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Securities code: 7943

June 2, 2023

To Our Shareholders

Narumitsu Yoshioka, President

**NICHIHA CORPORATION**

12, Shiotome-cho, Minato-ku, Nagoya

(Head Office: Mitsui Sumitomo Banking Nagoya Building, 2-18-19, Nishiki, Naka-ku, Nagoya)

## **Notice of the 86th Annual General Meeting of Shareholders**

We are pleased to announce the 86th Annual General Meeting of Shareholders of NICHIHA CORPORATION (the “Company”), which will be held as described below.

When convening this general meeting of shareholders, 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 Company’s website by using the internet address shown below to review the information.

Website for posted informational materials for the general meeting of shareholders:

<https://d.sokai.jp/7943/teiji/> (in Japanese)

TSE website (Listed Company Search):

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

To access this information from the website, access the TSE website (Listed Company Search) by using the Internet address shown above, enter the issue name (Nichiha) or securities code (7943), and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information,” “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting.”

The Company’s website:

<https://www.nichiha.co.jp/ir/shareholder/> (in Japanese)

In lieu of attending the meeting in person, you may exercise your voting rights in writing or by an electronic method (via the Internet, etc.). Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights.

1. **Date and time:** Friday, June 23, 2023, at 10:00 a.m. (JST)
2. **Place:** Event Hall, 5th Floor, Denki Bunka Kaikan  
2-2-5, Sakae, Naka-ku, Nagoya

**3. Purpose of the meeting**

**Matters to be reported:**

1. The Business Report and the Consolidated Financial Statements for the 86th fiscal year (from April 1, 2022 to March 31, 2023), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 86th fiscal year (from April 1, 2022 to March 31, 2023)

**Matters to be resolved:**

- Proposal No. 1**      Appropriation of Surplus  
**Proposal No. 2**      Election of Nine Directors  
**Proposal No. 3**      Election of Two Audit & Supervisory Board Members

**4. Information on Exercise of Voting Rights**

Please refer to “Information on Exercise of Voting Rights” (available in Japanese only).

When attending the meeting in person, please submit the enclosed voting form at the reception.

- The same paper-based documents that are delivered to shareholders who have requested delivery of the paper-based documents (paper-based documents) will be prepared at the venue of the general meeting of shareholders.
- Among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 17, paragraph 2 of the Company’s Articles of Incorporation, the following items are not provided in the paper-based documents.
  1. Business Report •Share acquisition rights, etc. of the Company •System for ensuring the appropriateness of businesses and the summary of its operation status
  2. Consolidated Financial Statements •Consolidated Statements of Changes in Net Assets •Notes to the consolidated financial statements
  3. Non-consolidated Financial Statements •Non-consolidated Statements of Changes in Net Assets •Notes to the non-consolidated financial statements

Accordingly, the paper-based documents are part of the documents included in the scope of audits by the Audit & Supervisory Board Members and the Financial Auditor when they create their respective audit reports.

- If circumstances arise that necessitate a revision to the matters subject to measures for electronic provision, the Company will notify you by posting a notice to that effect, the matters before and after the revision on each of the Internet websites listed on the previous page.
- Please note that the results of the resolutions of this general meeting of shareholders will be posted on the Company’s website as indicated on the previous page, instead of being sent to you in writing. The Company will continue to send written notices regarding dividends as before.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1 Appropriation of Surplus

The Company proposes to pay a year-end dividend for the fiscal year as follows in order to provide a stable return of profits to its shareholders in accordance with the Group's "Policy on Decisions on Dividends and Other Appropriation of Surplus" (available in Japanese only) and giving consideration to the business performance of the fiscal year and the future business environment.

As the Company has already paid an interim dividend of ¥48.5 per share, the annual dividend will be ¥97 per share.

- (1) Type of dividend property  
To be paid in cash.
- (2) Allotment of dividend property to shareholders and their aggregate amount  
¥48.5 per common share of the Company  
The total amount ¥1,762,399,984
- (3) Effective date of dividends of surplus  
June 26, 2023

**Proposal No. 2** Election of Nine Directors

At the conclusion of this meeting, the terms of office of all eight Directors will expire.

Therefore, the Company will increase the number of Directors by one in order to strengthen the management system and proposes the election of nine Directors.

In selecting candidates for Director, the Board of Directors has made decisions based on the “Nomination policies and procedures for candidates for Director” (see page 13).

The candidates for Director are as follows:

Candidate No.	Name	Candidate attributes	Current position and responsibility in the Company	Attendance at the Board of Directors Meetings (fiscal 2022)
1	Narumitsu Yoshioka	Reelection	President	12/12 100%
2	Kazushi Tono	Reelection	Director, Senior Executive Officer General Manager of Management Planning Department, and in charge of Procurement Division, Financial Department, and Environment Office	12/12 100%
3	Kazuyuki Kojima	Reelection	Director, Senior Executive Officer General Manager of Production Division, and in charge of Systems Control Department, Quality Assurance Department, CS Promotion Department, Performance Evaluation Center, and Safety Promotion Office	12/12 100%
4	Hisayuki Kawashima	Reelection	Director, Executive Managing Officer General Manager of Sales Division, and in charge of Support Center	12/12 100%
5	Munetsugu Oka	New election	Senior Managing Officer, Deputy General Manager of Engineering Division	—
6	Kiyofumi Yagi	Reelection Outside Independent	Outside Director	12/12 100%
7	Naoki Tajiri	Reelection Outside Independent	Outside Director	12/12 100%
8	Hiroaki Nishi	Reelection Outside Independent	Outside Director	11/12 91.7%
9	Kazuko Ohtani	New election Outside Independent	—	—

Reelection: Reelection candidate for Director

New election: New election candidate for Director

Outside: Candidate for outside Director

Independent: Independent Director/Audit & Supervisory Board Member as provided for by Tokyo Stock Exchange, Inc., etc.

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
1	<p data-bbox="331 607 544 667">Narumitsu Yoshioka (September 14, 1963)</p> <p data-bbox="384 701 491 730">Reelection</p>	<p data-bbox="612 264 1236 324">Apr. 1986     Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p data-bbox="612 331 1236 421">Apr. 2015     Executive Officer, General Manager of Seoul Branch, and General Manager of Global Korea Corporate Banking Department</p> <p data-bbox="612 427 1236 517">Apr. 2017     Executive Officer, President of Sumitomo Mitsui Banking Corporation (China) Limited, and Deputy Head of East Asia Division</p> <p data-bbox="612 524 1236 613">Apr. 2018     Managing Executive Officer, Head of East Asia Division of Sumitomo Mitsui Financial Group, Inc.</p> <p data-bbox="612 620 1236 741">Managing Executive Officer, Head of East Asia Division, Deputy responsible for Global Advisory Dept. of Sumitomo Mitsui Banking Corporation</p> <p data-bbox="612 748 1236 808">Chairman of Sumitomo Mitsui Banking Corporation (China) Limited</p> <p data-bbox="612 815 1236 936">Apr. 2020     Managing Executive Officer of Sumitomo Mitsui Financial Group, Inc. Managing Executive Officer of Sumitomo Mitsui Banking Corporation</p> <p data-bbox="612 943 1236 972">May 2020     Advisor to the Company</p> <p data-bbox="612 978 1236 1039">June 2020     Director, Executive Vice President, and Assistant to the President</p> <p data-bbox="612 1046 1236 1075">June 2021     President (current position)</p>	6,500 shares
<p data-bbox="276 1077 772 1106">(Reasons for nomination as candidate for Director)</p> <p data-bbox="276 1113 1430 1261">Narumitsu Yoshioka has considerable knowledge from his many years of experience in corporate management and overseas operations, etc. As President, he has exercised strong leadership and fulfilled his responsibilities to strengthen the revenue base and enhance the corporate value of the Group. The Company has determined that he will continue to utilize his extensive experience and knowledge in the Group's management and has nominated him as a candidate for Director.</p>			

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
2	Kazushi Tono (November 7, 1963)  Reelection	<p>Apr. 1986     Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>Apr. 2014     General Manager of Tokyo Corporate Banking Dept. X</p> <p>Apr. 2015     Advisor to the Company</p> <p>Oct. 2015     Executive Managing Officer, Assistant to the President, and in charge of Procurement Division</p> <p>Apr. 2016     Executive Managing Officer, Assistant to the President, and in charge of Procurement Division, Financial Department, and General Affairs Department</p> <p>June 2016     Director, Executive Managing Officer, and in charge of Procurement Division, Financial Department, and General Affairs Department</p> <p>Apr. 2018     Director, Senior Executive Officer, and in charge of Procurement Division, Financial Department, and General Affairs Department</p> <p>Nov. 2018     Director, Senior Executive Officer, and in charge of Production Division, Procurement Division, Financial Department, and General Affairs Department</p> <p>Apr. 2020     Director, Senior Executive Officer, General Manager of Production Division, and in charge of Procurement Division, Financial Department, General Affairs Department, Environment Office, and Safety Promotion Office</p> <p>Apr. 2022     Director, Senior Executive Officer, General Manager of Management Planning Department, and in charge of Procurement Division, Financial Department, and Environment Office (current position)</p>	3,900 shares
<p>(Reasons for nomination as candidate for Director)</p> <p>Kazushi Tono has been fulfilling his responsibilities by striving to achieve streamlining in the production, purchasing, and logistics departments and to improve the operations of the financial accounting and general affairs departments, as well as currently taking on responsibilities as the head of the management planning department. The Company has determined that he will continue to utilize his extensive experience and knowledge in the Group's management and has nominated him as a candidate for Director.</p>			

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
3	Kazuyuki Kojima (March 8, 1965)  Reelection	<p>Apr. 1987      Joined the Company</p> <p>Apr. 2013      Managing Officer, General Manager of Management Planning Department</p> <p>Apr. 2014      Senior Managing Officer, General Manager of Management Planning Department</p> <p>Apr. 2015      Senior Managing Officer, General Manager of International Business Division, and General Manager of Management Planning Department</p> <p>June 2015      Director, Senior Managing Officer, General Manager of International Business Division, General Manager of Management Planning Department, and in charge of System Development Department, Quality Assurance Department, CS Promotion Department, and Performance Evaluation Center</p> <p>June 2016      Director, Executive Managing Officer, General Manager of International Business Division, General Manager of Management Planning Department, and in charge of System Development Department, Quality Assurance Department, CS Promotion Department, and Performance Evaluation Center</p> <p>Apr. 2018      Director, Senior Executive Officer, General Manager of International Business Division, General Manager of Management Planning Department, and in charge of Systems Control Department, Quality Assurance Department, CS Promotion Department, and Performance Evaluation Center</p> <p>Apr. 2022      Director, Senior Executive Officer, General Manager of Production Division, and in charge of Systems Control Department, Quality Assurance Department, CS Promotion Department, Performance Evaluation Center, and Safety Promotion Office (current position)</p>	5,000 shares
<p>(Reasons for nomination as candidate for Director)</p> <p>Kazuyuki Kojima has been fulfilling his responsibilities by formulating and conducting the Group's management strategy and striving to improve quality control, and is currently fulfilling his responsibilities as the head of the production department. The Company has determined that he will continue to utilize his extensive experience and knowledge in the Group's management and has nominated him as a candidate for Director.</p>			

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned	
4	Hisayuki Kawashima (August 31, 1963)  Reelection	Apr. 1986	Joined the Company	4,600 shares
		Apr. 2014	Managing Officer, General Manager of Tokyo Metropolitan Sales Department	
Apr. 2015	Senior Managing Officer, General Manager of Tokyo Metropolitan Sales Department			
Apr. 2016	Senior Managing Officer, Deputy General Manager of Sales Division, and General Manager of Tokyo Branch			
June 2016	Director, Senior Managing Officer, Deputy General Manager of Sales Division, and General Manager of Tokyo Branch			
Apr. 2018	Director, Executive Managing Officer, and General Manager of Sales Division			
Oct. 2019	Director, Executive Managing Officer, General Manager of Sales Division, and in charge of Support Center (current position)			
(Reasons for nomination as candidate for Director) Hisayuki Kawashima has been fulfilling his responsibilities in building a sales structure to expand domestic sales and in taking the lead in sales expansion activities. The Company has determined that he will continue to utilize his extensive experience and knowledge in the Group's management and has nominated him as a candidate for Director.				
5	Munetsugu Oka (January 27, 1968)  New election	Apr. 1992	Joined Nihon Cement Co., Ltd. (currently Taiheiyo Cement Corporation)	1,100 shares
		Apr. 2010	General Manager of MMC Manufacturing Department, MMC Division of Nihon Ceratec Co., Ltd. (currently NTK CERATEC CO., LTD.)	
Apr. 2014	General Manager of MMC Division and General Manager of Manufacturing Department, JAPAN FINE CERAMICS CO., LTD.			
Jan. 2019	Deputy General Manager of Engineering Division of the Company			
Mar. 2019	Deputy General Manager of Production Division			
Oct. 2019	Managing Officer, Deputy General Manager of Production Division, General Manager of Production Management Office			
Oct. 2020	Senior Managing Officer, Deputy General Manager of Production Division, and General Manager of Production Management Office			
Apr. 2021	Senior Managing Officer, Deputy General Manager of Production Division, General Manager of Nagoya Plant, and General Manager of Production Management Office			
Oct. 2021	Senior Managing Officer, Deputy General Manager of Production Division, and General Manager of Nagoya Plant			
Oct. 2022	Senior Managing Officer and Deputy General Manager of Engineering Division (current position)			
(Reasons for nomination as candidate for Director) Munetsugu Oka has mastery over various operations related to production and development, and has strived to improve and rationalize operations in the production department. He has been fulfilling his responsibilities as Deputy General Manager of Engineering Division. The Company has determined that he will utilize his extensive experience and knowledge in the Group's management and has nominated him as a new candidate for Director.				



Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
6	<p>Kiyofumi Yagi (May 4, 1960)</p> <p>Reelection Outside Independent</p>	<p>Oct. 1986 Passed the national bar examination</p> <p>Mar. 1989 Completed apprenticeship at the Legal Training and Research Institute of Japan</p> <p>Apr. 1989 Registered as an attorney at law (Dai-Ichi Tokyo Bar Association)</p> <p>Jan. 2003 Partner attorney of Isobe Takahashi &amp; Yagi Law Office (current position)</p> <p>June 2004 Outside Audit &amp; Supervisory Board Member of SANWA KIZAI CO., LTD. (current position)</p> <p>Apr. 2009 Vice-president of Dai-Ichi Tokyo Bar Association</p> <p>Aug. 2009 Outside Audit &amp; Supervisory Board Member of Tokuma Shoten Publishing Co., Ltd.</p> <p>Sept. 2009 Outside Audit &amp; Supervisory Board Member of Rinkai Nissan Construction Co., Ltd.</p> <p>June 2012 Outside Audit &amp; Supervisory Board Member of the Company</p> <p>Apr. 2015 Executive Managing Director of Japan Attorneys National Pension Fund</p> <p>June 2015 Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Partner attorney of Isobe Takahashi &amp; Yagi Law Office Outside Audit &amp; Supervisory Board Member of SANWA KIZAI CO., LTD.</p>	<p>– share</p>
<p>(Reasons for nomination as candidate for outside Director and summary of expected roles)</p> <p>Kiyofumi Yagi has abundant knowledge and experience as an attorney at law and possesses considerable insight. He has served as outside Director of the Company since June 2015. The Company has nominated him as a candidate for outside Director in the expectation that he continues to utilize his extensive experience and insight and fulfill his role of supervising and advising corporate management, etc. especially from the perspective of corporate legal affairs, compliance and corporate governance, and also that he is involved in the Nomination and Remuneration Advisory Committee as its member from an objective and independent position.</p> <p>Mr. Yagi has never been directly involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director based on the above reasons.</p>			

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
7	<p style="text-align: center;">Naoki Tajiri (March 10, 1949)</p> <p style="text-align: center;">Reelection Outside Independent</p>	<p>Apr. 1972      Joined Sumitomo Metal Mining Co., Ltd.</p> <p>June 2001      General Manager of Finance &amp; Accounting Dept.</p> <p>June 2003      Executive Officer and General Manager of Finance &amp; Accounting Dept.</p> <p>June 2006      Managing Executive Officer and General Manager of Finance &amp; Accounting Dept.</p> <p>June 2008      Senior Managing Executive Officer and General Manager of Corporate Planning Dept.</p> <p>June 2010      Senior Audit &amp; Supervisory Board Member</p> <p>June 2014      Advisor</p> <p>June 2015      Outside Audit &amp; Supervisory Board Member of the Company</p> <p>June 2019      Outside Director (current position)</p>	– share
<p>(Reasons for nomination as candidate for outside Director and summary of expected roles)</p> <p>Naoki Tajiri has abundant experience as a manager and corporate auditor of a business corporation, as well as business experience in the accounting department, and possesses considerable insight. He has served as outside Director of the Company since June 2019. The Company has nominated him as a candidate for outside Director in the expectation that he continues to utilize his extensive experience and insight and fulfill his role of supervising and advising corporate management, etc. especially from the perspective of corporate management, and also that he is involved in the Nomination and Remuneration Advisory Committee as its member from an objective and independent position.</p>			

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
8	Hiroaki Nishi (August 8, 1960)  Reelection Outside Independent	<p>Oct. 1983      Joined Tohmatsu Awoki &amp; Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>Mar. 1987      Registered as a certified public accountant</p> <p>June 1998      Partner of Tohmatsu &amp; Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>July 2012      Partner of Deloitte Tohmatsu Financial Advisory Co., Ltd. (currently Deloitte Tohmatsu Financial Advisory LLC)</p> <p>Apr. 2015      Partner of Deloitte Tohmatsu LLC</p> <p>May 2020      Resigned from Deloitte Tohmatsu LLC and Deloitte Tohmatsu Financial Advisory LLC</p> <p>June 2020      Established Hiroaki Nishi CPA Office (currently Hiroaki Nishi CPA &amp; CPTA Office) as Director (current position)</p> <p>June 2020      Outside Audit &amp; Supervisory Board Member of the Company</p> <p>June 2021      Registered as a certified public tax accountant</p> <p>June 2021      Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Director of Hiroaki Nishi CPA &amp; CPTA Office</p>	– share
<p>(Reasons for nomination as candidate for outside Director and summary of expected roles)</p> <p>Hiroaki Nishi has experience as a management consultant and abundant expertise as a certified public accountant and possesses considerable insight. He has served as outside Director of the Company since June 2021. The Company has nominated him as a candidate for outside Director in the expectation that he continues to utilize his extensive experience and insight and fulfills his role of supervising and advising corporate management, etc. as an outside Director especially from the perspective of corporate management, and also that he is involved in the Nomination and Remuneration Advisory Committee as its member from an objective and independent position.</p>			
9	Kazuko Ohtani (January 9, 1964)  New election Outside Independent	<p>Apr. 1987      Joined Japan Information Service, Limited (Currently The Japan Research Institute, Limited)</p> <p>Apr. 1996      General Manager of Legal Department of The Japan Research Institute, Limited</p> <p>May 2016      Managing Officer and General Manager of Legal Department of The Japan Research Institute, Limited (current position)</p> <p>[Significant concurrent positions outside the Company] Managing Officer and General Manager of Legal Department of The Japan Research Institute, Limited</p>	– share
<p>(Reasons for nomination as candidate for outside Director and summary of expected roles)</p> <p>Kazuko Ohtani has experience as a legal director of an industrial corporation and abundant expertise of IT and digital and possesses considerable insight. In addition, she has mastery over corporate management. The Company has nominated her as a new candidate for outside Director in the expectation that she utilizes her extensive experience and insight and fulfills her role of supervising and advising corporate management, etc. as an outside Director especially from the perspective of corporate management, and also that she is involved in the Nomination and Remuneration Advisory Committee as its member from an objective and independent position.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. In addition to the requirements for outside Directors stipulated in the Companies Act, the Company adopts the independence criteria stipulated by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. as criteria for determining independence, and appoints independent outside Directors in accordance with these criteria.
  3. Kiyofumi Yagi, Naoki Tajiri, Hiroaki Nishi and Kazuko Ohtani are candidates for outside Director.
  4. The Company has submitted notification to Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. concerning the appointment of Kiyofumi Yagi, Naoki Tajiri and Hiroaki Nishi as Independent Directors as provided for by the aforementioned exchanges. If their reelection is approved, the Company plans to continue to appoint them as Independent Directors. If the election of Kazuko Ohtani is approved, the company will submit notification to the aforementioned exchanges.

5. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into limited liability agreements with Kiyofumi Yagi, Naoki Tajiri and Hiroaki Nishi to limit their liability under Article 423, paragraph (1) of the Companies Act to an amount as provided for by laws and regulations. If their reelection is approved, the Company plans to renew the aforementioned agreements with them. In addition, if the election of Kazuko Ohtani is approved, the Company plans to newly conclude the aforementioned agreement with her.
6. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers a legally mandated amount of indemnification and litigation expenses, etc. incurred by the insured due to acts (including omissions) committed by the insured in the capacity as a Director in the course of business. If this proposal is approved and adopted, and the candidates assume office, the candidates will be included as insureds in the policy. In addition, when this insurance policy is renewed, the Company plans to renew the policy with the same terms.
7. Kiyofumi Yagi, Naoki Tajiri and Hiroaki Nishi are currently outside Directors of the Company. At the conclusion of this meeting, their tenures since assuming office as outside Directors will have been eight years, four years, and two years, respectively.

(Reference)

### Nomination policies and procedures for candidates for Director

The policies and procedures to be followed in nominating candidates for Director are as follows:

With respect to the nomination of candidates for Director, the Nomination and Remuneration Advisory Committee deliberates on the draft proposal for the election of Directors for the General Meeting of Shareholders proposed by Chairman (in cases where the post of Chairman is vacant, or Chairman is prevented from so acting, President), taking into consideration the following criteria, and reports to the Board of Directors. The Board of Directors determines the candidates for Director, respecting the report of the Nomination and Remuneration Advisory Committee.

Criteria for nominating candidates for Director

1. Having an ability to contribute to the improvement of corporate value over the medium to long term.
2. Having an insight of corporate governance.
3. Having an insight and ability to fulfill supervisory responsibilities, an important role and responsibility of the Board of Directors.
4. Candidates for Director from within the Company, they must have knowledge, experience, and achievements related to the Group's operations, as well as a sense of balance and decisiveness to understand all aspects of the Group's business and perform their duties.
5. Candidates for outside Directors must meet the requirements for outside Directors as stipulated in the Companies Act. In addition, the candidates for independent outside Directors must meet the Company's criteria for independence.

### Experience areas of candidates for Director

The major experience areas of candidates for Director are as follows:

Candi- date No.	Name	Major experience areas required of Directors								
		Corporate management	Manufactu- ring and technology	Research and development, and quality	Sales	Global	Finance and accounting	Legal affairs	Risk management	IT and Digital
1	Narumitsu Yoshioka	●			●	●	●	●	●	●
2	Kazushi Tonoi	●	●		●		●	●	●	
3	Kazuyuki Kojima	●	●	●	●	●				●
4	Hisayuki Kawashima	●			●					
5	Munetsugu Oka	●	●	●						
6	Kiyofumi Yagi	●						●	●	
7	Naoki Tajiri	●				●	●			
8	Hiroaki Nishi	●				●	●		●	
9	Kazuko Ohtani	●						●		●

**Proposal No. 3** Election of Two Audit & Supervisory Board Members

At the conclusion of this meeting, Yoshihiro Shibata and Kenji Sasaki will resign as Audit & Supervisory Board Member. Therefore, the Company proposes the election of two Audit & Supervisory Board Members.

In selecting candidates for Audit & Supervisory Board Member, the Board of Directors has made decisions based on the nomination policies and procedures for candidates for Audit & Supervisory Board Member (see page 17). In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidates for Audit & Supervisory Board Member are as follows:

Candidate No.	Name Date of birth	Career summary, position in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Audit & Supervisory Board Member	Number of the Company's shares owned
1	Yoshihiro Shibata (July 10, 1957)  Reelection	Apr. 1980      Joined the Company Apr. 2009      Managing Officer and General Manager of Engineering Department Apr. 2010      Managing Officer and General Manager of Research and Development Department Apr. 2013      Senior Managing Officer and General Manager of Research and Development Department Apr. 2014      Senior Managing Officer, General Manager of Research and Development Division, General Manager of Research and Development Department June 2014      Director, Senior Managing Officer, General Manager of Research and Development Division and General Manager of Research and Development Department Apr. 2015      Director June 2015      Audit & Supervisory Board Member of the Company (current position)	7,600 shares
(Reasons for nomination as candidate for Audit & Supervisory Board Member) Yoshihiro Shibata has a high level of insight into the business and management of the Company's group, and since his appointment as an Audit & Supervisory Board Member of the Company, he has been appropriately performing auditing in the Company's group, as well as playing a role in management oversight. The Company has determined that he will continue to satisfactorily perform his duties as an Audit & Supervisory Board Member of the Company and has nominated him as a candidate for Audit & Supervisory Board Member.			

Candidate No.	Name Date of birth	Career summary, position in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Audit & Supervisory Board Member	Number of the Company's shares owned
2	Kenji Sasaki (September 14, 1955)  Reelection Outside Independent	<p>Sep. 1983      Joined Tetsuzo Ota &amp; Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>Mar. 1988      Registered as a certified public accountant</p> <p>May 2000      Partner, Century Ota Showa &amp; Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>June 2006      Senior Partner, Shin Nihon &amp; Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>June 2018      Resigned Shin Nihon &amp; Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>July 2018      Established Kenji Sasaki CPA Office as Director (current position)</p> <p>June 2019      Outside Audit &amp; Supervisory Board Member of KIMURA KOHKI Co., Ltd. (current position)</p> <p>June 2019      Outside Audit &amp; Supervisory Board Member of the Company (current position)</p> <p>June 2020      Representative Partner of dep.FAS LLC (current position)</p> <p>June 2021      Outside Audit &amp; Supervisory Board Member of O.B.System Inc. (current position)</p> <p>[Significant concurrent positions outside the Company] Director of Kenji Sasaki CPA Office Representative Partner of dep.FAS LLC Outside Audit &amp; Supervisory Board Member of KIMURA KOHKI Co., Ltd. Outside Audit &amp; Supervisory Board Member of O.B.System Inc.</p>	– share
<p>(Reasons for nomination as candidate for outside Audit &amp; Supervisory Board Member)</p> <p>Kenji Sasaki has specialized knowledge of finance and accounting as a certified public accountant and possesses abundant experience and insight in auditing. Also having a high degree of mastery into accounting and corporate management, he has served as outside Audit &amp; Supervisory Board Member of the Company since June 2019. The Company has determined that he will continue to be qualified to serve as an Audit &amp; Supervisory Board Member of the Company and has nominated him as a candidate for outside Audit &amp; Supervisory Board Member.</p>			

Reelection: Reelection candidate for Audit & Supervisory Board Member

Outside: Candidate for outside Audit & Supervisory Board Member

Independent: Independent Director/Audit & Supervisory Board Member as provided for by Tokyo Stock Exchange, Inc., etc.

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. In addition to the requirements for outside Audit & Supervisory Board Member stipulated in the Companies Act, the Company adopts the independence criteria stipulated by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. as criteria for determining independence, and appoints independent outside Audit & Supervisory Board Member in accordance with these criteria.
  3. Kenji Sasaki is a candidate for outside Audit & Supervisory Board Member.
  4. The Company has submitted notification to Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. concerning the appointment of Kenji Sasaki as Independent Director/Audit & Supervisory Board Member as provided for by the aforementioned exchanges. If his reelection is approved, the Company plans to continue to appoint him as an Independent Director/Audit & Supervisory Board Member.
  5. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into a limited liability agreement with Kenji Sasaki to limit their liability under Article 423, paragraph (1) of the Companies Act to an amount as provided for by laws and regulations. If his reelection is approved, the Company plans to renew the aforementioned agreement with him.
  6. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers a legally mandated amount of indemnification and litigation expenses, etc. incurred by the insured due to acts (including omissions) committed by the insured in the capacity as an Audit & Supervisory Board Member in the course of business. If this proposal is approved and adopted, and the candidates assume office, the candidates will be included as insureds in the policy. In addition, when this insurance policy is renewed, the Company plans to renew the policy with the same terms.

7. In addition, Kenji Sasaki is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure will have been four years.



(Reference)

**Nomination policies and procedures for candidates for Audit & Supervisory Board Member**

The policies and procedures to be followed in nominating candidates for Audit & Supervisory Board Member are as follows:

With respect to the nomination of candidates for Audit & Supervisory Board Member, taking into consideration the following criteria, the Chairman (in cases where the post of Chairman is vacant, or Chairman is prevented from so acting, it will be the President) will make the proposition, the Board of Audit & Supervisory will discuss and agree on the nominees, and the Board of Directors will decide on the nomination of candidates for Audit & Supervisory Board Member.

Criteria for nominating candidates for Audit & Supervisory Board Member

1. Have insight of corporate governance.
2. Have the ability to fulfill management oversight responsibilities from the perspective of internal control and compliance, etc.
3. Have considerable insight of finance and accounting, or have knowledge, experience, and ability in the specialty field
4. Candidates for Audit & Supervisory Board Member from within the Company must be familiar with the Group's operations and have a high level of information-gathering ability.
5. Candidates for outside Audit & Supervisory Board Member must meet the requirements for outside Audit & Supervisory Board Member as stipulated in the Companies Act. In addition, the candidates for independent outside Audit & Supervisory Board Member must meet the Company's criteria for independence.