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Securities code: 7943

June 5, 2025

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 88th Annual General Meeting of Shareholders

We are pleased to announce the 88th 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.

The Company’s website:

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

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.”

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: Thursday, June 26, 2025, 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 88th fiscal year (from April 1, 2024 to March 31, 2025), 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 88th fiscal year (from April 1, 2024 to March 31, 2025)

Matters to be resolved:

Proposal No. 1 Appropriation of Surplus

Proposal No. 2 Election of Eight 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 the Company’s Articles of Incorporation, the following items are not provided in the paper-based documents. The Audit & Supervisory Board Members and the Accounting Auditor have audited the documents subject to audit, including the following matters.
 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
- 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. The Company will send written notices regarding dividends.

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 "Basic 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 ¥57 per share, the annual dividend will be ¥114 per share.

- (1) Type of dividend property
To be paid in cash.
- (2) Allotment of dividend property to shareholders and their aggregate amount
¥57 per common share of the Company
The total amount ¥1,939,403,340
- (3) Effective date of dividends of surplus
June 27, 2025

Proposal No. 2 Election of Eight Directors

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

Therefore, the Company proposes the election of eight 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 12).

The candidates for Director are as follows:

Candidate No.	Name	Gender	Candidate attributes	Current position and responsibility in the Company	Attendance at the Board of Directors Meetings (fiscal 2024)
1	Narumitsu Yoshioka	Male	Reelection	President Overall Supervision and Internal Audit	12/12 100%
2	Kazushi Tono	Male	Reelection	Director, Senior Executive Officer In charge of Management Planning Department, Procurement Division, Financial Department, and Environment Office	12/12 100%
3	Munetsugu Oka	Male	Reelection	Director, Executive Managing Officer General Manager of Engineering Division, and in charge of Research and Development Department	12/12 100%
4	Kazuhiro Kouchi	Male	New election	Executive Managing Officer General Manager of Production Division	—
5	Naoki Tajiri	Male	Reelection Outside Independent	Outside Director	12/12 100%
6	Hiroaki Nishi	Male	Reelection Outside Independent	Outside Director	12/12 100%
7	Kazuko Ohtani	Female	Reelection Outside Independent	Outside Director	12/12 100%
8	Emi Noge	Female	Reelection Outside Independent	Outside Director	10/10回 100%

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 (Gender) 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
1	<p>Narumitsu Yoshioka (Male) (September 14, 1963)</p> <p>Reelection</p>	Apr. 1986	Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)	12,421 shares
		Apr. 2015	Executive Officer, General Manager of Seoul Branch, and General Manager of Global Korea Corporate Banking Department	
		Apr. 2017	Executive Officer, President of Sumitomo Mitsui Banking Corporation (China) Limited, and Deputy Head of East Asia Division	
		Apr. 2018	Managing Executive Officer, Head of East Asia Division of Sumitomo Mitsui Financial Group, Inc.	
			Managing Executive Officer, Head of East Asia Division, Deputy responsible for Global Advisory Dept. of Sumitomo Mitsui Banking Corporation	
			Chairman of Sumitomo Mitsui Banking Corporation (China) Limited	
		Apr. 2020	Managing Executive Officer of Sumitomo Mitsui Financial Group, Inc.	
			Managing Executive Officer of Sumitomo Mitsui Banking Corporation	
		May 2020	Advisor to the Company	
		June 2020	Director, Executive Vice President, and Assistant to the President	
		June 2021	President, Overall Supervision and Internal Audit (current position)	
<p>(Reasons for nomination as candidate for Director)</p> <p>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 (Gender) 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
2	Kazushi Tonoï (Male) (November 7, 1963) Reelection	Apr. 1986	Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)	5,916 shares
		Apr. 2014	General Manager of Tokyo Corporate Banking Dept. X	
		Apr. 2015	Advisor to the Company	
		Oct. 2015	Executive Managing Officer, Assistant to the President, and in charge of Procurement Division	
		Apr. 2016	Executive Managing Officer, Assistant to the President, and in charge of Procurement Division, Financial Department, and General Affairs Department	
		June 2016	Director, Executive Managing Officer, and in charge of Procurement Division, Financial Department, and General Affairs Department	
		Apr. 2018	Director, Senior Executive Officer, and in charge of Procurement Division, Financial Department, and General Affairs Department	
		Nov. 2018	Director, Senior Executive Officer, and in charge of Production Division, Procurement Division, Financial Department, and General Affairs Department	
		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	
		Apr. 2022	Director, Senior Executive Officer, General Manager of Management Planning Department, and in charge of Procurement Division, Financial Department, and Environment Office	
		Apr. 2024	Director, Senior Executive Officer, and in charge of Management Planning Department, Procurement Division, Financial Department, and Environment Office (current position)	
(Reasons for nomination as candidate for Director) Kazushi Tonoï has been fulfilling his responsibilities mainly by formulating and conducting the Group's management strategy, streamlining in the purchasing and logistics departments, and improving the operations of the financial accounting 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.				

Candidate No.	Name (Gender) 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
3	Munetsugu Oka (Male) (January 27, 1968) Reelection	<p>Apr. 1992 Joined Nihon Cement Co., Ltd. (currently Taiheiyo Cement Corporation)</p> <p>Apr. 2010 General Manager of MMC Manufacturing Department, MMC Division of Nihon Ceratec Co., Ltd. (currently NTK CERATEC CO., LTD.)</p> <p>Apr. 2014 General Manager of MMC Division and General Manager of Manufacturing Department, JAPAN FINE CERAMICS CO., LTD.</p> <p>Jan. 2019 Deputy General Manager of Engineering Division of the Company</p> <p>Mar. 2019 Deputy General Manager of Production Division</p> <p>Oct. 2019 Managing Officer, Deputy General Manager of Production Division, General Manager of Production Management Office</p> <p>Oct. 2020 Senior Managing Officer, Deputy General Manager of Production Division, and General Manager of Production Management Office</p> <p>Apr. 2021 Senior Managing Officer, Deputy General Manager of Production Division, General Manager of Nagoya plant, and General Manager of Production Management Office</p> <p>Oct. 2021 Senior Managing Officer, Deputy General Manager of Production Division, and General Manager of Nagoya plant</p> <p>Oct. 2022 Senior Managing Officer, Deputy General Manager of Engineering Division</p> <p>June 2023 Director, Senior Managing Officer, General Manager of Engineering Division, and in charge of Research and Development Department</p> <p>Apr. 2024 Director, Executive Managing Officer, General Manager of Engineering Division, and in charge of Research and Development Department (current position)</p>	2,517 shares
<p>(Reasons for nomination as candidate for Director)</p> <p>Munetsugu Oka has mastery over various operations related to production, development and technology, and has strived to improve and rationalize operations in the production department. He has been fulfilling his responsibilities as the head of the engineering 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 (Gender) 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
4	Kazuhiro Kouchi (Male) (May 19, 1964) New election	Apr. 1987	Joined the Company	10,217 shares
		Apr. 2013	Managing Officer, General Manager of Iwaki plant	
		Apr. 2014	Senior Managing Officer, General Manager of Production Division	
		June 2015	Director, Senior Managing Officer, General Manager of Production Division, and in charge of Environment Safety Office	
		June 2017	Director, Executive Managing Officer, General Manager of Production Division, General Manager of Nagoya plant, and in charge of Environment Office and Safety Promotion Office	
		Apr. 2018	Director, Executive Managing Officer, General Manager of Production Division, and in charge of Environment Office and Safety Promotion Office	
		Apr. 2020	Director, Executive Managing Officer of the Company, and President of Nichiha Matex Co.Ltd.	
		June 2020	Executive Managing Officer of the Company, and President of Nichiha Matex Co.Ltd.	
		Apr. 2021	Executive Managing Officer of the Company, President of Nichiha Matex Co.Ltd., and President of TAKAHAGINICHIHA CORPORATION	
		Apr. 2024	Executive Managing Officer, General Manager of Production Division of the Company, President of Nichiha Matex Co.Ltd., and President of TAKAHAGINICHIHA CORPORATION (current position)	
(Reasons for nomination as candidate for Director) Kazuhiro Kouchi has strived to establish the Company's stable production and supply systems and improve the efficiency of production operations mainly by serving as General Manager of Production Division and President of major production subsidiaries of the Company, and has fulfilled his responsibilities to strengthen the production system. 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 (Gender) 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
5	Naoki Tajiri (Male) (March 10, 1949) Reelection Outside Independent	Apr. 1972	Joined Sumitomo Metal Mining Co., Ltd.	– shares
		June 2001	General Manager of Finance & Accounting Dept.	
		June 2003	Executive Officer and General Manager of Finance & Accounting Dept.	
		June 2006	Managing Executive Officer and General Manager of Finance & Accounting Dept.	
		June 2008	Senior Managing Executive Officer and General Manager of Corporate Planning Dept.	
		June 2010	Senior Audit & Supervisory Board Member	
		June 2014	Advisor	
		June 2015	Outside Audit & Supervisory Board Member of the Company	
		June 2019	Outside Director (current position)	
(Reasons for nomination as candidate for outside Director and summary of expected roles) 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.				
6	Hiroaki Nishi (Male) (August 8, 1960) Reelection Outside Independent	Oct. 1983	Joined Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC)	– shares
		Mar. 1987	Registered as a certified public accountant	
		June 1998	Partner of Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)	
		July 2012	Partner of Deloitte Tohmatsu Financial Advisory Co., Ltd. (currently Deloitte Tohmatsu Financial Advisory LLC)	
		Apr. 2015	Partner of Deloitte Tohmatsu LLC	
		May 2020	Resigned from Deloitte Tohmatsu LLC and Deloitte Tohmatsu Financial Advisory LLC	
		June 2020	Established Hiroaki Nishi CPA Office (currently Hiroaki Nishi CPA & CPTA Office) as Director (current position)	
		June 2020	Outside Audit & Supervisory Board Member of the Company	
		June 2021	Registered as a certified public tax accountant	
		June 2021	Outside Director of the Company (current position)	
		[Significant concurrent positions outside the Company] Director of Hiroaki Nishi CPA & CPTA Office		
(Reasons for nomination as candidate for outside Director and summary of expected roles) 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.				

Candidate No.	Name (Gender) 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
7	Kazuko Ohtani (Female) (January 9, 1964) Reelection Outside Independent	Apr. 1987	Joined Japan Information Service, Limited. (currently The Japan Research Institute, Limited)	– shares
		Apr. 1996	General Manager of Legal Department of The Japan Research Institute, Limited	
		May 2016	Managing Officer and General Manager of Legal Department (current position)	
		June 2023	Outside Director of the Company (current position)	
		June 2024	Outside Director of ASIA PILE HOLDINGS CORPORATION (current position)	
		[Significant concurrent positions outside the Company] Managing Officer and General Manager of Legal Department of The Japan Research Institute, Limited Outside Director of ASIA PILE HOLDINGS CORPORATION		
(Reasons for nomination as candidate for outside Director and summary of expected roles) 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, and has served as outside Director of the Company since June 2023. The Company has nominated her as a candidate for outside Director in the expectation that she continues to utilize 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.				
8	Emi Noge (Female) (January 17, 1970) Reelection Outside Independent	Apr. 1995	Appointed as a public prosecutor	– shares
		Mar. 2006	Registered as an attorney at law (Dai-Ichi Tokyo Bar Association)	
		Mar. 2006	Joined Fuji Godo Law Office	
		Apr. 2008	Partner attorney of Fuji Godo Law Office (current position)	
		Apr. 2012	Tokyo Dispute Coordinating Committee Member of Tokyo Labor Bureau	
		Apr. 2017	Mediation Committee Member of Tokyo Summary Court (current position)	
		June 2018	Outside Audit & Supervisory Board Member of Suruga Bank Ltd.	
		June 2019	Outside Director (Audit and Supervisory Committee Member) (current position)	
		June 2022	Auditor of the Japanese Circulation Society (current position)	
		June 2024	Outside Director of the Company (current position)	
		[Significant concurrent positions outside the Company] Partner attorney of Fuji Godo Law Office Mediation Committee Member of Tokyo Summary Court Outside Director (Audit and Supervisory Committee Member) of Suruga Bank Ltd. (scheduled to retire in June 2025) Auditor of the Japanese Circulation Society		
(Reasons for nomination as candidate for outside Director and summary of expected roles) Emi Noge has abundant knowledge and experience as a public prosecutor and attorney at law and possesses considerable insight. She has served as outside Director of the Company since June 2024. The Company has nominated her as a candidate for outside Director in the expectation that she continues to utilize her extensive experience and insight and fulfill her role of supervising and advising corporate management, etc. especially from the perspective of corporate legal affairs, compliance and risk management, and also that she is involved in the Nomination and Remuneration Advisory Committee as its member from an objective and independent position. Ms. Noge has never been directly involved in the management of a company except as an outside officer. However, the Company judges she will appropriately fulfill her duties as an outside Director based on the above reasons.				

- 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. Naoki Tajiri, Hiroaki Nishi, Kazuko Ohtani and Emi Noge 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 Naoki Tajiri, Hiroaki Nishi, Kazuko Ohtani and Emi Noge 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.
 5. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into limited liability agreements with Naoki Tajiri, Hiroaki Nishi, Kazuko Ohtani and Emi Noge 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.
 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. Naoki Tajiri, Hiroaki Nishi, Kazuko Ohtani and Emi Noge are currently outside Directors of the Company. At the conclusion of this meeting, their tenures since assuming office as outside Directors will have been six years, four years, two years, and one year, 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. Have an insight of corporate governance.
3. Having knowledge, experience 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.

Skills matrix for candidates for Director

The major skills of candidates for Director are as follows:

Candi- date No.	Name	Major skill items required of Directors								
		Corporate management and governance	Manufactur- ing, technology, and research and development	Sales and marketing	Human resources and human resources development	Global	Quality and CS	Finance and accounting	Compliance and risk management	IT and digital transformation
1	Narumitsu Yoshioka	●		●	●	●	●	●	●	●
2	Kazushi Tono	●	●	●				●	●	
3	Munetsugu Oka	●	●				●			
4	Kazuhiro Kouchi	●	●		●		●			●
5	Naoki Tajiri	●				●		●		
6	Hiroaki Nishi	●				●		●	●	
7	Kazuko Ohtani	●							●	●
8	Emi Noge	●							●	

The reasons for the selection of major skill items required of Directors are as follows:

Major skill items required of Directors	Reasons for selection
Corporate management and governance	This skill item is required from the perspective of establishing and executing a wide range of business strategies, an appropriate corporate governance system and sustainability initiatives, etc. by taking into account the business environment and capital cost, etc., in order to sustainably increase the Company's corporate value.
Manufacturing, technology, and research and development	This skill item is required from the perspective of supplying products and services in a stable and efficient manner, and developing technologies and conducting research and development to create new value that contributes to societal development.
Sales and marketing	This skill item is required from the perspective of expanding the customer base in a stable and effective manner based on a customer-oriented approach.
Human resources and human resources development	This skill item is required from the perspective of creating a workplace that is safe, healthy, vibrant, open and sustainable, and an environment for employees to further develop their skills, as well as securing and developing human resources that are needed for executing corporate strategies.
Global	This skill item is required from the perspective of expanding the Company's business in a constructive and efficient manner based on global standards.
Quality and CS	This skill item is required from the perspective of increasing customer satisfaction through stable provision of high-quality products and services, as well as gaining the trust of stakeholders.
Finance and accounting	This skill item is required from the perspective of fostering the trust of stakeholders by developing a strong financial base as well as an accurate and timely disclosure system.
Compliance and risk management	This skill item is required from the perspective of developing and maintaining a sound business foundation by establishing a robust compliance system, appropriate risk management system and strict internal audits, etc.
IT and digital transformation	This skill item is required from the perspective of realizing the improvement of operational efficiency, enhancement of productivity and ensuring of security, etc. by actively using advanced technologies such as AI and IoT.

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

At the conclusion of this meeting, Yoshihiro Shibata will resign as Audit & Supervisory Board Member, and the term of office of Yoshiko Iwamoto as Audit & Supervisory Board Member will expire. Therefore, the Company newly 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 16). 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 (Gender) Date of birth	Career summary, position in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Kikuhiro Shinoda (Male) (September 12, 1961) New election	Apr. 1985 Apr. 2012 Apr. 2025	Joined the Company Managing Officer, General Manager of Financial Department Associate Director, General Manager of Financial Department (current position)	4,047 shares
	(Reasons for nomination as candidate for Audit & Supervisory Board Member) Kikuhiro Shinoda has been involved in the Company's finance and accounting operations for many years, and possesses considerable insight in finance and accounting. The Company has determined that he will be able to satisfactory perform audit work by utilizing his extensive experience and knowledge and fulfill a role in management oversight. Therefore the Company has nominated him as a new candidate for Audit & Supervisory Board Member.			
2	Yoshiko Iwamoto (Female) (August 27, 1957) Reelection Outside Independent	Oct. 1983 Mar. 1987 July 1992 Aug. 2007 Oct. 2011 Apr. 2012 Apr. 2012 Oct. 2012 June 2021 July 2021 [Significant concurrent positions outside the Company] Director of Iwamoto CPA Office Representative Partner of Nexus Audit Corporation	Joined Chuo Audit Corporation Registered as a certified public accountant Registered as a certified public tax accountant Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) Established Iwamoto CPA Office as Director (current position) Joined Nexus Audit Corporation Audit committee member of Kawanishi City, Hyogo Prefecture Partner of Nexus Audit Corporation Outside Audit & Supervisory Board Member of the Company (current position) Representative Partner of Nexus Audit Corporation (current position)	– shares
	(Reasons for nomination as candidate for outside Audit & Supervisory Board Member) Yoshiko Iwamoto has abundant knowledge and experience in finance, tax and accounting as a certified public accountant and certified public tax accountant, and possesses considerable insight. In addition, she has mastery over corporate management and internal control, and has served as outside Audit & Supervisory Board Member of the Company since June 2021. The Company has determined that she will continue to be qualified to serve as an Audit & Supervisory Board Member of the Company and has nominated her as a candidate for outside Audit & Supervisory Board Member. Ms. Iwamoto has never been directly involved in the management of a company except as an outside officer. However, the Company judges she will appropriately fulfill her duties as an outside Audit & Supervisory Board Member based on the above reasons.			

Reelection: Reelection candidate for Audit & Supervisory Board Member

New election: New election 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. Yoshiko Iwamoto 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 Yoshiko Iwamoto as Independent Director/Audit & Supervisory Board Member as provided for by the aforementioned exchanges. If her reelection is approved, the Company plans to continue to appoint her 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 Yoshiko Iwamoto to limit their liability under Article 423, paragraph (1) of the Companies Act to an amount as provided for by laws and regulations. If her reelection is approved, the Company plans to renew 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 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, Yoshiko Iwamoto is currently an outside Audit & Supervisory Board Member of the Company, and at the conclusion of this meeting, her 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.