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Securities Code: 4658

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To shareholders:

Yoji Tanaka, President & Representative Director
Nippon Air Conditioning Services Co., Ltd.
239-2, Terugaoka, Meito-ku, Nagoya

Notice of the 60th Annual General Meeting of Shareholders

We are pleased to announce the 60th Annual General Meeting of Shareholders of Nippon Air Conditioning Services Co., Ltd. (the “Company”), which will be held as indicated 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 each of the following websites. Please access any of these websites by using the internet address shown below to review the information.

The Company’s website:

<https://www.nikku.co.jp/ja/ir/stockinfo/meeting.html> (in Japanese)

Website for posting materials for the General Meeting of Shareholders:

<https://d.sokai.jp/4658/teiji/> (in Japanese)

Tokyo Stock Exchange (TSE) website (Listed Company Search):

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

(Access the TSE website by using the internet address shown above, enter “Nippon Air Conditioning Services” in “Issue name (company name)” or the Company’s securities code “4658” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you will not be attending on the day of the meeting, you can exercise your voting rights in writing or via the Internet. With regard to the exercise of voting rights, please review the below “Instructions for the Exercise of Voting Rights” (in Japanese only) and exercise your voting rights by 5:45 p.m. on Thursday, June 22, 2023. (JST).

1. Date and Time: Friday, June 23, 2023 at 10:00 a.m. (reception opens at 9:00 a.m.) (JST)

2. Venue: Hilton Nagoya, 5F, Ginsen
3-3, Sakae 1-chome, Naka-ku, Nagoya

3. Meeting Agenda

Items to be reported:

1. Report on the content of the Business Report and Consolidated Financial Statements for the 60th Fiscal Year (April 1, 2022 to March 31, 2023), and the audit results of Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Report on the content of the Non-consolidated Financial Statements for the 60th Fiscal Year (April 1, 2022 to March 31, 2023)

Items to be resolved:

- | | |
|-----------------------|---|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Eight Directors |
| Proposal No. 3 | Election of Three Audit & Supervisory Board Members |
| Proposal No. 4 | Payment of Bonuses to Officers |

4. Matters Determined in Connection with this Convocation (Instructions Concerning the Exercise of Voting Rights):

Please refer to pages 3 and 4 (in Japanese only).

- If attending on the day of the meeting, please submit the Voting Rights Exercise Form at the venue reception.
- If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on each of the aforementioned websites.
- For this General Meeting of Shareholders, paper-based documents stating items for which measures for providing information in electronic format are to be taken will be delivered to all shareholders regardless of whether they have made a request for the delivery of paper-based documents. In addition, among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 15 of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents to be delivered.
 - 1) “Notes to Consolidated Financial Statements” in the Consolidated Financial Statements
 - 2) “Notes to Non-consolidated Financial Statements” in the Non-consolidated Financial StatementsAccordingly, the Consolidated Financial Statements and Non-consolidated Financial Statements provided in these documents constitute part of the documents audited by the Accounting Auditor and Audit & Supervisory Board Members when preparing the Accounting Audit Report and Audit Report, respectively. Furthermore, the “Notes to Consolidated Financial Statements” and “Notes to Non-consolidated Financial Statements” are posted on the each of the above websites.
- Officers and employees of the Company will be dressed in light business wear (“Cool Biz” clothing) on the day of the meeting; your understanding is appreciated.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Company recognizes the return of profits to shareholders as an important management issue, and makes decisions concerning the distribution of profits while taking into consideration the enhancement of internal reserves for strengthening business foundations. Accordingly, the Company's basic policy is to continuously enhance profits, which provide the funds for dividends, and maintain a benchmark consolidated dividend payout ratio of 50%.

In accordance with this policy, the Company proposes to pay a year-end dividend for the current fiscal year of ¥14 per share. Accordingly, including the interim dividend of ¥14, the annual dividend will total ¥28 per share.

- (1) Type of dividend property
To be paid in cash.
- (2) Allotment of dividend property to shareholders and their aggregate amount
¥14 per common share of the Company, with a total amount of ¥479,843,462
- (3) Effective date of dividends of surplus
June 26, 2023

Proposal No. 2 Election of Eight Directors

The terms of office of all nine Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of eight Directors.

The candidates for Director are as follows:

Candidate No.	Name		Current position in the Company	Tenure	Status of attendance at meetings of the Board of Directors
1	Yoji Tanaka	Reelection	President & Representative Director	9 years	20/20 100%
2	Toshiaki Yorifuji	Reelection	Director and Senior Executive Officer General Manager of Corporate Planning Dept.	1 year	18/18 100%
3	Masato Suwa	Reelection	Director and Senior Executive Officer General Manager of Human Resources Dept.	1 year	18/18 100%
4	Kazuhiko Shiraishi	Reelection	Director and Senior Executive Officer General Manager of Nagoya Office	1 year	18/18 100%
5	Toshiaki Murotani	Reelection	Director	7 years	19/20 95%
6	Toshio Tanaka	Reelection Outside Independent	Director	3 years	20/20 100%
7	Tsuyoshi Higashimoto	Reelection Outside Independent	Director	3 years	20/20 100%
8	Hiromi Kitagawa	Reelection Outside Independent	Director	1 year	18/18 100%

Reelection: Candidate for Director to be reelected

Outside: Candidate for outside Director

Independent: Independent officer as defined by the securities exchange

Candidate No.	Name Date of birth	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned by the candidate
1	Yoji Tanaka (August 14, 1956)	<p>June 2004 Joined the Company</p> <p>Apr. 2007 General Manager of Accounting Dept.</p> <p>Jan. 2010 Director of Suzhou Nikku Suntec Electromechanical Technology Co., Ltd. (current position)</p> <p>May 2011 Director of Nippon Air Conditioning Tohoku Co., Ltd.</p> <p>May 2013 Director of Nippon Air Conditioning System Co., Ltd.</p> <p>June 2013 Director of Nippon Air Conditioning Hokuriku Co., Ltd.</p> <p>Apr. 2014 Executive Officer and General Manager, Accounting Dept. of the Company</p> <p>June 2014 Director, Executive Officer, and General Manager of Accounting Dept.</p> <p>Oct. 2015 Director, Executive Officer, General Manager of Corporate Planning Dept., and General Manager of Accounting Dept.</p> <p>Mar. 2016 Managing Director of NACS Singapore Pte. Ltd.</p> <p>Apr. 2016 Director, Executive Officer, and General Manager of Corporate Planning Dept. of the Company</p> <p>Sep. 2017 Authorized Representative of NACS ENGINEERING VIETNAM CO., LTD.</p> <p>Apr. 2018 President & Representative Director of the Company (current position)</p>	64,700
<p>[Reasons for nomination as candidate for Director]</p> <p>Yoji Tanaka has abundant knowledge and career experience, particularly in finance and accounting, corporate planning, and other administrative departments. Accordingly, the Company has judged that he will be able to continue leveraging his strong leadership to enhance the corporate value of the Company group (the "Group") as a whole, and has therefore nominated him as a candidate for Director.</p>			

Candidate No.	Name Date of birth	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned by the candidate
2	Toshiaki Yorifuji (March 15, 1967)	<p>Apr. 1987 Joined the Company</p> <p>Apr. 2013 General Manager of Yokohama Office, East Japan Div.</p> <p>Apr. 2014 Executive Officer and General Manager of Yokohama Office</p> <p>Apr. 2015 Executive Officer and General Manager of Kyushu Office</p> <p>Apr. 2022 Executive Officer, General Manager of Corporate Planning Dept., and General Manager of Overseas Dept.</p> <p>May 2022 Director of Nippon Air Conditioning Hokuriku Co., Ltd. (current position) Chairman & Director of NACS BD Co., Ltd. (current position)</p> <p>June 2022 Director, Executive Officer, General Manager of Corporate Planning Dept., and General Manager of Overseas Dept. Managing Director of NACS Singapore Pte. Ltd. (current position) Managing Director of NACS Engineering Myanmar Co., Ltd. (current position)</p> <p>Oct. 2022 Director, Senior Executive Officer, General Manager of Corporate Planning Dept., and General Manager of Overseas Dept.</p> <p>Apr. 2023 Director, Senior Executive Officer, and General Manager of Corporate Planning Dept. (current position)</p>	16,500
<p>[Reasons for nomination as candidate for Director]</p> <p>Toshiaki Yorifuji has abundant knowledge and experience concerning sales and business administration, including having served in important positions such as General Manager of key sites in Japan over many years, and he also has technical knowledge and experience developed over many years of involvement in the building facility construction business. Accordingly, the Company has judged that he will be able to continue utilizing these qualities to enhance the competitiveness and corporate value of the Group, and has therefore nominated him as a candidate for Director.</p>			

Candidate No.	Name Date of birth	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned by the candidate
3	Masato Suwa (August 27, 1965)	<p>Apr. 1984 Joined the Company</p> <p>Apr. 2004 General Manager of Chugoku Office (currently Chushikoku Office)</p> <p>Apr. 2007 Toyohashi Group Manager of Mikawa Office (currently Nagoya Office)</p> <p>Apr. 2008 General Manager of Mikawa Office</p> <p>Apr. 2010 General Manager of Kanto Office</p> <p>May 2011 Leader of Human Resources Dept., Administration and Education Div.</p> <p>Apr. 2014 General Manager of Human Resources Dept.</p> <p>Apr. 2019 Executive Officer and General Manager of Human Resources Dept.</p> <p>May 2020 Director of Nippon Air Conditioning Hokuriku Co., Ltd.</p> <p>July 2020 Executive Officer and General Manager of Corporate Planning Dept. of the Company</p> <p>Apr. 2022 Executive Officer and General Manager of Human Resources Dept.</p> <p>May 2022 Director of Nikku Business Services Co., Ltd. (current position)</p> <p>June 2022 Director, Executive Officer, and General Manager of Human Resources Dept.</p> <p>Oct. 2022 Director, Senior Executive Officer, and General Manager of Human Resources Dept. (current position)</p>	19,800
<p>[Reasons for nomination as candidate for Director]</p> <p>Masato Suwa has abundant knowledge and experience concerning sales and business administration, having served in important positions such as General Manager and Director of subsidiaries in Japan. Accordingly, the Company has judged that he will be able to continue utilizing his knowledge and experience developed as General Manager of the Human Resources Dept. to enhance the corporate value of the Group, and has therefore nominated him as a candidate for Director.</p>			
4	Kazuhiko Shiraishi (March 29, 1968)	<p>Apr. 1986 Joined the Company</p> <p>Apr. 2013 General Manager of Chugoku Office, West Japan Div. (currently Chushikoku Office)</p> <p>July 2015 President & Representative Director of Nippon Air Conditioning Shikoku Co., Ltd.</p> <p>Oct. 2015 Director</p> <p>Apr. 2020 Executive Officer and General Manager of Chushikoku Office of the Company</p> <p>Apr. 2021 Executive Officer and General Manager of Nagoya Office</p> <p>June 2022 Director, Executive Officer, and General Manager of Nagoya Office</p> <p>Oct. 2022 Director, Senior Executive Officer, and General Manager of Nagoya Office (current position)</p> <p>May 2023 Director of Nippon Air Conditioning System Co., Ltd. (current position)</p>	13,000
<p>[Reasons for nomination as candidate for Director]</p> <p>Kazuhiko Shiraishi has abundant knowledge and experience concerning sales and business administration, including having served in important positions such as General Manager of key sites in Japan and Representative Director of a subsidiary in Japan over many years, and he also has technical knowledge and experience developed over many years of involvement in the building facility maintenance business. Accordingly, the Company has judged that he will be able to continue utilizing these qualities to enhance the competitiveness and corporate value of the Group, and has therefore nominated him as a candidate for Director.</p>			

Candidate No.	Name Date of birth	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned by the candidate	
5	Toshiaki Murotani (May 5, 1953)	Apr. 1972 Oct. 1977 Apr. 1991 Sep. 1992 May 2003 May 2005 May 2006 June 2016 May 2022	Joined the Company Transferred to Nippon Air Conditioning Hokuriku Co., Ltd. General Manager of Sales Dept. of Nippon Air Conditioning Hokuriku Co., Ltd. Director Managing Executive Officer Director President & Representative Director Director of the Company (current position) Chairman of Nippon Air Conditioning Hokuriku Co., Ltd. (current position)	74,140
		<p>[Reasons for nomination as candidate for Director]</p> <p>Toshiaki Murotani has served in important positions in the sales departments of Nippon Air Conditioning Hokuriku Co., Ltd., a subsidiary of the Company, and has abundant experience and achievements as President & Representative Director of Nippon Air Conditioning Hokuriku Co., Ltd. over many years. Accordingly, the Company has judged that he will be able to continue fulfilling a sufficient role in making decisions on important matters for the Group and supervising the execution of business, and has therefore nominated him as a candidate for Director.</p>		
6	Toshio Tanaka (January 22, 1954)	Oct. 1983 Mar. 1987 June 1987 July 1987 Dec. 1987 Jan. 2007 Sep. 2007 Aug. 2016 June 2020	Joined Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC) Registered as certified public accountant Resigned from Tohmatsu Awoki & Co. Registered as Partner of Crowe Toyo & Co. Registered as certified public tax accountant Senior Partner of ION Corp. (current position) Senior Partner of Crowe Toyo & Co. Retired from post of Senior Partner of Crowe Toyo & Co. Outside Director of the Company (current position)	2,100
		<p>[Reasons for nomination as candidate for outside Director and outline of expected role]</p> <p>Toshio Tanaka does not have past experience in general operating company management other than as an outside officer, but he has played an active role as a Senior Partner of an audit corporation and a tax accountancy corporation over many years. Accordingly, the Company has nominated him as a candidate for outside Director, as a person who can be expected to continue providing appropriate advice and recommendations on occasions when important management decisions are being made within the Company, based on his expert knowledge and abundant experience as a certified public accountant.</p>		
7	Tsuyoshi Higashimoto (August 31, 1962)	Apr. 1989 Mar. 2012 Mar. 2017 June 2020	Joined Mitsubishi Heavy Industries, Ltd. Resigned from Mitsubishi Heavy Industries, Ltd. Graduated from Graduate School of Management, Kyoto University (acquired MBA) Outside Director of the Company (current position)	8,400
		<p>[Reasons for nomination as candidate for outside Director and outline of expected role]</p> <p>Tsuyoshi Higashimoto does not have past experience in general operating company management other than as an outside officer, but he has expert knowledge related to management from having acquired an MBA at the Graduate School of Management, Kyoto University. Additionally, he has overseas career experience totaling 10 years or more in many locations, including China and Taiwan, in his previous employment, and he played an active role as an administration manager (manager supervising operation and administration) of major projects in each country. Based on his abundant practical experience, he provides meaningful advice concerning the overseas development of the Group. Accordingly, the Company has nominated him as a candidate for outside Director, as a person who can continue to fulfill a sufficient role in strengthening group business administration in the Company.</p>		

Candidate No.	Name Date of birth	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned by the candidate
8	Hiromi Kitagawa (November 4, 1962)	<p>Apr. 1996 Registered as an attorney at law Joined Nankan Legal Professional Corporation (currently GROWTH Legal Professional Corporation)</p> <p>July 2003 Partner and Attorney at Law of Nankan Kitagawa Legal Professional Corporation (currently GROWTH Legal Professional Corporation)</p> <p>Apr. 2014 Director of CHUBU Federation of Bar Association</p> <p>Apr. 2016 Deputy Chairman of Aichi Bar Association</p> <p>Apr. 2017 Professor of Nanzan School of Law, Nanzan University (current position)</p> <p>Apr. 2022 Representative Partner of GROWTH Legal Professional Corporation (current position)</p> <p>June 2022 Outside Director of the Company (current position)</p>	0
<p>[Reasons for nomination as candidate for outside Director and outline of expected role]</p> <p>Hiromi Kitagawa does not have past experience in general operating company management other than as an outside officer, but she has expert knowledge and experience as an attorney-at-law, as well as abundant experience, including serving as Deputy Chairman of the Aichi Bar Association and a university professor. Accordingly, the Company has nominated her as a candidate for outside Director, as a person who can be expected to continue providing appropriate advice and recommendations on occasions when important management decisions are being made within the Company, based on the above qualities and experience.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The "Number of the Company's shares owned by the candidate" shows the number of shares held as of March 31, 2023.
 3. Mr. Toshio Tanaka, Mr. Tsuyoshi Higashimoto and Ms. Hiromi Kitagawa are candidates for outside Director.
 4. Mr. Toshio Tanaka, Mr. Tsuyoshi Higashimoto and Ms. Hiromi Kitagawa are currently outside Directors of the Company. At the conclusion of this meeting, Mr. Toshio Tanaka and Mr. Tsuyoshi Higashimoto's tenure as outside Director of the Company will have been three years, and Ms. Hiromi Kitagawa's tenure as outside Director of the Company will have been one year.
 5. ION Corp., where Mr. Toshio Tanaka serves as Senior Partner, received business consignment remuneration from Nippon Air Conditioning Gifu Co., Ltd. and Nippon Air Conditioning Tokai Co., Ltd., which were subsidiaries of the Company. However, over the past five fiscal years, the total annual transaction amount averaged ¥0.1 million for Nippon Air Conditioning Gifu Co., Ltd. and ¥0.3 million for Nippon Air Conditioning Tokai Co., Ltd., and each of these amounts was equivalent to less than 0.01% of average consolidated net sales over the same period. Accordingly, the Company has judged that his independence is not affected. Furthermore, agreements with each company have already ended, and the Company has no plans to enter into new agreements.
 6. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Non-executive Directors Mr. Toshiaki Murotani, Mr. Toshio Tanaka, Mr. Tsuyoshi Higashimoto, and Ms. Hiromi Kitagawa to limit their liability for damages as set forth in Article 423, paragraph (1) of the same. The maximum amount of liability for damages pursuant to this agreement will be ¥5 million or the minimum amount of liability set forth in Article 425, paragraph (1) of the Companies Act, whichever is greater. In the event that the reelection of each candidate is approved and passed, the Company intends to continue these agreements with each candidate.
 7. The Company has entered into a directors and officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act, and an outline of the content of this insurance policy is provided on page 28 of the Business Report (in Japanese only). If the election of each candidate for Director is approved, they will be included in the insured parties under this insurance policy. In addition, the Company intends to renew this insurance policy with the same content at the time of next renewal.
 8. The Company has submitted notification of the designation of Mr. Toshio Tanaka, Mr. Tsuyoshi Higashimoto, and Ms. Hiromi Kitagawa as independent officers as provided for by the Tokyo Stock Exchange and the Nagoya Stock Exchange, and if their reelections are approved and passed, the Company plans to submit notification of their continued designation as independent officers to both exchanges.

Proposal No. 3 Election of Three Audit & Supervisory Board Members

Of the four Audit & Supervisory Board Members, the terms of office of Audit & Supervisory Board Members Mr. Masahiro Kobayashi, Mr. Yoshihito Watanabe, and Mr. Minoru Terazawa will expire at the conclusion of this meeting. Therefore, the Company proposes the election of three Audit & Supervisory Board Members. Furthermore, the consent of the Audit & Supervisory Board has been obtained in relation to this proposal.

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

Candidate No.	Name Date of birth	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned by the candidate
1	Masahiro Kobayashi (February 25, 1961)	Apr. 1984 Joined the Company Apr. 2007 General Manager of Yokohama Office Apr. 2011 General Manager of Internal Control Office Apr. 2013 General Manager of Internal Audit Office (currently Internal Audit Dept.) Apr. 2019 Human Resources Dept. of the Company May 2019 Audit & Supervisory Board Member of Nippon Air Conditioning System Co., Ltd. (current position) Audit & Supervisory of Board Member of Nikku Business Services Co., Ltd. (current position) June 2019 Full-time Audit & Supervisory Board Member of the Company (current position) May 2021 Audit & Supervisory Board Member of Nippon Air Conditioning Hokuriku Co., Ltd. (current position)	23,700
[Reasons for nomination as candidate for Audit & Supervisory Board Member] Masahiro Kobayashi has served in important positions as General Manager of business sites in Japan, as well as internal control and internal audit departments. Accordingly, the Company has judged that he can be expected to continue utilizing his knowledge developed through these experiences and his abundant experience to fulfill a sufficient role in effective audits of the Group, and has therefore nominated him as a candidate for Audit & Supervisory Board Member.			

Candidate No.	Name Date of birth	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned by the candidate
*2	Hisashi Fuchino (March 26, 1963)	<p>Mar. 1993 Joined the Company</p> <p>May 2005 Director of Nikku Business Services Co., Ltd.</p> <p>May 2008 Audit & Supervisory Board Member of Nippon Air Conditioning Tohoku Co., Ltd.</p> <p>Apr. 2011 General Manager of Corporate Planning Office (currently Corporate Planning Dept.), Corporate Strategy Div.</p> <p>May 2011 Director of Nippon Air Conditioning Tohoku Co., Ltd.</p> <p>Apr. 2012 General Manager of Corporate Planning Office (currently Corporate Planning Dept.) and General Manager of Overseas Business Dept. (currently Overseas Dept.)</p> <p>Apr. 2014 General Manager of Corporate Planning Dept.</p> <p>May 2014 Director of Nikku Business Services Co., Ltd.</p> <p>Oct. 2015 Seconded to Nippon Air Conditioning Shikoku Co., Ltd. President & Representative Director</p> <p>Apr. 2018 End of secondment to Nippon Air Conditioning Shikoku Co., Ltd. General Manager of Hokkaido Office of the Company</p> <p>Apr. 2023 Human Resources Dept. of the Company (current position)</p> <p>May 2023 Audit & Supervisory of Board Member of E-TEC JAPAN CO., LTD. (current position)</p>	400
<p>[Reasons for nomination as candidate for Audit & Supervisory Board Member]</p> <p>Hisashi Fuchino has served in important positions such as General Manager of business sites in Japan, in the corporate planning and overseas departments, and as representative of a domestic subsidiary. Accordingly, the Company has judged that he can be expected to utilize his knowledge developed through these experiences and his abundant experience to fulfill a sufficient role in effective audits of the Group, and has therefore nominated him as a candidate for Audit & Supervisory Board Member.</p>			
3	Minoru Terazawa (November 25, 1963)	<p>Apr. 1986 Joined Suntory Spirits Ltd.</p> <p>June 1991 Resigned from Suntory Spirits Ltd.</p> <p>Aug. 1993 Joined TAC Co., Ltd.</p> <p>Oct. 1994 Resigned from TAC Co., Ltd. Joined Aoyama Audit Corporation</p> <p>Apr. 1997 Registered as certified public accountant</p> <p>July 1998 Resigned from Aoyama Audit Corporation</p> <p>Aug. 1998 Representative of Terazawa CPA Office (current position)</p> <p>Oct. 1998 Registered as certified public tax accountant</p> <p>June 2015 Outside Audit & Supervisory Board Member of the Company (current position)</p>	6,500
<p>[Reasons for nomination as candidate for outside Audit & Supervisory Board Member]</p> <p>The Company has judged that Minoru Terazawa's expert knowledge and abundant experience as a certified public accountant can be reflected in effective audits of the Group, and has therefore nominated him as a candidate for outside Audit & Supervisory Board Member. Furthermore, he does not have past experience in general operating company management other than as an outside officer, but the Company has judged that he will be able to continue appropriately executing his duties as outside Audit & Supervisory Board Member of the Company for the above reasons.</p>			

- Notes:
1. New candidates for Audit & Supervisory Board Member are indicated by an asterisk (*).
 2. The "Number of the Company's shares owned by the candidate" shows the number of shares held as of March 31, 2023.
 3. Between April 2000 and May 2015, the Company had entered into an advisory agreement with Terazawa CPA Office, where Mr. Minoru Terazawa serves as Representative. However, in each of those years, the advisory fees were less than

¥2 million, which was equivalent to less than 0.01% of consolidated net sales. Accordingly, the Company has judged that his independence is not affected. In addition, this agreement has already ended, and there is no special interest between the candidate and the Company. Furthermore, there is no special interest between any of the other candidates and the Company.

4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Mr. Masahiro Kobayashi and Mr. Minoru Terazawa to limit their liability for damages as set forth in Article 423, paragraph (1) of the same. The maximum amount of liability for damages pursuant to this agreement will be ¥5 million or the minimum amount of liability set forth in Article 425, paragraph (1) of the Companies Act, whichever is greater. In the event that the reelection of both candidates is approved, the Company intends to continue these agreements with both candidates. If the election of Mr. Hisashi Fuchino is approved, the Company plans to enter into a limited liability agreement with the same content with him.
5. The Company has entered into a directors and officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act, and an outline of the content of this insurance policy is provided on page 28 of the Business Report (in Japanese only). If the election of each candidate for Audit & Supervisory Board Member is approved, they will be included in the insured parties under this insurance policy. In addition, the Company intends to renew this insurance policy with the same content at the time of next renewal.
6. Mr. Minoru Terazawa is a candidate for outside Audit & Supervisory Board Member.
7. Mr. Minoru Terazawa is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, his tenure as outside Audit & Supervisory Board Member of the Company will have been eight years.
8. The Company has submitted notification of the designation of Mr. Minoru Terazawa as an independent officer as provided for by the Tokyo Stock Exchange and the Nagoya Stock Exchange, and if his reelection is approved and passed, the Company plans to submit notification of his continued designation as independent officer to both exchanges.

<Reference> Skills Matrix of Directors and Audit & Supervisory Board Members (Expected After the 60th Annual General Meeting of Shareholders)

	Name	Position	Attributes	Main expertise, knowledge, experience, capabilities, etc.					
				Management and governance	Sales	Finance and accounting	Technology and quality	Human resources development	Overseas business
Director	Yoji Tanaka	President & Representative Director		•		•			•
	Toshiaki Yorifuji	Director and Senior Executive Officer General Manager of Corporate Planning Dept.			•		•		•
	Masato Suwa	Director and Senior Executive Officer General Manager of Human Resources Dept.		•			•	•	
	Kazuhiko Shiraishi	Director and Senior Executive Officer General Manager of Nagoya Office			•		•	•	
	Toshiaki Murotani	Director		•	•			•	
	Toshio Tanaka	Outside Director	[Outside] [Independent]	•		•			
	Tsuyoshi Higashimoto	Outside Director	[Outside] [Independent]	•					•
	Hiromi Kitagawa	Outside Director	[Outside] [Independent]	•				•	
Audit & Supervisory Board Member	Masahiro Kobayashi	Full-time Audit & Supervisory Board Member		•	•			•	
	Hisashi Fuchino	Full-time Audit & Supervisory Board Member	[New election]	•	•				•
	Masatoshi Nakajima	Outside Audit & Supervisory Board Member	[Outside] [Independent]	•		•			
	Minoru Terazawa	Outside Audit & Supervisory Board Member	[Outside] [Independent]	•		•			

* Up to three of the main areas of expertise, knowledge, experience, capabilities, etc., of each person are noted.

Proposal No. 4 Payment of Bonuses to Officers

The Company proposes to pay a total amount of ¥25 million in bonuses to officers for five Directors (five Executive Directors) as of the end of the current fiscal year, in consideration of factors such as business performance in the current fiscal year.

Furthermore, the Company proposes that the specific amount, timing, method, and other details of payment to each recipient be entrusted to the Board of Directors. In addition, the Company's policies concerning the determination of the content of individual remuneration, etc. for Directors are provided on pages 28 through 31 of the Business Report (in Japanese only).

The Company has judged that this proposal is appropriate, after comprehensively considering factors such as the business performance of the Company and results in the departments overseen by said Directors.