April 1, 2022 to March 31, 2023)
2. The Non-consolidated Financial Statements for the 109th Fiscal Year (from April 1, 2022 to March 31, 2023)

Matters to be Resolved:

Proposal No. 1: Election of Nine Directors

Proposal No. 2: Election of Two Corporate Auditors

Proposal No. 3: Amount of Performance-based Stock Compensation to Directors and Determination of Details

4. Determined Matters for Convocation (Guidance on Exercise of Voting Rights)

- (1) If you do not indicate approval/disapproval for the Proposals on the Voting Form for exercise of voting rights in writing (by postal mail), we will handle this as indication of approval.
- (2) Please note that if you have exercised your voting rights more than once via the Internet, etc., the vote that has been exercised the last shall be deemed and handled as your effective exercise of voting rights.
- (3) If you have exercised your voting rights via the Internet and also in writing, the vote that has reached the last shall be deemed and handled as your effective exercise of voting rights. If you have exercised your voting rights both via the Internet and in writing on the same day, your vote via the Internet shall be deemed and handled as your effective exercise of voting rights.

- If you attend the Shareholders' Meeting in person, please submit the enclosed Voting Form at the reception desk.
- A system for providing informational materials for the general meeting of shareholders in electronic format has been put into effect. However, for the Shareholders' Meeting, we have sent informational materials for the general meeting of shareholders in document format uniformly to shareholders, as in the past, irrespective of whether delivery in document format was requested. Note that we plan to discontinue uniform sending in written format at the time of the 110th Ordinary General Meeting of Shareholders and thereafter.
- Among the items for which measures for providing information in electronic format are to be taken, "System to Ensure Appropriate Business Conduct," "Basic Policy Regarding Control of the Company," "Notes to Consolidated Financial Statements," and "Notes to Non-consolidated Financial Statements" are not stated in the document delivered to the shareholders, in accordance with the provisions of the laws and regulations, and provisions of Article 15 of the Articles of Incorporation of the Company.
- If revisions to the items subject to measures for electronic provision arise, the details of the revisions will be posted on the Company's website and the TSE website above.

• **Dividend Payment**

The Company resolved, at the meeting of the Board of Directors held on May 24, 2023, that the Company's year-end dividend payment will be 77.50 Japanese Yen per share commencing payment on June 8, 2023, based on Article 459, Paragraph 1 of the Companies Act and Article 39 of the Company's Articles of Incorporation. Consequently, annual dividend payment for the 109th fiscal year will be 115 Japanese Yen per share including 37.50 Japanese Yen of interim dividend.

- Gifts will not be provided to shareholders attending the Shareholders' Meeting. We greatly appreciate your understanding.

Guidance for the Exercise of Voting Rights

Exercise of voting rights at the Shareholders' Meeting is shareholders' important right.

Please review the following reference documents for the Shareholders' Meeting and exercise your voting rights.

There are three methods to exercise your voting rights as indicated below.

Exercise of voting rights by attending the Shareholders' Meeting

Please submit the enclosed Voting Form at the reception desk.

Date and time: Thursday, June 29, 2023, 10:00 a.m. (JST) (Reception starts at 9:00 a.m.)

Exercise of voting rights in writing (by postal mail)

Cast your vote on the Proposal using the enclosed Voting Form and return it by post.

Exercise due date: To be received no later than 5:30 p.m. on Wednesday, June 28, 2023 (JST)

Exercise of voting rights via the Internet

Indicate your approval or disapproval in accordance with the instructions on the next page.

Exercise due date: No later than 5:30 p.m. on Wednesday, June 28, 2023 (JST)

Guidance for the Exercise of Voting Rights via the Internet

Method 1: Scanning the QR Code “Smart Vote”

You can simply log in to the website for exercising voting rights without entering your Voting Rights Code and Password.

- 1 Please scan the QR Code located on the bottom right of the Voting Form.
* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
- 2 Indicate your approval or disapproval in accordance with the instructions to be shown on the screen.

Please note that exercising voting rights by using “Smart Vote” method is available only once.

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and log in by entering your Voting Rights Code and Password as listed on the Voting Form, and exercise your voting rights again.

* You can access the website for personal computer by scanning the QR Code again.

Method 2: Entering the Voting Rights Code and Password

Website for exercising your voting rights: <https://www.web54.net> (in Japanese)

- 1 Please access the website for exercising your voting rights.
- 2 Enter your Voting Rights Code as listed on the Voting Form.
- 3 Enter the Password printed on the Voting Form.
- 4 Indicate your approval or disapproval in accordance with the instructions to be shown on the screen.

In case you need instructions for how to operate your personal computer, smartphone or mobile phone in order to exercise your voting rights via the Internet, please contact:

**Dedicated phone line for Stock Transfer Agency Web Support,
Sumitomo Mitsui Trust Bank, Limited**

Tel: 0120-652-031 (toll-free within Japan only)
(Business hours: 9:00 a.m.–9:00 p.m.)

* Institutional investors may use the platform operated for institutional investors by ICJ, Inc. to electronically exercise the voting rights.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Election of Nine Directors

The term of office of all the current nine Directors will expire upon the conclusion of the Shareholders' Meeting. Therefore, the Company proposes the election of nine Directors (including three Outside Directors).

The candidates for Directors are as follows:

No.	Name	Current Position/Responsibilities at the Company and Significant Positions Concurrently Held Outside the Company	
1	Tadashi Shimizu	Representative Director, President & CEO	<u>Reelection</u>
2	Kazuhiko Maeda	Representative Director, Senior Executive Vice President [Supervisor for Chemicals Business, in charge of Corporate Administration Department, Legal Department, Chemicals Business Development Department, Anti-Monopoly Law Observance Committee, Security Trade Control Committee, Compliance Promotion Committee and Sustainability Committee]	<u>Reelection</u>
3	Minoru Irisawa	Director, Executive Managing Officer [Supervisor for Glass Business, in charge of Glass Business Management Department (General Manager of Glass Business Management Department) and Glass Fiber Department] [Significant positions concurrently held outside the Company] Representative Director and President of Central Glass Products Co., Ltd.	<u>Reelection</u>
4	Nobuyuki Tokunaga	Executive Managing Officer [In charge of Audit Department, Chemicals Quality Assurance Department, Quality Assurance Division and Group Quality Compliance Committee]	<u>New election</u>
5	Akihiro Ishii	Executive Managing Officer [In charge of Chemical Technical Planning & Management Department, Intellectual Property Department, Fundamental Chemical Research Center, Applied Chemical Research Center, New-STEP Research Center and Chemicals Production Engineering Center]	<u>New election</u>
6	Yoshinori Akamatsu	Executive Managing Officer [In charge of Applied Chemicals Sales Department, Medi-Chemicals Sales Department and Agri-Bio Business Promotion Department]	<u>New election</u>
7	Tetsuo Nishide	Outside Director	<u>Reelection</u> <u>Outside</u> <u>Independent</u>
8	Kimi Koinuma	Outside Director [Significant positions concurrently held outside the Company] Attorney-at-Law, Partner of Asahi Law Offices	<u>Reelection</u> <u>Outside</u> <u>Independent</u>
9	Masaya Kawata	Outside Director [Significant positions concurrently held outside the Company] Outside Director of Meiji Holdings Co., Ltd.	<u>Reelection</u> <u>Outside</u> <u>Independent</u>

Reelection: Candidate for Director to be reelected

New election: Candidate for Director to be newly elected

Outside: Candidate for Outside Director

Independent: Independent Officer notified to the securities exchange

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
1	Tadashi Shimizu (April 1, 1955)	<p>Apr. 1978 Joined the Company</p> <p>Oct. 2005 General Manager of International Business Department</p> <p>Oct. 2010 General Manager of Personnel Department</p> <p>Jun. 2011 Executive Officer, General Manager of Personnel Department</p> <p>Jun. 2012 Director, Executive Managing Officer, General Manager of Personnel Department</p> <p>Jun. 2013 Director, Executive Managing Officer</p> <p>Jun. 2015 Representative Director, Senior Executive Managing Officer, General Manager of International Business Department</p> <p>Jun. 2016 Representative Director, Senior Executive Managing Officer</p> <p>Jun. 2017 Representative Director, President & CEO (present)</p> <hr/> <p>Reason for nomination as a candidate for Director</p> <p>Mr. Shimizu has been serving as Representative Director, President & CEO since 2017. He possesses a wide range of experience as a corporate manager as well as a broad range of insight in the overall business of the Central Glass Group. The Company nominated him again as a candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group and the supervision of the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	28,200

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
2	Kazuhiko Maeda (November 25, 1959)	<p>Apr. 1984 Joined the Company</p> <p>Jun. 2006 General Manager of Chemicals Business Development Department</p> <p>Oct. 2009 General Manager of Chemicals Business Development Department (Organization name in Japanese changed with English unchanged)</p> <p>Oct. 2012 General Manager of Energy Materials Sales Department</p> <p>Jun. 2014 Executive Officer, General Manager of Energy Materials Sales Department</p> <p>Jun. 2015 Director, Executive Managing Officer</p> <p>Jun. 2021 Representative Director, Senior Executive Managing Officer</p> <p>Jun. 2022 Representative Director, Senior Executive Vice President (present)</p> <p>[Supervisor for Chemicals Business, in charge of Corporate Administration Department, Legal Department, Chemicals Business Development Department, Anti-Monopoly Law Observance Committee, Security Trade Control Committee, Compliance Promotion Committee and Sustainability Committee]</p> <p>Reason for nomination as a candidate for Director</p> <p>Mr. Maeda has a wide range of insight into areas such as the Chemicals Business, as well as a wide range of experience mainly in fine chemicals division research and development of the Chemicals Business. In addition, he has been serving as Representative Director since 2021, and has a wide range of experience as a corporate manager. The Company nominated him again as a candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group and the supervision of the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	5,500

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
3	Minoru Irisawa (June 20, 1960)	<p>Apr. 1983 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p>Jun. 2012 Joined the Company</p> <p>Jun. 2013 General Manager of Glass Fiber Department</p> <p>Jun. 2015 Executive Officer, General Manager of Glass Fiber Department</p> <p>Jun. 2016 Executive Officer, General Manager of International Business Department</p> <p>Jun. 2018 Executive Managing Officer</p> <p>Jun. 2020 Director, Executive Managing Officer</p> <p>Apr. 2023 Director, Executive Managing Officer, General Manager of Glass Business Management Department (present)</p> <p>[Supervisor for Glass Business, in charge of Glass Business Management Department (General Manager of Glass Business Management Department) and Glass Fiber Department]</p> <p>[Significant Positions Concurrently Held Outside the Company] Representative Director and President of Central Glass Products Co., Ltd.</p> <p>Reason for nomination as a candidate for Director</p> <p>Mr. Irisawa has a wide range of insight mainly in the Glass Business and administrative divisions in addition to his abundant experience gained through many years at a financial institution. In addition, he has been serving as Director, Executive Managing Officer since 2020, and has earned sufficient experience as a corporate manager. The Company nominated him again as a candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group and the supervision of the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	4,000

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
<p style="text-align: center;">4 New election</p>	<p>Nobuyuki Tokunaga (April 13, 1961)</p>	<p>Apr. 1986 Joined the Company Jun. 2012 General Manager of Kawasaki Plant Jun. 2014 Executive Officer, General Manager of Ube Plant Jun. 2018 Executive Officer, General Manager of Chemicals Business Development Department Feb. 2020 Executive Officer, General Manager of Quality Assurance Division Jun. 2021 Executive Managing Officer, General Manager of Quality Assurance Division Jun. 2022 Executive Managing Officer (present) [In charge of Audit Department, Chemicals Quality Assurance Department, Quality Assurance Division and Group Quality Compliance Committee]</p> <hr/> <p>Reason for nomination as a candidate for Director Mr. Tokunaga has a wide range of insight into areas such as the Chemicals Business, based on an extensive experience mainly in research and development of the Chemicals Business. In addition, he has been serving as Executive Managing Officer since 2021. The Company nominated him as a new candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group supervising the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	<p style="text-align: center;">5,000</p>

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
5 New election	Akihiro Ishii (March 23, 1962)	<p>Apr. 1986 Joined the Company</p> <p>Sep. 2016 General Manager of Chemical Research Center</p> <p>Jun. 2019 Executive Officer, General Manager of Chemical Research Center</p> <p>Jun. 2021 Executive Managing Officer, General Manager of Chemical Research Center</p> <p>Jul. 2022 Executive Managing Officer (present) [In charge of Chemical Technical Planning & Management Department, Intellectual Property Department, Fundamental Chemical Research Center, Applied Chemical Research Center, New-STEP Research Center and Chemicals Production Engineering Center]</p> <p>Reason for nomination as a candidate for Director</p> <p>Mr. Ishii has a wide range of insight into as well as experience in research divisions. In addition, he has been serving as Executive Managing Officer since 2021. The Company nominated him as a new candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group supervising the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	2,700

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
<p style="text-align: center;">6 New election</p>	<p style="text-align: center;">Yoshinori Akamatsu (January 15, 1964)</p>	<p>Apr. 1989 Joined the Company Apr. 2021 General Manager of Chemicals Sales Department Apr. 2022 Executive Officer, General Manager of Chemicals Sales Department Jun. 2022 Executive Managing Officer, General Manager of Chemicals Sales Department Oct. 2022 Executive Managing Officer (present) [In charge of Applied Chemicals Sales Department, Medi-Chemicals Sales Department and Agri-Bio Business Promotion Department]</p> <p>Reason for nomination as a candidate for Director Mr. Akamatsu has a wide range of insight into areas such as the Chemicals Business, based on an experience in research area and extensive experience mainly in development and sales of the Chemicals Business. In addition, he has been serving as Managing Executive Officer since 2022. The Company nominated him as a new candidate for Director because it believes that he will leverage his experience to play a full part in decision-making on important matters concerning the Group supervising the Group's business execution, and the Company expects that he will contribute to the Group's further growth.</p>	<p style="text-align: center;">1,800</p>

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
7	Tetsuo Nishide (February 22, 1950)	<p>Apr. 1975 Joined Ministry of International Trade and Industry (MITI)</p> <p>Apr. 1999 Professor, Graduate School of Nara Institute of Science and Technology (concurrent)</p> <p>Jul. 2002 Director General, Chugoku Bureau of Economy, Ministry of Economy, Trade and Industry</p> <p>Jun. 2004 Executive Director of Vinyl Environmental Council</p> <p>Apr. 2007 Specially Appointed Professor, Graduate School of Business Design at Rikkyo University</p> <p>Jul. 2007 Director General of (incorporated association) Japan Chemical Industry Association</p> <p>Apr. 2011 Director General of (general incorporated association) Japan Chemical Industry Association</p> <p>Jun. 2016 Chairman of (general incorporated foundation) Japan Chemical Innovation and Inspection Institute</p> <p>Jun. 2017 Director of the Company (present)</p> <hr/> <p>Reason for nomination as a candidate for Outside Director and outline of expected role</p> <p>Mr. Nishide has not had direct management experience; however, he has a wide range of experience and insight cultivated through his long service as an administrative officer, university professor and person involved in industry groups. The Company nominated him again as a candidate for Outside Director because it believes that he can be expected to provide suitable advice and supervision from an independent standpoint with regard to the Company's business environment and management in general. If Mr. Nishide is elected, he will be involved in selecting candidates for Directors and Corporate Auditors as well as determining remunerations of Directors and Corporate Auditors from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.</p>	0

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
8	<p>Kimi Koinuma (April 19, 1965)</p> <p>(The officially registered name: Kimi Hasegawa)</p>	<p>Apr. 1991 Registered as an attorney (Daini Tokyo Bar Association)</p> <p>Apr. 1991 Joined Masuda and Ejiri Law Office (currently Asahi Law Offices) (present)</p> <p>Jul. 2007 Partner of Asahi Law Offices (present)</p> <p>Jan. 2016 Supervisory Director of MORI TRUST Hotel Reit Inc.</p> <p>Jun. 2018 Director of the Company (present)</p> <p>[Significant Positions Concurrently Held Outside the Company] Attorney-at-Law, Partner of Asahi Law Offices</p> <hr/> <p>Reason for nomination as a candidate for Outside Director and outline of expected role</p> <p>Ms. Koinuma has not had direct management experience; however, she has a wide range of experience and insight as an attorney-at-law who has worked for many years in corporate legal affairs. The Company nominated her again as a candidate for Outside Director because it believes that she will utilize her knowledge to supervise and advise Directors on matters of business execution of Directors based on her expert perspective. If Ms. Koinuma is elected, she will be involved in selecting candidates for Directors and Corporate Auditors as well as determining remunerations of Directors and Corporate Auditors from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.</p>	0

No.	Name (Date of Birth)	Career Summary and Position/Responsibilities at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
9	Masaya Kawata (April 20, 1952)	<p>Apr. 1975 Joined Nisshinbo Industries, Inc. (currently Nisshinbo Holdings Inc.)</p> <p>Jun. 2006 Managing Officer, General Manager of Human Resources Division of Nisshinbo Industries, Inc.</p> <p>Apr. 2007 Deputy General Manager of Accounting and Finance Division of Nisshinbo Industries, Inc. (concurrent)</p> <p>Jun. 2007 Director of Nisshinbo Industries, Inc.</p> <p>Apr. 2008 Deputy Chief of Business Support Center of Nisshinbo Industries, Inc.</p> <p>Apr. 2009 Representative Director, President of Nisshinbo Brake Inc.</p> <p>Jun. 2010 Director, Executive Managing Officer of Nisshinbo Holdings Inc.</p> <p>Jun. 2011 Deputy Chief of Corporate Strategy Center and General Manager of Business Development Division of Nisshinbo Holdings Inc. (concurrent) President and Representative Director of Nisshinbo Chemical Inc.</p> <p>Jun. 2012 Director, Senior Executive Managing Officer of Nisshinbo Holdings Inc. President, Representative Director of Nisshinbo Mechatronics Inc.</p> <p>Jun. 2013 Director, President of Nisshinbo Holdings Inc.</p> <p>Mar. 2019 Chairman and Representative Director of Nisshinbo Holdings Inc.</p> <p>Jun. 2021 Director of the Company (present)</p> <p>Mar. 2022 Chairman and Director of Nisshinbo Holdings Inc.</p> <p>[Significant Positions Concurrently Held Outside the Company] Outside Director of Meiji Holdings Co., Ltd.</p> <hr/> <p>Reason for nomination as a candidate for Outside Director and outline of expected role</p> <p>Mr. Kawata has a wide range of experience and insight cultivated in company management for many years, and the Company nominated him again as a candidate for Outside Director because it believes that he will use his expert knowledge concerning overall management as well as his own experience as a manager to advise and supervise Directors on matters of business execution. If Mr. Kawata is elected, he will be involved in selecting candidates for Directors and Corporate Auditors as well as determining remunerations of Directors and Corporate Auditors from an objective and neutral standpoint as a member of the Nomination and Remuneration Committee.</p>	0

- Notes: 1. There are no special interests between each candidate above and the Company. The Company has designated Mr. Tetsuo Nishide, Ms. Kimi Koinuma and Mr. Masaya Kawata as Independent Officers under the regulations of the Tokyo Stock Exchange and notified the Exchange of their assignment.
2. Mr. Tetsuo Nishide, Ms. Kimi Koinuma, and Mr. Masaya Kawata are candidates for Outside Directors.
3. Independent status and reasons for appointment of Outside Directors:
The Company's Outside Directors possess an independent status that ensures no conflicts of interest with general shareholders, and they are assigned the function and the role of ensuring fair decision-making as well as eliminating arbitrary decisions by the Board of Directors.
Mr. Tetsuo Nishide, Ms. Kimi Koinuma, and Mr. Masaya Kawata are nominated to be Outside Directors because they fulfill the abovementioned requirements.

The Company appoints its Outside Directors based on their independence from the Company as defined by the criteria below:

- i) Are not a person, executive or employee who regards the Company as a major business partner
- ii) Are not a major business partner of the Company nor its executive or employee
- iii) Are not a consultant, accounting professional or legal expert who receives large amounts of money or other economic benefits in addition to the Corporate Officer remunerations paid by the Company
- iv) Are not a major shareholder of the Company nor its executive or employee
- v) Are not an executive or employee of the Company or its subsidiaries

4. Number of years since assuming office

Upon the conclusion of the Shareholders' Meeting, Mr. Tetsuo Nishide will have served for six years, Ms. Kimi Koinuma will have served for five years, and Mr. Masaya Kawata will have served for two years.

5. Outline of Limited Liability Agreements

Mr. Tetsuo Nishide, Ms. Kimi Koinuma and Mr. Masaya Kawata concurrently serve as Outside Directors of the company. The Company has entered into an agreement with them to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act in accordance with Article 427, Paragraph 1 of the Companies Act. The maximum liability amount prescribed in the said agreement shall be the minimum liability amount prescribed in Article 425, Paragraph 1 of the Companies Act. In the event that they are reelected and assume the office as Outside Directors, the Company plans to continue the said limited liability agreement with them.

6. Summary of details of directors and officers liability insurance agreement

The Company has entered into a directors and officers liability insurance agreement with an insurance company as provided based on Article 430-3, Paragraph 1 of the Companies Act. This agreement covers losses incurred from amounts of indemnification, and litigation expenses, and other costs that the insured would be liable for in the event of a claim for damages filed by shareholders or a third party. In the event that each candidate is elected and assumes office as a Director, they will become an insured person under this insurance agreement. In addition, when the policy is renewed, the Company plans to renew the insurance agreement with similar terms.

Proposal No. 2: Election of Two Corporate Auditors

Out of the current Corporate Auditors, upon the conclusion of this Shareholders’ Meeting, the terms of office of Mr. Masaaki Hori and Mr. Hiroyuki Kawai will expire. Therefore, we propose the election of two Corporate Auditors.

The Board of Corporate Auditors has given its prior consent to this proposal.

The candidates for Corporate Auditor are as follows:

No.	Name	Current Position at the Company and Significant Positions Concurrently Held Outside the Company
1	Toshifumi Mikayama	[Significant positions concurrently held outside the Company] Chairman of Kato Memorial Bioscience Foundation (planned) New election Outside Independent
2	Masako Goto	[Significant positions concurrently held outside the Company] Representative of Masako Goto Certified Public Accountant Office (planned) New election Outside Independent

New election: Candidate for Director to be newly elected

Outside: Candidate for Outside Director

Independent: Independent Officer notified to the securities exchange

No.	Name (Date of Birth)	Career Summary and Position at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
<p style="text-align: center;">1 New election</p>	<p style="text-align: center;">Toshifumi Mikayama (July 18, 1957)</p>	<p>Apr. 1983 Joined Kirin Brewery Company, Limited (currently Kirin Holdings, Inc.)</p> <p>Sep. 2002 Director of Pharmaceutical Research Laboratory, Pharmaceutical Division of Kirin Brewery Company, Limited</p> <p>Mar. 2004 General Manager of Planning Division, Pharmaceutical Division of Kirin Brewery Company, Limited</p> <p>Jul. 2007 Director, Executive Officer, Head of Research Division of Kirin Pharma Company, Limited</p> <p>Oct. 2008 Executive Officer, Head of Research Division of Kyowa Hakko Kirin Co., Ltd. (currently Kyowa Kirin Co., Ltd.)</p> <p>Apr. 2010 Executive Officer, Director of Corporate Strategy & Planning Department of Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2012 Managing Executive Officer, Director of Overseas Business Department of Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2014 Director of the Board, Managing Executive Officer, Director of Overseas Business Department of Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2018 Director of the Board, Senior Managing Executive Officer Supervising Overseas Business of Kyowa Hakko Kirin Co., Ltd.</p> <p>Mar. 2021 Director of the Board, Executive Vice President Supervising Overseas Business of Kyowa Kirin Co., Ltd.</p> <p>Jun. 2023 Chairman of Kato Memorial Bioscience Foundation (planned)</p> <p>[Significant Positions Concurrently Held Outside the Company] Chairman of Kato Memorial Bioscience Foundation (planned)</p> <p>Reason for nomination as a candidate for Outside Corporate Auditor</p> <p>Mr. Mikayama has a wide range of experience and insight from his involvement in the business and management at business corporations for many years. We nominated him as a candidate for Outside Corporate Auditor because we believe that he will leverage his experience and insight to conduct appropriate audits of the Directors' execution of duties from an objective and independent perspective.</p>	<p style="text-align: center;">0</p>

No.	Name (Date of Birth)	Career Summary and Position at the Company [Significant Positions Concurrently Held Outside the Company]	Number of the Company's Shares Held
2 New election	Masako Goto (February 21, 1978) (The officially registered name: Masako Takahashi)	<p>Oct. 2000 Joined Century Ota Showa & Co. (currently Ernst & Young ShinNihon LLC)</p> <p>Apr. 2004 Registered as CPA</p> <p>Oct. 2007 Manager, ShinNihon & Co. (currently Ernest & Young ShinNihon LLC)</p> <p>Aug. 2017 Vice Chair of Public Relations Committee of the Japanese Institute of Certified Public Accountants</p> <p>Oct. 2017 Senior Manager, Ernst & Young ShinNihon LLC (currently Ernest & Young ShinNihon LLC)</p> <p>Jun. 2023 Representative of Masako Goto Certified Public Accountant Office (planned)</p> <p>[Significant Positions Concurrently Held Outside the Company]</p> <p>Representative of Masako Goto Certified Public Accountant Office (planned)</p> <p>Reason for nomination as a candidate for Outside Corporate Auditor</p> <p>Ms. Goto has a wide range of experience and insight from her involvement in corporate audit in audit firm for many years. We nominated her as a candidate for Outside Corporate Auditor because we believe that she will leverage her experience and insight to conduct appropriate audits of the Directors' execution of duties from an objective and independent perspective.</p>	0

Notes: 1. There are no special interests between each candidate above and the Company. If the election of Mr. Toshifumi Mikayama and Ms. Masako Goto is approved, the Company will designate them as Independent Officers under the regulations of the Tokyo Stock Exchange and notified the Exchange of their assignment.

2. Mr. Toshifumi Mikayama and Ms. Masako Goto are candidates for outside corporate auditor.

3. Independence and reasons for appointment of Outside Corporate Auditors

The Company's Outside Corporate Auditors possess an independent status that ensures no conflicts of interest with general shareholders, and they are assigned the role of ensuring fair decision-making as well as eliminating arbitrary decisions by the Board of Directors. Mr. Toshifumi Mikayama and Ms. Masako Goto are nominated to be Outside Corporate Auditors because they fulfill the above mentioned requirements.

The Company appoints its Outside Corporate Auditors based on their independence from the Company as defined by the criteria below:

- (i) Are not a person, executive or employee who regards the Company as a major business partner
- (ii) Are not a major business partner of the Company nor its executive or employee
- (iii) Are not a consultant, accounting professional or legal expert who receives large amounts of money or other economic benefits in addition to the Corporate Officer remunerations paid by the Company
- (iv) Are not a major shareholder of the Company nor its executive or employee
- (v) Are not an executive or employee of the Company or its subsidiaries
- (vi) Are not a non-executive director of the Company or its subsidiaries

Neither Mr. Toshifumi Mikayama nor Ms. Masako Goto, nor any of their close relatives, currently or in the past, violate or have violated the above criteria i) to vi) regarding independence. Furthermore, they have not come from an entity that employs someone from the Company as an Outside Director. They are not a business partner of the Company and has never worked at such an entity. They are not a person to whom the Company is making any contributions nor has ever worked at such an entity. The Company will designate them as Independent Officers under the regulations of the Tokyo Stock Exchange and notify the Exchange of their assignment.

4. Outline of Limited Liability Agreements

In the event that the election of Mr. Toshifumi Mikayama and Ms. Masako Goto is approved, the Company plans to enter into a limited liability agreement with them in which the maximum amount of their liability shall be equal to the minimum liability amount provided for in Article 425, paragraph 1 of the Companies Act.

5. Summary of details of directors and officers liability insurance agreement

The Company has entered into a directors and officers liability insurance agreement with an insurance company as provided based on Article 430-3, paragraph (1) of the Companies Act. This agreement covers losses incurred from amounts of indemnification, and litigation expenses, and other costs that the insured would be liable for in the event of a claim for damages filed by shareholders or a third party. In the event that each candidate is elected and assumes office as a Corporate Auditor, they will become an insured person under this insurance agreement. In addition, when the policy is renewed, the Company plans to renew the insurance agreement with similar terms.

[Reference] Skills Matrix

In the event that Proposal No. 1 and Proposal No. 2 are approved and passed as proposed, the combination of skills possessed by each Director and Corporate Auditor will be as follows:

Rank classification	Name	Knowledge/Experience/Skills						
		Management	Financial affairs Accounting	Legal Compliance	International	Sustainability	Sales Marketing	Technology R&D
Director	Tadashi Shimizu	•	•	•	•			
	Kazuhiko Maeda	•		•	•	•	•	•
	Minoru Irisawa	•			•		•	
	Nobuyuki Tokunaga	•		•			•	•
	Akihiro Ishii	•				•		•
	Yoshinori Akamatsu	•			•		•	•
	Tetsuo Nishide	•			•	•		•
	Kimi Koinuma			•				
	Masaya Kawata	•	•		•			
	Corporate Auditor	Takao Tomioka					•	
Masanori Murata			•	•				
Toshihide Nishimura		•	•					
Toshifumi Mikayama		•			•			•
Masako Goto			•					

Proposal No. 3: Amount of Performance-based Stock Compensation to Directors and Determination of Details

1. Reasons for the proposal and appropriateness of the remuneration plan

The remuneration of the Company's directors consists of "fixed remuneration" and "performance-based remuneration." With this proposal, we would like to request approval for the introduction of a performance-linked stock compensation plan ("Plan") using a trust for the directors of the Company (excluding outside directors as described below). For details, we would like you to leave it to the discretion of the Board of Directors, within the scope of 2. below.

The objective of the Plan is to clarify the linkage between director remuneration and the company's business performance and stock value, and to heighten awareness of the need to contribute to the improvement of medium-to-long term performance and the increase of corporate value by having directors sharing the benefits and risks by fluctuations in the stock price with our shareholders, and we believe that this remuneration plan is appropriate.

The remuneration under the Plan is in a different framework from the upper limit of director remuneration (up to 36 million Japanese Yen per month, not including salaries as employees) approved at the 92nd Ordinary General Meeting of Shareholders held on June 29, 2006, to a director in office during the five fiscal years from the fiscal year ending March 31, 2024 to the fiscal year ending March 31, 2028 ("applicable period") (excluding outside directors; the same shall apply hereinafter) (however, as described in 2.(2) below, the applicable period may be extended).

An overview of the details of the decision policy regarding the details of remuneration, etc. for individual directors at the Company is as described in Present Status of the Company 2. Officers of the Company (4) in the Business Report, and subject to the approval of this proposal, the details of which was resolved at the Board of Directors meeting held on May 11, 2023 to be changed as described in "Reference" at the end of this proposal, and as this proposal is necessary and reasonable to enable the payment of remuneration, etc. based on such changed policy, we have determined that the details of this proposal appropriate.

If Proposal No. 1, "Election of Nine Directors," is approved and passed as proposed, six directors will be eligible for the Plan.

Notes: If this proposal is approved and passed as proposed, we plan to introduce a same stock-based compensation plan for executive officers who have concluded a mandate agreement with the Company.

This proposal was resolved by the Board of Directors based on the report of the Nomination and Remuneration Committee, which is an advisory body to the Board of Directors.

2. Amounts of remuneration and details under the Plan

(1) Details of the Plan

The Plan is a stock compensation plan in which a trust ("Trust") established by the Company by monetary contribution acquires shares of the Company and a number of shares of the Company equivalent to the number of points the Company grants to each director are delivered to each director through the Trust.

In principle, directors will receive the Company's shares when they retire.

(i) Persons eligible for the Plan	Directors of the Company (excluding outside directors)
(ii) Applicable period	From the fiscal year ending March 31, 2024 to the fiscal year ending March 31, 2028
(iii) The upper limit of the amount of money that the Company contributes as funds for acquiring the Company's shares necessary for delivery to the eligible persons in (1) during the applicable period under (2)	Total amount 200 million Japanese Yen
(iv) How to acquire stock of the Company	Method of disposal of treasury shares or method of acquisition on the stock market (including after-hours trading)
(v) Upper limit of total number of points granted to the eligible persons in (1)	23,000 points per fiscal year
(vi) Point grant criteria	Points based on the position and achievement level of performance goals, etc. are granted
(vii) Period of delivery of shares of the Company to the eligible persons in (1)	Upon retiring, in principle

(2) Maximum amount of money contributed by the Company

The initial trust period of the Trust shall be approximately five years, and the Company shall, during the applicable period, contribute a maximum of 200 million Japanese Yen in total as the funds necessary to acquire the Company's shares to be delivered to the directors who are in office during the applicable period as remuneration under the Plan, and establish the Trust with the directors who acquire the beneficiary interests as described in (3)(iii) as beneficiaries. The Trust will use the money entrusted by the Company as the source of funds to acquire the Company's shares by disposal of the Company's treasury shares or by acquisition on the stock market (including after-hours trading).

(Note) In addition to the above funds for acquiring the Company's shares, necessary expenses such as trust fees and trust administrator fees will also be entrusted. In addition, if a stock compensation system similar to the Plan is introduced for the Company's executive officers as described above, the funds necessary to acquire the Company's shares to be delivered to the executive officers under said plan will also be entrusted.

By decision of the Company's Board of Directors based on a report of the Nomination and Remuneration Committee, the Company may extend the applicable period for a period of no more than five fiscal years in each instance, and accordingly extend the trust period of the Trust (this includes substantially extending the trust period by transferring the trust property of the Trust to a trust with the same purpose as the Trust established by the Company; the same shall apply hereinafter), and thus continue the Plan. In such an instance, during the applicable period for the extended part, the Company will contribute additional funds of 40 million Japanese Yen multiplied by the number of fiscal years of the extended portion of the applicable period to the Trust as funds for additional acquisition of the Company's shares necessary to deliver them to the directors under the Plan, and will continue to grant points and issue shares of the Company as described in (3) below (the same shall apply thereafter).

In addition, even if the Plan is not continued, not extending the applicable period as described above, if there are directors who have already been granted points but have not retired yet at the end of the trust period, the trust period of the Trust may be extended until the relevant director retires and the delivery of the Company's shares is completed.

(3) Calculation method and maximum number of Company shares to be granted to directors

(i) Method of grant of points to directors, etc.

Based on the stock delivery regulations stipulated by the Board of Directors of the Company, the Company will award points to each director on the date stipulated in the stock delivery regulations during the trust period. The number of points in the number set based on the position, etc. multiplied by the performance-linked coefficient that fluctuates according to the actual value of performance-linked indicators will be awarded. The range of performance-linked indicators and performance-linked coefficients will be determined by the Board of Directors of the Company based on the recommendations of the Nomination and Remuneration Committee, and the performance-linked indicator in the initial

applicable period is planned to be consolidated ordinary profit, etc., and the performance-linked coefficient is planned to be within the range of 0% to 150%.

However, the total number of points that the Company will grant to Directors shall be up to a maximum of 23,000 points per fiscal year.

(ii) Delivery of Company shares according to the number of points granted

Directors will receive shares of the Company according to the procedure described in (3) below, according to the number of points granted in (1) above. However, if a director resigns for personal reasons, all or part of the points granted so far will be extinguished, and the Company's shares corresponding to the extinguished points will not be delivered.

One point is equivalent to one share of the Company's stock. However, in the event of a stock split, stock consolidation, or other event where it is considered reasonable to adjust the number of Company shares to be delivered, the number of Company shares shall be adjusted according to the stock split ratio, or stock consolidation ratio, etc.

(iii) Delivery of Company Shares to Directors

As a general rule, each director shall acquire beneficiary rights of the Trust by completing the prescribed procedures at the time of their retirement, and as a beneficiary of the Trust, each director shall receive the Company's shares described in (2) above from the Trust.

However, a certain percentage of the Company's shares may be sold and converted into money in the Trust for the purpose of withholding tax funds such as withholding income tax, etc., and may be delivered in cash instead of the Company's shares. In addition, in the event that the Company's shares in the Trust are accepted for tender offer and settled, the Company may deliver money in lieu of the Company's shares.

(4) Exercise of voting rights

Voting rights pertaining to the Company's shares in the Trust shall not be exercised based on the instructions of the trust administrator, who is independent from the Company and the Company's officers. By adopting this method, we intend to ensure neutrality with regard to the management of the Company regarding the exercise of voting rights related to the Company's shares in the Trust.

(5) Handling of dividends

Dividends related to the Company's shares in the Trust will be received by the Trust and will be used for the purchase price of the Company's shares and the trust fees for the trustee relating to the Trust.

[Reference] Policy for Determining Individual Remuneration for Directors

At the meeting of the Board of Directors held on May 11, 2023, subject to approval and passing of Proposal No. 3 that is submitted to the 109th Ordinary General Meeting of Shareholders, the Company resolved to change the details the policy for determining individual remuneration for Directors. The details of the policy for determining individual remuneration for Directors after revision are as follows:

Policy for Determining Individual Remuneration for Directors

Basic policy

Remuneration for Directors of the Company shall be designed to motivate management to steadily execute management plans and business strategies and to achieve sustainable development and increase corporate value over the medium to long term. The Board of Directors makes decisions based on reports from the Nomination and Remuneration Committee, taking into consideration the responsibilities of each position and the degree of impact on management, for policies on determining remuneration, etc. Specifically, remuneration for Directors (excluding Outside Directors) consists of fixed remuneration (monetary), performance-linked remuneration (monetary), and performance-linked stock remuneration, and remuneration for Outside Directors consists only of fixed remuneration from the perspective of ensuring appropriateness of supervision of business execution.

Remuneration for Corporate Auditors consists of fixed remuneration only, and is determined through discussions among the Corporate Auditors.

(1) Policy on determining fixed remuneration

Fixed remuneration (excluding fixed remuneration for Corporate Auditors) is deliberated upon and determined by the Nomination and Remuneration Committee based on the positions and on evaluations proposed by the President and CEO, based on data from surveys, etc. by a specialist external agency.

(2) Policy on determining performance-linked remuneration

Performance-linked remuneration is determined by multiplying the base amount by an achievement coefficient. The base amounts used here are determined after deliberations by the Nomination and

Remuneration Committee based on the positions and on evaluations proposed by the President and CEO. In addition, the achievement coefficient is calculated based on the degree of achievement in the fiscal year concerned (previous fiscal year) of the target values for consolidated ordinary profit and total return to shareholders (total amount of dividends and total amount of share buybacks).

(3) Policy on determining performance-linked stock remuneration

Performance-linked stock remuneration is awarded in the form of points (1 point is equivalent to 1 share) each fiscal year according to the degree of achievement of target indicators based on the stock delivery regulations. Shares and money are awarded based on points accumulated upon resignation in principle. The points to be awarded are determined based on the degree of achievement of the target value for consolidated ordinary income, which serves as an index, in the relevant fiscal year, with respect to the basic points for each position.

(4) Policy on determining the ratios for various types of remuneration

The Nomination and Remuneration Committee will consider the ratio of remuneration for each type of Director (excluding Outside Directors) based on from surveys, etc. by a specialist external agency. In addition, the standard ratio of fixed remuneration to performance-linked remuneration to performance-linked stock remuneration shall be set to 65:28:7 (assuming 100% achievement of performance targets).

(5) Policy for determination of timing and conditions for payment of remuneration, etc.

Both fixed remuneration and performance-linked remuneration shall be monetary remuneration paid in equal amounts on a regular basis. In addition, performance-linked stock remuneration is awarded in the form of stock and money based on points possessed upon retiring in principle.

[Reference]

• Policy Regarding Decisions on Remunerations for Directors and Corporate Auditors

At the meeting of the Board of Directors held on February 22, 2021, the Company resolved the policy for determining individual remuneration for Directors and Corporate Auditors. Before the Board of Directors resolved this policy, it referred the details to be resolved to the Nomination and Remuneration Committee and received the committee's response.

In determining individual monetary remunerations for Directors, the Nomination and Remuneration Committee provides reports based on a diverse review of the original proposals, including their consistency with the policy for determining individual remuneration. The Representative Director, who has been delegated by the Board of Directors, in principle determines the details of remuneration respecting the Committee's report. The Board of Directors therefore judges that the details of individual remuneration are in accordance with the policy for determining individual remuneration.

The details of the policy for determining individual remuneration for Directors and Corporate Auditors are as follows:

- (i) Policy for determining amount of individual remuneration, (fixed remuneration) or method of calculation

Fixed remuneration shall be determined based on comprehensive consideration that uses data from surveys conducted by a specialist external agency according to position, responsibility, role, and evaluation, taking into account the remuneration level of companies similar in business scale and industry, and the level of employee salaries as well as the response of the Nomination and Remuneration Committee.

Performance-linked remuneration is not appropriate for Outside Directors and Corporate Auditors who are independent of business execution. Therefore, they shall only receive fixed remuneration.

- (ii) Performance indicators, policy for determining amount of performance-linked remuneration or method of calculation

While considering the response of the Nomination and Remuneration Committee, performance-linked remuneration shall be determined by multiplying the base amount of variable remuneration for position, responsibility, role, and evaluation by a coefficient that is set according to the degree of performance achievement for the fiscal year (the previous fiscal year) based on consolidated ordinary profit and dividends per share as standard indicators.

The Company shall review as appropriate according to changes in the environment and considering the response of the committee.

- (iii) Policy for determining percentages of (overall) amount of individual remuneration for Directors and Corporate Auditors, including amounts of fixed and performance-linked remuneration

The percentage of each type of remuneration for executive directors shall be reviewed by the Nomination and Remuneration Committee based on the remuneration level of companies similar in business scale and industry. Subject to the condition that the Board of Directors respects the response provided by the committee, the Board of Directors shall determine the individual remuneration for Directors and Corporate Auditors within the range of the percentage for each type of remuneration as set forth in the response.

In addition, the standard ratio of fixed remuneration to performance-linked remuneration shall be set to 7:3 (assuming 100% achievement of performance targets).

- (iv) Policy for determining timing or conditions for providing remuneration to Directors and Corporate Auditors

Both fixed remuneration and variable performance-linked remuneration shall be monetary remuneration paid in equal amounts on a regular basis.

- (v) Method of determining individual remuneration for Directors and Corporate Auditors

The decision for the amount of individual remuneration shall be based on the resolution of the Board of Directors but the decision on specific details shall be delegated to the Representative Director, President & CEO, and the scope of this delegated authority shall be to decide the amount of fixed and performance-linked remuneration for each Director and Corporate

Auditor. The Board of Directors shall provide a draft to the Nomination and Remuneration Committee and obtain a response so that the authority can be appropriately exercised by the Representative Director, President & CEO, and the Representative Director, President & CEO, to whom authority has been delegated as mentioned above, shall respect the opinions provided in the response and make the determination.

• **Total Remuneration for Directors and Corporate Auditors**

Classification	Total amount of remuneration (millions of yen)	Total amount by type of remuneration (millions of yen)			Number of eligible Directors and auditors
		Basic remuneration	Performance-linked remuneration	Non-monetary remuneration	
Directors (Outside Directors)	265 (31)	191 (31)	73 (-)	- (-)	9 (3)
Corporate Auditors (Outside Corporate Auditors)	59 (23)	59 (23)	- (-)	- (-)	6 (3)
Total	324	250	73	-	15

- Notes: 1. The maximum amount of remuneration for Directors was set as 36 million Japanese Yen per month (excluding employee salaries) by resolution of the 92nd Ordinary General Meeting of Shareholders held on June 29, 2006. There are nine Directors as of the conclusion of the Shareholders' Meeting.
2. The maximum amount of remuneration for Corporate Auditors was set as 10 million Japanese Yen per month by resolution of the 92nd Ordinary General Meeting of Shareholders held on June 29, 2006. There are five Corporate Auditors as of the conclusion of the Shareholders' Meeting.
3. As of the end of the fiscal year under review, the Company has nine Directors (including three Outside Directors) and five Corporate Auditors (including three Outside Corporate Auditors). The table above includes one Corporate Auditor who retired by the end of fiscal year under review.
4. The performance indicators related to performance-linked remuneration are consolidated ordinary profit and dividend per share. Actual consolidated ordinary profit for the fiscal year ended March 31, 2022 was 11,936 million Japanese Yen, and dividend per share for the same period was 75 Japanese Yen. These indicators were selected because they are considered as significant indicators for realizing continuous profit growth and shareholder return. In addition, performance-linked remuneration of the Company is calculated by multiplying the standard remuneration for each position by a coefficient set according to the degree of achievement of target performance.
5. The Board of Directors has delegated Representative Director, President & CEO Tadashi Shimizu to determine the basic remuneration and performance-linked remuneration for each Director and Corporate Auditor. The authority was delegated to him because the Representative Director, President & CEO is highly suited to assess the roles and degree of achievement expected for each Director taking into consideration the Company's overall business performance. When making such decisions, the Board of Directors submits a draft to the Nomination and Remuneration Committee to obtain a response, and the Representative Director, President & CEO, who has been tasked with the above determination, shall respect the opinions provided in the response and make the determination accordingly.

• **Outside Officers**

Primary activities in the fiscal year under review, significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence

Name	Categories of Directors (and Other Officers)	Status of Attendance	Primary Activities, Outline of duties performed in relation to role expected as an Outside Director, Significant Positions Concurrently Held in Other Organizations, Relationships Between the Company and Such Other Organizations, and Independence
Tetsuo Nishide	Outside Director	Board of Directors meetings 19/19 (100%)	<p>• Status of main activities and outline of duties performed in relation to role expected as an Outside Director</p> <p>At the meetings of the Board of Directors he attended, he asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on his longstanding experience and insight from his career as administrative officer and university professor, and involvement in industry groups. He also stated opinions from an outside perspective as necessary.</p> <p>In addition, as a member of the Nomination and Remuneration Committee, he attended all eight meetings held in the fiscal year under review, and from an objective and neutral standpoint, he supervised the selection of candidates for Directors and Corporate Auditors of the Company and the process for determining remunerations of Directors and Corporate Auditors.</p> <p>• Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence</p> <p>There is no matter to report.</p>
Kimi Koinuma	Outside Director	Board of Directors meetings 19/19 (100%)	<p>• Status of main activities and outline of duties performed in relation to role expected as an Outside Director</p> <p>At the meetings of the Board of Directors she attended, she asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on her abundant experience and insight in corporate legal affairs from her longstanding career as attorney-at-law. She also stated opinions from an outside perspective as necessary.</p> <p>In addition, as a member of the Nomination and Remuneration Committee, she attended all eight meetings held in the fiscal year under review, and from an objective and neutral standpoint, she supervised the selection of candidates for Directors and Corporate Auditors of the Company and the process for determining remunerations of Directors and Corporate Auditors.</p> <p>• Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence</p> <p>Significant concurrent positions are as described in (1) Status of Directors and Corporate Auditors. There are no other matters to report.</p>

Name	Categories of Directors (and Other Officers)	Status of Attendance	Primary Activities, Outline of duties performed in relation to role expected as an Outside Director, Significant Positions Concurrently Held in Other Organizations, Relationships Between the Company and Such Other Organizations, and Independence
Masaya Kawata	Outside Director	Board of Directors meetings 17/19 (89%)	<ul style="list-style-type: none"> • Status of main activities and outline of duties performed in relation to role expected as an Outside Director At the meetings of the Board of Directors he attended, he asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on his wide range of experience and insight cultivated in company management for many years. He also stated opinions from an outside perspective as necessary. In addition, as a member of the Nomination and Remuneration Committee, he attended all eight meetings held in the fiscal year under review, and from an objective and neutral standpoint, he supervised the selection of candidates for Directors and Corporate Auditors of the Company and the process for determining remunerations of Directors and Corporate Auditors. • Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence Significant concurrent positions are as described in (1) Status of Directors and Corporate Auditors. There are no other matters to report.
Masaaki Hori	Outside Corporate Auditor	Board of Directors meetings 19/19 (100%) Board of Corporate Auditors meetings 17/17 (100%)	<ul style="list-style-type: none"> • Primary activities At the meetings of the Board of Directors and meetings of the Board of Corporate Auditors he attended, he asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on a wide range of experience and insight obtained through his service as an Audit & Supervisory Board Member at business corporations, etc. and longstanding involvement in business operations. He also stated opinions from an outside perspective as necessary. • Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence There is no matter to report.
Hiroyuki Kawai	Outside Corporate Auditor	Board of Directors meetings 19/19 (100%) Board of Corporate Auditors meetings 17/17 (100%)	<ul style="list-style-type: none"> • Primary activities At the meetings of the Board of Directors and meetings of the Board of Corporate Auditors he attended, he asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on his longstanding experience and insight from his involvement in the business and management at business corporations, etc. He also stated opinions from an outside perspective as necessary. • Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence There is no matter to report.

Name	Categories of Directors (and Other Officers)	Status of Attendance	Primary Activities, Outline of duties performed in relation to role expected as an Outside Director, Significant Positions Concurrently Held in Other Organizations, Relationships Between the Company and Such Other Organizations, and Independence
Toshihide Nishimura	Outside Corporate Auditor	Board of Directors meetings 19/19 (100%) Board of Corporate Auditors meetings 17/17 (100%)	<ul style="list-style-type: none"> • Primary activities At the meetings of the Board of Directors and meetings of the Board of Corporate Auditors he attended, he asked questions as appropriate about reported matters and matters for resolution regarding the execution of duties by Directors and employees, based on his wide range of experience and insight from his longstanding involvement in the business and management of TAIHEIYO CEMENT CORPORATION and other companies. He also stated opinions from an outside perspective as necessary. • Significant positions concurrently held in other organizations, relationships between the Company and such other organizations, and independence A significant concurrent position is held at NIPPON CONCRETE INDUSTRIES CO., LTD. There are no other matters to report. Although he has previously worked at TAIHEIYO CEMENT CORPORATION, with which the Company has a business relationship, since the transaction amount with the TAIHEIYO CEMENT CORPORATION was less than 0.1% of the Company's total cost of sales in fiscal 2022, considering the Company's total cost of sales the Company believes that the transaction is not of sufficient importance to give rise to special interest, and therefore he possesses an independent status.

Notes: 1. The Company appoints its Outside Directors/Corporate Auditors based on their independence from the Company as defined by the criteria below:

- (a) Are not a person, executive or employee who regards the Company as a major business partner
- (b) Are not a major business partner of the Company nor its executive or employee
- (c) Are not a consultant, accounting professional or legal expert who receives large amounts of money or other economic benefits in addition to the Corporate Officer remunerations paid by the Company
- (d) Are not a major shareholder of the Company nor its executive or employee
- (e) Are not an executive or employee of the Company or its subsidiaries
- (f) Are not a non-executive director of the Company or its subsidiaries (criteria for Outside Corporate Auditor only)

2. The Company has designated all of the above Outside Directors/Corporate Auditors as Independent Directors/Auditors under the regulations of the Tokyo Stock Exchange and notified the Exchange of their assignments.