

Reference Documents for General Meeting of Shareholders

Proposals and references

Proposal No. 1 Distribution of Surplus

Our Nippon Kayaku Group regards profit return to our shareholders as important. In our mid-term business plan—KAYAKU Vision 2025 (**KV25**) that has started from our fiscal year 2022, we have targeted a dividend payout ratio of 40% or higher, taking stable and continuous profit return and sufficiency of retained earnings into consideration. Furthermore, while securing sufficient retained earnings, we will flexibly acquire treasury stocks as part of our profit return. Retained earnings will be allocated to R&D investments, capital investments and other investments in order to achieve sustainable growth for future development. We will continue to enhance cooperate value aiming to achieve ROE of 8% or higher in the final year of **KV25**.

Based on this policy, Company proposes the distribution of surplus for this fiscal year as follows.

1. Matters related to the year - end dividend

(1) The kind of Dividend Property

Cash

(2) The matters regarding the assignment of Dividend Property to shareholders and the total amount

Dividends	25 yen per common share
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Total amount	4,144,413,275 yen
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(3) Effect date of distribution of surplus ;

June 29, 2023

Since Company has paid 20 yen per 1 share as interim dividend, annual dividend for this fiscal year will be 5 yen higher than previous fiscal year and amount to be 45 yen.

Proposal No.2 Partial Amendments to the Articles of Incorporation

1. Reason for the Amendment

The development, manufacture and sales of safety devices for drones and flying cars, which are under the safety systems business, are currently carried out as application of industrial explosives, initiator and other pyrotechnic devices stipulated in Article 2, Item 1 of our Articles of Incorporation. However, in anticipation of the development, manufacture and sales of devices that do not require explosives, initiator and other pyrotechnic devices, drones, we will add this business to Article 2 (Purpose) of our Articles of Incorporation.

2. Amendment details the contents of the amendments are as follows;

(Changes are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 1 (Omitted)</p> <p>Article 2 Purpose The Company’s purpose shall be to operate the following businesses.</p> <p>1. ~12. (Omitted) (New Provision)</p> <p><u>13. ~28.</u> (Omitted)</p> <p>Article 3 ~ Article 37 (Omitted)</p>	<p>Article 1 (Unchanged)</p> <p>Article 2 Purpose The Company’s purpose shall be to operate the following businesses.</p> <p>1. ~12. (Unchanged)</p> <p><u>13. Development, manufacture, sale, maintenance and operation of aircraft and equipment relating to aircraft.</u></p> <p><u>14. ~29.</u> (Unchanged)</p> <p>Article 3 ~ Article 37 (Unchanged)</p>

Proposal No. 3 Election of Ten (10) Directors

The terms of office of all nine (9) Directors will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, we hereby propose to elect ten (10) Directors, who consist of seven (7) candidates for re-election and three (3) candidates for new election, including four (4) outside Directors, in order to enhance the function of management supervision.

(The list of candidates for Directors)

Candidate number	Name	Current Position and Responsibilities in Company	Attributes Information for Company (New Election) (Independent) (Outside)	Attendance at Board of Directors meeting during the fiscal year
1	Atsuhiko Wakumoto	President Representative Director		14 of 14 meetings (100%)
2	Tomoo Shibuya	Representative Senior Managing Director Member of board of Directors		14 of 14 meetings (100%)
3	Yoshitsugu Ishida	Managing Director Member of board of Directors		14 of 14 meetings (100%)
4	Masatomi Akezuma	Managing Director Member of board of Directors		14 of 14 meetings (100%)
5	Yo Ota	Outside Director Member of board of Directors	(Independent) (Outside)	12 of 14 meetings (85%)
6	Yasuyuki Fujishima	Outside Director Member of board of Directors	(Independent) (Outside)	14 of 14 meetings (100%)
7	Seiichi Fusamura	Outside Director Member of board of Directors	(Independent) (Outside)	14 of 14 meetings (100%)
8	Yoshimi Inoue	Senior Managing Director	(New)	-
9	Shigeyuki Kawamura	Managing Director	(New)	-
10	Ikuko Akamatsu	-	(New) (Independent) (Outside)	-

(Independence Standards and Qualification for Outside Officers)

Company has set for the following independence standards of outside officers (Outside Directors and Outside Audit & Supervisory Board Members). The outside officer concerned is judged to be independent of Company if he or she does not constitute any of the following

- (1) A supplier who sees Company and important subsidiaries of Company (hereafter, “Company Group”) as a main customer, or a person who is an executive director, executive officer, or other employee of the parent company or main subsidiaries of that supplier (hereafter “Executive”);
- (2) A main customer of Company or an Executive at that customer;
- (3) An Executive at a main financial institution from which Company borrows or the parent or a subsidiary of that financial institution;
- (4) An attorney, certified public accountant (CPA), licensed tax accountant or other consultant who has received funds or other assets exceeding a certain amount, other than officer remuneration, from Company Group (the person affiliated with the group when the entity receiving the assets is a corporation, association, or other group);
- (5) A person who has received donations or aid exceeding 10 million yen a year from Company (an Executive of the group when the entity receiving the donation or aid is a corporation, association, or other group);
- (6) A main shareholder of Company Group or an Executive of that shareholder;
- (7) A company that has accepted directors from Company Group or an Executive of the parent company or a subsidiary of that company;
- (8) A person who constituted (1) through (7), above, in the past five years;
- (9) The spouse or close relatives within the second degrees when the person who falls under (1) to (8) above is in an important position; or
- (10) The spouse or close relatives within the second degrees when the person is a director, executive officer, or manager of Company or a subsidiary of Company.

(Notes)

1. “Important subsidiaries of Company” in (1) refer to subsidiaries that comprise 20% or more of any one of Company’s (non-consolidated) sales, total assets, income, or borrowings in the most recent fiscal year.
“A supplier who sees Company Group as a main customer” in (1) refers to a “supplier who received payment of 2% or more of that entity’s annual consolidated sales for the most recent fiscal year from Company Group.”
2. “A main customer of Company” in (2) refers to “a customer who paid Company 2% or more of Company’s annual consolidated sales for the most recent fiscal year.”
3. “Main financial institution” in (3) refers to “an entity that lends an amount equaling 2% or more of Company’s consolidated assets for the most recent fiscal year to Company.
4. “A certain amount” in (4) refers to whichever is higher “10 million yen a year” or “2% of the annual sales of an attorney and or the corporation, association or other organization to which the attorneys belong.
5. “Main shareholder” in (6) refers to a shareholder who holds 10% or more of the voting rights (including both direct and indirect ownership).
6. “A person in an important position” in (9) refers to employees who are directors (excluding outside directors), executive officers, persons responsible for operational execution, or upper

level management of department manager or above, as well as attorneys affiliated with the law firm who have a position of partner and employee or higher; CPAs affiliated with the accounting firm who have a position of partner and employee or higher; trustees, directors, auditors, or other officers affiliated with a foundation, incorporated organization, educational corporation or other corporation; and other persons reasonably and objectively judged to be of similar importance.

The candidates for Director are as follows.

(Re-election)

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
1 <u>Re-election</u>	Atsuhiko Wakumoto (March 15, 1957)	April 1979	Joined Company	61,797
		August 2008	General Manager of Global Business Division and Manager of Marketing Dept., Global Business Division and Manager of Marketing Dept., Japan Business Division, Safety Systems Group	
		August 2009	General Manager of Global Business Division and Manager of Marketing Dept., Global Business Division, Safety Systems Group	
		August 2010	General Manager of Marketing Division and Manager of Global Marketing Dept., Marketing Division, Safety Systems Group	Number of years as Member of the Board
		August 2012	Director, Company General Manager of Marketing Division, Safety Systems Group	
		June 2016	Member of the board of Directors Managing Director	7 years
		June 2018	Head of Safety Systems Group	
June 2019	President (current) Representative Director (current)			
[Reason for selection as a candidate for Director] Mr. Atsuhiko Wakumoto has been led the safety systems business for many years and currently serving as a President and Representative Directors. The Company has newly selected him as a candidate for a Director in consideration of the fact that he has extensive global experience and has advanced knowledge of the overall business of the Company.				

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
2 <u>Re-election</u>	Tomoo Shibuya (December 15, 1957)	April 1980	Joined Company	40,269
		September 2005	General Manager of Public Relations & Investor Relations Division, Strategic Corporate Planning Group	
		February 2006	General Manager of Corporate Planning Division, Strategic Corporate Planning Group	Number of years as Member of the Board
		August 2007	Vice President of LifeSparc Inc.	
		June 2010	General Manager of Corporate Planning Division, Strategic Corporate Planning Group	6 years
		June 2012	Member of Board of Directors, Polatechno Co., Ltd.	
		June 2013	Director, Company	
		June 2017	Member of the board of Directors Managing Director Head of Strategic Corporate Planning Group, Head of Research & Development Group and Head of Agrochemicals Division	
		June 2018	Head of Financial Group and General Manager of Finance & Accounting Division, Financial Group Head of Financial Group	
		June 2019	Head of Financial Group	
		June 2021	Representative Director (current) Representative Senior Managing Director(current) Head of Strategic Corporate Planning Group and Head of Agrochemicals Division (current)	
[Reason for selection as a candidate for Director] Mr. Tomoo Shibuya has been led the Strategic Corporate Planning Group and Financial Group for many years and currently serving as a Representative Director. The Company has newly selected him as a candidate for a Director in consideration of the fact that he has advanced knowledge of the overall business of the Company such as being engaged in management of overseas subsidiaries.				
3 <u>Re-election</u>	Yoshitsugu Ishida (September 8, 1958)	April 1981	Joined Company	49,397
		August 2004	General Manager of Administration Dept., Safety System Division	
		August 2007	General Manager of Planning & Coordination Dept, Safety System Division	Number of years as Member of the Board
		August 2010	General Manager of Planning & Coordination Dept, Safety System Group	
		June 2016	Director, Company	
		April 2018	General Manager of Strategic Planning Division, Safety System Group	
		June 2019	Member of the board of Directors (current) Managing Director (current) Head of Safety Systems Group	
		June 2021	Head of Financial Group and General Manager of Information Systems Division, Financial Group	4 years
		August 2021	Head of Financial Group (current)	
[Reason for selection as a candidate for Director] Mr. Yoshitsugu Ishida has been in charge of the Strategic Planning Division, Safety System business for many years and currently serving as a Member of the Board of Directors and Managing Director. The Company continuously selected him as a candidate for a Director since he has extensive experience of global business and advanced knowledge of the overall business of the Company.				

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate	
4 <u>Re-election</u>	Masatomi Akezuma (March 17, 1961)	April 1986	Joined Company	28,036	
		August 2004	General Manager of Technical Dept., Functional Materials Division, Functional Chemicals Group		
		April 2005	General Manager of Marketing Dept., Functional Materials Division, Functional Chemicals Group		
		March 2007	General Manager of Technical Dept., Functional Chemicals Group		
		September 2010	Director & General Manager, Kayaku Chemical (Wuxi) Co., Ltd		
		June 2014	General Manager of Functional Materials Division, Functional Chemicals Group		
		June 2017	Director, Company		
		January 2020	President, Polatechno Co., Ltd. General manager of R&D Division, Polatechno Co., Ltd.		Number of years as Member of the Board
		April 2020	General Manager of Polatechno Dept., Functional Chemicals Group		2 years
	June 2021	Member of the board of Directors (current) Managing Director (current) Head of Functional Chemicals Group (current)			
[Reason for selection as a candidate for Director] Mr. Masatomi Akezuma has been engaged in the Functional Chemicals business for many years, currently serving as a Member of the Board of Directors and Managing Director and involved in the management of overseas and domestic subsidiaries as a Director. The Company continuously selected him as a candidate for Director since he has extensive experience and advanced knowledge of the overall business of the Company.					
5 <u>Re-election</u> <u>Independent</u> <u>Outside</u>	Yo Ota (October 3, 1967)	April 1993	Registered lawyer Joined Nishimura Tokiwa Law office	0	
		February 2001	Registered lawyer in New York State, USA		
		April 2001	Appointed Civil Affairs Bureau, the Ministry of Justice (charge of the Commercial Law, the office of counselor)		
		January 2003	Partner of Nishimura Tokiwa Law office		
		August 2004	Outside Audit & Supervisory Board Member of Company		
		June 2005	Outside Director of DKK Co., Ltd.		
		July 2007	Partner of Nishimura & Asahi Law office (current)		
		April 2013	Professor, Graduate Schools for Law and Politics, The University of Tokyo		
		June 2016	Member of the board of Directors, Company (current)		Number of years as Member of the Board
June 2017	Outside Audit & Supervisory Board Member of Ricoh Co., Ltd. (current)	7 years			
[Reason for selection as a candidate for Outside Director and overview of expected role] Mr. Yo Ota has extensive experience and advanced knowledge as a lawyer. He served as Outside Audit & Supervisory Board Member of the Company, and he is well acquainted with the Company. The Company continuously selected him as a candidate for Outside Director for strengthening supervisory functions of the Board of Directors. The Company expects him to perform the role to strengthen corporate governance of the Company with his thorough knowledge of corporate legal affairs including corporate governance.					

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
6	Yasuyuki Fujishima (March 25, 1947)	July 1969	Joined Ministry of International Trade and Industry (presently Ministry of Economy, Trade and Industry).	4,000
		July 1997	Economic Planning Agency Representative to the Economic Planning Agency Bank of Japan Policy Board	
		July 1998	Japan Ambassador Extraordinary and Plenipotentiary to Panama, Ministry of Foreign Affairs	
		June 2002	Managing Executive Officer, Nissho Iwai Corp. (presently Sojitz Corp.)	
		November 2002	Outside Director, Wacom Co., Ltd.	Number of years as Member of the Board
		April 2003	Senior Managing Executive Officer, Member of Board of Directors, Nissho Iwai Corp. Representative Director and Senior Managing Executive Officer, Sojitz Corp.	
		October 2005	Executive Vice President, Sojitz Corp.	7 years
		April 2008	Representative Director, President, Mutual Service Aid Guarantee Corporation	
		August 2010	Member of the board of Directors, Company (current)	
		June 2016	Member of the board of Directors, Company (current)	
August 2017	Representative Director, President, Ceremonial Occasions Research Institute, Inc.			
November 2018	Chairperson of Human Resources Development & Employment Organization (current)			
<p>[Reason for selection as a candidate for Outside Director and overview of expected role] The Company continuously selected Mr.Yasuyuki Fujishima as a candidate for Outside Director to make recommendation about overall business of the Company since he has extensive experience and knowledge as a management executive of general trading company. The Company expects him to perform the role of supervising management from an objective standpoint based on his management experience at other the companies.</p>				

Re-election
Independent
Outside

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate	
7	Seiichi Fusamura (March 18, 1947)	July 1971	Assistant Judge of Kyoto District Court	0	
		June 1998	Director-General of Judicial System and Research Dept., Minister's Secretariat, Ministry of Justice		
		December 2001	Director-General of the Civil Affairs Bureau, Ministry of Justice		
		October 2006	President of the Saitama District Court		
		December 2009	President of the Sendai High Court		
		January 2011	President of the Nagoya High Court		
		March 2012	Retired from High Court		
		April 2012	Public member of Tokyo Metropolitan Government Labor Relations Commission(Deputy Chairperson)		
		June 2012	Outside Audit & Supervisory Board Member of Nippon Paper Industries Co., Ltd. Registered Lawyer		Number of years as Member of the Board
		January 2013	Chairperson of Public Security Examination Commission		3 years
August 2013	Chairperson of Tokyo Metropolitan Government Labor Relations Commission				
June 2016	Outside Audit & Supervisory Board Member of The Bank of Yokohama, Ltd.				
	June 2020	Outside Audit & Supervisory Board Member of Concordia Financial Group, Ltd. (current) Member of the board of Directors, Company (current)			
<p>[Reason for selection and as a candidate for Outside Director and overview of expected role]</p> <p>The Company continuously selected Mr. Seiichi Fusamura as a candidate for Outside Director to make recommendation about overall business of the Company since he has extensive experience and knowledge as a legal expert at the judicial branch although he has not been involved in the management of the company. The Company expects him to perform the role of supervising management from an independent and objective standpoint of Member of the board of Directors.</p>					

Re-election
Independent
Outside

(New Candidate)

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
8 New	Yoshimi Inoue (January 2, 1958)	April 1980	Joined Company	35,455
		July 2007	General Manager of R & D Planning Division, Research & Development Group	
		June 2011	General Manager of Functional Chemicals R&D Laboratories, Research & Development Group	
		June 2016	Directors, Company	Number of years as Member of the Board
		June 2017	General Manager of Functional Chemicals R&D Laboratories, Functional Chemicals Group	
		June 2019	General Manager of Planning & Coordination Division, Functional Chemicals Group	
		June 2019	Managing Director	
January 2020	Head of Technical Operation Group	-		
June 2021	Head of Research & Development Group (current)			
[Reason for selection as a candidate for Director] Mr. Yoshimi Inoue has been engaged in the research & development sector for many years, currently serving as a Senior Managing Director. The Company has newly selected him as a candidate for a Director in consideration of the fact that he has extensive experience and advanced knowledge of the overall business of the Company.				
9 New	Shigeyuki Kawamura (June 30, 1963)	April 1987	Joined Company	10,040
		June 2008	General Manager of Purchasing Division, Himeji Plant	
		June 2010	General Manager of Planning and Purchasing Division, Himeji Plant	
		June 2016	Chairman & General Manager of Kayaku Safety Systems (Huzhou) Co., Ltd.	Number of years as Member of the Board
		June 2019	Directors, Company	
		April 2021	General Manager of Strategic Planning Division, Safety Systems Group	
		June 2021	Deputy Director of Safety Systems Group and General Manager of Strategic Planning Division, Safety Systems Group	
June 2021	Senior Executive Officer	-		
April 2022	Head of Safety Systems Group (current)			
[Reason for selection and as a candidate for Outside Director and overview of expected role] Mr. Shigeyuki Kawamura has been engaged in the plant management sector, leading the safety systems business for many years and currently serving as a Managing Director. The Company has newly selected him as a candidate for a Director in consideration of the fact that he has extensive global experience such as being engaged in management of overseas subsidiaries and has advanced knowledge of the overall business of the Company.				

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
10 New Independent Outside	Ikuko Akamatsu (February 27, 1968)	January 1995	Joined Showa Ota & Co. (presently Ernst & Young ShinNihon LLC) (Left in October 2010)	0
		April 1997	Registered as Certified Public Accountant	
		April 2008	Registered as Certified Fraud Examiner	
		December 2010	Chief Researcher, Management Training and Consulting Division, Institute of Management, SANNO University	Number of years as Member of the Board
		April 2019	Senior Researcher, Management Training and Consulting Division, Institute of Management, SANNO University	
		June 2019	Outside Audit & Supervisory Board Member of Shinsei Bank, Limited (presently SBI Shinsei Bank, Limited) (current)	
		July 2019	Board Director, The Japanese Institute of Certified Public Accountants (current)	
June 2020	Outside Director of CAWACHI LIMITED Outside Audit & Supervisory Board Member of Toyo Seikan Group Holdings, Ltd. (current)	-		
June 2022	Outside Director of Mitsubishi UFJ Securities Holdings Co.,Ltd. (Audit & Supervisory committee member) (current)			
[Reason for selection and as a candidate for Outside Director and overview of expected role] The Company has newly selected Ms. Ikuko Akamatsu as a candidate for an Outside Director to make recommendations about overall business of the Company in consideration of the fact that she has extensive experience and knowledge as a Certified Public Accountant and Certified Fraud Examiner although she has not been directly involved in the business management. The Company expects her to provide appropriate advice and perform the role of supervising the management from an independent and objective standpoint.				

Note:1. There are no special interests between Company and all the Director candidates.

2. Messrs. Yo Ota, Yasuyuki Fujishima, Seiich Fusamura and Ms. Ikuko Akamatsu are candidates for Outside Director as prescribed in Article 2, paragraph (3), item (vii) of the Ordinance for Enforcement of the Companies Act. Company has registered Messrs. Yo Ota, Yasuyuki Fujishima and Seiichi Fusamura as Independent Officers stipulated by Securities Listing Regulations of Tokyo Stock Exchange. If Ms. Ikuko Akamatsu is elected, Company will register her as Independent Officers on Tokyo Stock Exchange.
3. The number of years since Messrs. Yo Ota and Yasuyuki Fujishima became Outside Directors of Company is seven (7) years at the conclusion of this general meeting. The number of years since Mr. Seiichi Fusamura became Outside Directors of Company is three (3) years at the conclusion of this general meeting.
4. Mr. Yo Ota didn't recognized the fact that DKK Co., Ltd. where he was involved as an outside director until June 2021, has improperly accounting for the postponement of the announcement of financial results for the fiscal year ending March 2019 due to the replacement of costs at multiple bases of the company although he routinely made recommendations from the perspective of legal compliance and alerted .After the fact was revealed, he took necessary measures as an outside director and fulfilled his responsibilities to recommend to prevent recurrence.
5. Messrs. Yo Ota, Yasuyuki Fujishima and Seiichi Fusamura have entered into a contract with Company to limit the liability for damages as prescribed in Article 423, paragraph (1) of Companies Act, and such amount of limitation of liability based on such contract shall be amount prescribed in Companies Act and if they are re-elected, Company will continue the contract as before. If Ms. Ikuko Akamatsu is elected, Company will enter into the same contract with Company to limit the liability.

(Summary of Contracts for Limitation of Liability)

If such Outside Director, is without knowledge and is not grossly negligent in performing his/her duty, the liability of such Outside Director shall be limited to the amount as prescribed in Article 425, paragraph (1) of Companies Act.

6. Company has entered into a directors and officers liability insurance agreement prescribed in Article 430-3, Paragraph (1) of Companies Act with the insurance company, and that agreement is designed to cover damages that may be incurred by the insured as a result of assuming responsibility for the execution of their duties or receiving claims related to the pursuit of such responsibility. Candidates will be included as insured under the insurance agreement. The insurance agreement was renewed in February 2022 with the same contents as before, and Company plans to renew with the same contents at the next renewal after one year has passed.

7. The Shares owned by the candidates includes those held through the stock ownership association.

Proposal No. 4 Election of one (1) Member of Audit & Supervisory Board

The terms of office of Mr. Akihiro Kojima, Audit & Supervisory Board Member, will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, we hereby propose to elect one (1) Member of Audit & Supervisory Board for new election.

Company has already obtained the consent of Audit & Supervisory Board with respect to this proposal.

The candidate for Audit & Supervisory Board Members is as follows.

(New Candidate)

Name (Date of birth)	Brief biographical outlines, position in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
Yoichiro Wada (February 18, 1962) New	April 1984	Joined Company	17,119
	February 2009	Director of Finance, Kayaku Safety Systems de Mexico, S.A. de C.V.	
	July 2011	General Manager of Administration Division, and Manager of General Affairs & Human Resources Division, Himeji Plant	
	October 2017	Managing Director of Kayaku Safety Systems Malaysia Sdn. Bhd.	Number of years as Member of Audit & Supervisory Board
	June 2019	General Manager of Purchasing Division, Administration Group	
April 2022	General Manager of Audit Division, (current)		
[Special interests between Company and the above candidate]None			
[Reason for selection as a candidate for an Audit & Supervisory Board Member] Mr. Yoichiro Wada has been engaged in the plant management sector, the purchasing sector and the audit sector for many years. The Company has newly selected him as a candidate for an Audit & Supervisory Board member in consideration of the fact that he has extensive experience and advanced knowledge of the overall business of the Company.			

Notes: 1. If Mr. Yoichiro Wada is elected, Company will enter into a contract with him to limit the liability for damages as prescribed in Article 423, paragraph (1) of Companies Act, based on Article 427, paragraph 1 of the Companies Act.

(Summary of Contracts for Limitation of Liability)

If such Member of Outside Audit & Supervisory Board, is without knowledge and is not grossly negligent in performing his/her duty, the liability of such Member of Audit & Supervisory Board shall be limited to the amount as prescribed in Article 425, paragraph (1) of Companies Act.

2. Company has entered into a directors and officers liability insurance agreement prescribed in Article 430-3, Paragraph (1) of Companies Act with the insurance company, and that agreement is designed to cover damages that may be incurred by the insured as a result of assuming responsibility for the execution of their duties or receiving claims related to the pursuit of such responsibility. Candidates will be included as insured under the insurance agreement. The insurance agreement was renewed in February 2023 with the same contents as before, and Company plans to renew with the same contents at the next renewal after one year has passed.

3. The Shares owned by the candidates includes those held through the stock ownership association.

Skills Matrix of Members of the Board and Audit & Supervisory Board Members after the Ordinary General Meeting of Shareholders.

Name	Position	Corporate Management	International Experience	Finance Accounting Tax	Regal Compliance	Risk Management	Business Strategy Marketing	Personnel Labor Affairs Human Resources Development	Reseach & Development	Manufacturing Quality Management	ESG Sustainability	IT・DX (Digital Transformation)
Atsuhiko Wakumoto	President Representative Director	◎	◎				○				○	
Tomoo Shibuya	Representative Director Executive Vice President	○	○	◎		○					○	
Yoshimi Inoue	Member of the Board of Directors Representative Senior Managing Director	○							◎	○		
Yoshitsugu Ishida	Member of the Board of Directors Representative Senior Managing Director	○	○	○			○					◎
Masatomi Akezuma	Member of the Board of Directors Managing Director	○	○				◎		○	○		
Shigeyuki Kawamura	Member of the Board of Directors Managing Director	○	○				◎					
Yo Ota	Member of the Board of Directors Outside Director		○	○	◎						○	○
Yasuyuki Fujishima	Member of the Board of Directors Outside Director	○	◎				○					○
Seiichi Fusamura	Member of the Board of Directors Outside Director				◎			○				
Ikuko Akamatsu	Member of the Board of Directors Outside Director			◎	○						○	
Megumi Machida	Standing Audit & Supervisory Board Member							○	◎	◎		
Yoichiro Wada	Full-time Audit & Supervisory Board Member	○	◎					○				
Katsuji Higashi	Outside Audit & Supervisory Board Member			◎		◎					○	
Yasuhiro Osaki	Outside Audit & Supervisory Board Member				◎						○	
Ichiro Wakasa	Outside Audit & Supervisory Board Member	◎				◎		○			○	

Note: Skills possessed based on each person's expertise, knowledge, experience, and abilities are indicated with ○, and more advanced skills are indicated with ◎.

- End -