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Securities code: 7943

June 3, 2022

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 85th Annual General Meeting of Shareholders

We are pleased to announce the 85th Annual General Meeting of Shareholders of NICHIHA CORPORATION (the “Company”), which will be held as described below.

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 attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights.

- 1. Date and time:** Friday, June 24, 2022, 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 85th fiscal year (from April 1, 2021 to March 31, 2022), 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 85th fiscal year (from April 1, 2021 to March 31, 2022)

Matters to be resolved:

- Proposal No. 1** Appropriation of Surplus
- Proposal No. 2** Partial Amendment to the Articles of Incorporation
- Proposal No. 3** Election of Eight Directors

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. For the purpose of saving resources, please bring this notice as reference documents for the meeting.
- Pursuant to provisions of laws and regulations and Article 17 of the Company’s Articles of Incorporation, the following items have been posted on our website (<https://www.nichiha.co.jp/ir/shareholder/>) and are not stated in the attachments to this notice (available in Japanese only).
 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
- From the viewpoint of providing information as early as possible, the contents of this notice were posted on the websites of Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. as well as on the Company website above prior to the dispatch of this notice.
- In the event of any revisions to the Reference Documents for the General Meeting of Shareholders, Business Reports, Consolidated Financial Statements, and Non-consolidated Financial Statements by the day prior to the meeting, the revised documents will be posted on the Company website above.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

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

As the Company has already paid an interim dividend of ¥42 per share, the annual dividend will be ¥97 per share.

- (1) Type of dividend property
To be paid in cash.
- (2) Allotment of dividend property to shareholders and their aggregate amount
¥55 per common share of the Company
The total amount ¥2,013,681,340
- (3) Effective date of dividends of surplus
June 27, 2022

Proposal No. 2 Partial Amendment to the Articles of Incorporation

1. Reason for changes

The amendment stipulated in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) will come into effect on September 1, 2022, and the Company proposes to amend its Articles of Incorporation as follows to prepare for the introduction of the system for providing informational materials for the general meeting of shareholders.

- (1) Article 17, paragraph 1 of the proposed amendment provides that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 17, paragraph 2 of the proposed amendment establishes a provision that allows the Company to limit the scope of items to be stated in paper-based documents to be delivered to shareholders who have made a request for delivery of paper-based documents.
- (3) The provision for Internet Disclosure of Reference Documents for the General Meeting of Shareholders, Etc. (Article 17 of the current Articles of Incorporation) will be deleted as it will no longer be necessary.
- (4) Supplementary provisions regarding the effective date, etc. will be created in accordance with the establishment and deletion of the above provisions.

2. Description of changes

The changes are as follows:

(Underlines indicate changes.)

Current Articles of Incorporation	Proposed amendment
<p><u>(Internet Disclosure of Reference Documents for the General Meeting of Shareholders, Etc.)</u> <u>Article 17</u> <u>The Company may disclose information that is to be stated or indicated in the reference documents for the general meeting of shareholders, non-consolidated financial statements, consolidated financial statements and business reports via the Internet in accordance with the provisions prescribed by the Ministry of Justice Order.</u> (Newly established)</p>	<p>(Deleted)</p> <p><u>(Measures, etc. for Providing Information in Electronic Format)</u> <u>Article 17</u> 1. <u>In the event of convening a general meeting of shareholders, the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u> 2. <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who have made a request for delivery of paper-based documents by the record date of voting rights.</u></p>

Current Articles of Incorporation	Proposed amendment
<p>(Newly established)</p> <p>(Newly established)</p>	<p><u>Supplementary Provisions</u></p> <p><u>Article 1</u></p> <p><u>1. The deletion of Article 17 (Internet Disclosure of Reference Documents for the General Meeting of Shareholders, Etc.) in the pre-amended Articles of Incorporation and the establishment of Article 17 (Measures, etc. for Providing Information in Electronic Format) in the amended Articles of Incorporation shall be effective as of September 1, 2022.</u></p> <p><u>2. Notwithstanding the provision of the preceding paragraph, Article 17 of the pre-amended Articles of Incorporation shall remain in force with respect to the general meeting of shareholders to be held on a date within six months from September 1, 2022.</u></p> <p><u>3. This Article shall be deleted after the later of (i) six months from September 1, 2022 or (ii) three months from the date of the general meeting of shareholders referred to in the preceding paragraph.</u></p>

Proposal No. 3 Election of Eight Directors

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

Therefore, the Company will review its management system and 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	Candidate attributes	Current position and responsibility in the Company	Attendance at the Board of Directors Meetings (fiscal 2021)
1	Narumitsu Yoshioka	Reelection	President	12/12 100%
2	Kazuyuki Kojima	Reelection	Director, Senior Executive Officer General Manager of Production Division, and in charge of Systems Control Department, Quality Assurance Department, CS Promotion Department, Performance Evaluation Center, and Safety Promotion Office	12/12 100%
3	Kazushi Tono	Reelection	Director, Senior Executive Officer General Manager of Management Planning Department, and in charge of Procurement Division, Financial Department, and Environment Office	12/12 100%
4	Yoshinori Kawamura	Reelection	Director, Senior Executive Officer General Manager of Engineering Division, General Manager of Engineering Department, and in charge of Research and Development Department	12/12 100%
5	Hisayuki Kawashima	Reelection	Director, Executive Managing Officer General Manager of Sales Division, and in charge of Support Center	12/12 100%
6	Kiyofumi Yagi	Reelection Outside Independent	Outside Director	12/12 100%
7	Naoki Tajiri	Reelection Outside Independent	Outside Director	12/12 100%
8	Hiroaki Nishi	Reelection Outside Independent	Outside Director	12/12 100%

Reelection: Reelection candidate for Director

Outside: Candidate for outside Director

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

Note: Hiroaki Nishi's attendance includes his attendance (2/2) as Audit & Supervisory Board Member prior to his appointment as Director.

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
1	<p data-bbox="331 607 544 667">Narumitsu Yoshioka (September 14, 1963)</p> <p data-bbox="384 703 491 725">Reelection</p>	<p data-bbox="612 264 1236 324">Apr. 1986 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p data-bbox="612 331 1236 421">Apr. 2015 Executive Officer, General Manager of Seoul Branch, and General Manager of Global Korea Corporate Banking Department</p> <p data-bbox="612 427 1236 517">Apr. 2017 Executive Officer, President of Sumitomo Mitsui Banking Corporation (China) Limited, and Deputy Head of East Asia Division</p> <p data-bbox="612 524 1236 613">Apr. 2018 Managing Executive Officer, Head of East Asia Division of Sumitomo Mitsui Financial Group, Inc.</p> <p data-bbox="612 620 1236 741">Managing Executive Officer, Head of East Asia Division, Deputy responsible for Global Advisory Dept. of Sumitomo Mitsui Banking Corporation</p> <p data-bbox="612 748 1236 808">Chairman of Sumitomo Mitsui Banking Corporation (China) Limited</p> <p data-bbox="612 815 1236 936">Apr. 2020 Managing Executive Officer of Sumitomo Mitsui Financial Group, Inc. Managing Executive Officer of Sumitomo Mitsui Banking Corporation</p> <p data-bbox="612 943 1236 972">May 2020 Advisor to the Company</p> <p data-bbox="612 978 1236 1039">June 2020 Director, Executive Vice President, and Assistant to the President</p> <p data-bbox="612 1046 1236 1070">June 2021 President (current position)</p>	5,700 shares
<p data-bbox="276 1077 772 1106">(Reasons for nomination as candidate for Director)</p> <p data-bbox="276 1113 1430 1261">Narumitsu Yoshioka has considerable knowledge from his many years of experience in corporate management and overseas operations, etc. As President, he has exercised strong leadership and fulfilled his responsibilities to strengthen the revenue base and enhance the corporate value of the Group. The Company has determined that he will continue to utilize his extensive experience and knowledge in the Company's management and has nominated him as a candidate for Director.</p>			

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
2	Kazuyuki Kojima (March 8, 1965) Reelection	<p>Apr. 1987 Joined the Company</p> <p>Apr. 2013 Managing Officer, General Manager of Management Planning Department</p> <p>Apr. 2014 Senior Managing Officer, General Manager of Management Planning Department</p> <p>Apr. 2015 Senior Managing Officer, General Manager of International Business Division, and General Manager of Management Planning Department</p> <p>June 2015 Director, Senior Managing Officer, General Manager of International Business Division, General Manager of Management Planning Department, and in charge of System Development Department, Quality Assurance Department, CS Promotion Department, and Performance Evaluation Center</p> <p>June 2016 Director, Executive Managing Officer, General Manager of International Business Division, General Manager of Management Planning Department, and in charge of System Development Department, Quality Assurance Department, CS Promotion Department, and Performance Evaluation Center</p> <p>Apr. 2018 Director, Senior Executive Officer, General Manager of International Business Division, General Manager of Management Planning Department, and in charge of Systems Control Department, Quality Assurance Department, CS Promotion Department, and Performance Evaluation Center</p> <p>Apr. 2022 Director, Senior Executive Officer, General Manager of Production Division, and in charge of Systems Control Department, Quality Assurance Department, CS Promotion Department, Performance Evaluation Center, and Safety Promotion Office (current position)</p>	4,600 shares
<p>(Reasons for nomination as candidate for Director)</p> <p>Kazuyuki Kojima has been fulfilling his responsibilities by formulating and conducting the Group's management strategy and striving to improve quality control, as well as taking on new responsibilities as the head of the production department. The Company has determined that he will continue to utilize his extensive experience and knowledge in the Company's management and has nominated him as a candidate for Director.</p>			

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
3	Kazushi Tono (November 7, 1963) Reelection	<p>Apr. 1986 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>Apr. 2014 General Manager of Tokyo Corporate Banking Dept. X</p> <p>Apr. 2015 Advisor to the Company</p> <p>Oct. 2015 Executive Managing Officer, Assistant to the President, and in charge of Procurement Division</p> <p>Apr. 2016 Executive Managing Officer, Assistant to the President, and in charge of Procurement Division, Financial Department, and General Affairs Department</p> <p>June 2016 Director, Executive Managing Officer, and in charge of Procurement Division, Financial Department, and General Affairs Department</p> <p>Apr. 2018 Director, Senior Executive Officer, and in charge of Procurement Division, Financial Department, and General Affairs Department</p> <p>Nov. 2018 Director, Senior Executive Officer, and in charge of Production Division, Procurement Division, Financial Department, and General Affairs Department</p> <p>Apr. 2020 Director, Senior Executive Officer, General Manager of Production Division, and in charge of Procurement Division, Financial Department, General Affairs Department, Environment Office, and Safety Promotion Office</p> <p>Apr. 2022 Director, Senior Executive Officer, General Manager of Management Planning Department, and in charge of Procurement Division, Financial Department, and Environment Office (current position)</p>	3,700 shares
<p>(Reasons for nomination as candidate for Director)</p> <p>Kazushi Tono has been fulfilling his responsibilities by striving to achieve streamlining in the production, purchasing, and logistics departments and to improve the operations of the financial accounting and general affairs departments, as well as taking on new responsibilities as the head of the management planning department. The Company has determined that he will continue to utilize his extensive experience and knowledge in the Company's management and has nominated him as a candidate for Director.</p>			

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
4	<p data-bbox="331 864 544 925">Yoshinori Kawamura (February 19, 1959)</p> <p data-bbox="384 958 491 987">Reelection</p>	<p data-bbox="612 264 1182 324">Apr. 1984 Joined Nihon Cement Co., Ltd. (currently Taiheiyo Cement Corporation)</p> <p data-bbox="612 331 1198 392">May 1999 Deputy General Manager of Manufacturing Department</p> <p data-bbox="612 398 1182 488">Oct. 2005 General Manager of MMC Manufacturing Department of Nihon Ceratec Co., Ltd. (currently NTK CERATEC CO., LTD.)</p> <p data-bbox="612 495 1182 555">Apr. 2008 Executive Officer and General Manager of Piezoelectric Department</p> <p data-bbox="612 562 975 591">Feb. 2010 Joined the Company</p> <p data-bbox="612 598 1230 687">Apr. 2014 Managing Officer, General Manager of Engineering Division, and General Manager of Engineering Department</p> <p data-bbox="612 694 1230 784">Apr. 2015 Senior Managing Officer, General Manager of Engineering Division, and General Manager of Engineering Department</p> <p data-bbox="612 790 1230 913">June 2015 Senior Managing Officer, General Manager of Engineering Division, General Manager of Engineering Department, and in charge of Research and Development Department</p> <p data-bbox="612 920 1198 1070">June 2016 Director, Senior Managing Officer, General Manager of Engineering Division, General Manager of Engineering Department, and in charge of Research and Development Department</p> <p data-bbox="612 1077 1230 1267">June 2017 Director, Executive Managing Officer, General Manager of Engineering Division, General Manager of Engineering Department, General Manager of Product Development Department, and in charge of Research and Development Department</p> <p data-bbox="612 1274 1230 1424">Apr. 2018 Director, Executive Managing Officer, General Manager of Engineering Division, General Manager of Engineering Department, and in charge of Research and Development Department</p> <p data-bbox="612 1431 1198 1585">Apr. 2019 Director, Senior Executive Officer, General Manager of Engineering Division, General Manager of Engineering Department, and in charge of Research and Development Department (current position)</p>	1,400 shares
<p data-bbox="277 1599 772 1628">(Reasons for nomination as candidate for Director)</p> <p data-bbox="277 1632 1414 1778">Yoshinori Kawamura has been engaged in various operations related to production technology and development for many years and has considerable knowledge. He has been fulfilling his responsibilities mainly by striving to improve productivity and promote product development that meets customer needs. The Company has determined that he will continue to utilize his extensive experience and knowledge in the Group's management and has nominated him as a candidate for Director.</p>			

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
5	Hisayuki Kawashima (August 31, 1963) Reelection	<p>Apr. 1986 Joined the Company</p> <p>Apr. 2014 Managing Officer, General Manager of Tokyo Metropolitan Sales Department</p> <p>Apr. 2015 Senior Managing Officer, General Manager of Tokyo Metropolitan Sales Department</p> <p>Apr. 2016 Senior Managing Officer, Deputy General Manager of Sales Division, and General Manager of Tokyo Branch</p> <p>June 2016 Director, Senior Managing Officer, Deputy General Manager of Sales Division, and General Manager of Tokyo Branch</p> <p>Apr. 2018 Director, Executive Managing Officer, and General Manager of Sales Division</p> <p>Oct. 2019 Director, Executive Managing Officer, General Manager of Sales Division, and in charge of Support Center (current position)</p>	4,600 shares
(Reasons for nomination as candidate for Director) Hisayuki Kawashima has been fulfilling his responsibilities in building a sales structure to expand domestic sales and in taking the lead in sales expansion activities. The Company has determined that he will continue to utilize his extensive experience and knowledge in the Group's management and has nominated him as a candidate for Director.			
6	Kiyofumi Yagi (May 4, 1960) Reelection Outside Independent	<p>Oct. 1986 Passed the national bar examination</p> <p>Mar. 1989 Completed apprenticeship at the Legal Training and Research Institute of Japan</p> <p>Apr. 1989 Registered as an attorney at law (Dai-Ichi Tokyo Bar Association)</p> <p>Jan. 2003 Partner attorney of Isobe Takahashi & Yagi Law Office (current position)</p> <p>June 2004 Outside Audit & Supervisory Board Member of SANWA KIZAI CO., LTD. (current position)</p> <p>Apr. 2009 Vice-president of Dai-Ichi Tokyo Bar Association</p> <p>Aug. 2009 Outside Audit & Supervisory Board Member of Tokuma Shoten Publishing Co., Ltd.</p> <p>Sept. 2009 Outside Audit & Supervisory Board Member of Rinkai Nissan Construction Co., Ltd.</p> <p>June 2012 Outside Audit & Supervisory Board Member of the Company</p> <p>Apr. 2015 Executive Managing Director of Japan Attorneys National Pension Fund</p> <p>June 2015 Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Partner attorney of Isobe Takahashi & Yagi Law Office Outside Audit & Supervisory Board Member of SANWA KIZAI CO., LTD.</p>	– share
(Reasons for nomination as candidate for outside Director and summary of expected roles) Kiyofumi Yagi has abundant expertise and experience as an attorney at law and possesses considerable knowledge. He has served as outside Director of the Company since June 2015. The Company has nominated him as a candidate for outside Director in the expectation that he continues to utilize his extensive experience and knowledge and fulfill his role of supervising and advising corporate management, etc. especially from the perspective of corporate legal affairs, compliance and corporate governance, and also that he is involved in the Nomination and Remuneration Advisory Committee as its member from an objective and independent position. Mr. Yagi has never been directly involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an outside Director based on the above reasons.			

Candidate No.	Name Date of birth	Career summary, position, responsibility in the Company, significant concurrent positions outside the Company, and reasons for nomination as candidate for Director	Number of the Company's shares owned
7	Naoki Tajiri (March 10, 1949) Reelection Outside Independent	<p>Apr. 1972 Joined Sumitomo Metal Mining Co., Ltd.</p> <p>June 2001 General Manager of Finance & Accounting Dept.</p> <p>June 2003 Executive Officer and General Manager of Finance & Accounting Dept.</p> <p>June 2006 Managing Executive Officer and General Manager of Finance & Accounting Dept.</p> <p>June 2008 Senior Managing Executive Officer and General Manager of Corporate Planning Dept.</p> <p>June 2010 Senior Audit & Supervisory Board Member</p> <p>June 2014 Advisor</p> <p>June 2015 Outside Audit & Supervisory Board Member of the Company</p> <p>June 2019 Outside Director (current position)</p>	– share
<p>(Reasons for nomination as candidate for outside Director and summary of expected roles)</p> <p>Naoki Tajiri has abundant experience as a manager and corporate auditor of a business corporation, as well as business experience in the accounting department, and possesses considerable knowledge. 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 knowledge and fulfill his role of supervising and advising corporate management, etc. especially from the perspective of corporate management, and also that he is involved in the Nomination and Remuneration Advisory Committee as its member from an objective and independent position.</p>			
8	Hiroaki Nishi (August 8, 1960) Reelection Outside Independent	<p>Oct. 1983 Joined Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>Mar. 1987 Registered as a certified public accountant</p> <p>June 1998 Partner of Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>July 2012 Partner of Deloitte Tohmatsu Financial Advisory Co., Ltd. (currently Deloitte Tohmatsu Financial Advisory LLC)</p> <p>Apr. 2015 Partner of Deloitte Tohmatsu LLC</p> <p>May 2020 Resigned from Deloitte Tohmatsu LLC and Deloitte Tohmatsu Financial Advisory LLC</p> <p>June 2020 Established Hiroaki Nishi CPA Office (currently Hiroaki Nishi CPA & CPTA Office) as Director (current position)</p> <p>June 2020 Outside Audit & Supervisory Board Member of the Company</p> <p>June 2021 Registered as a certified public tax accountant</p> <p>June 2021 Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Director of Hiroaki Nishi CPA & CPTA Office</p>	– share
<p>(Reasons for nomination as candidate for outside Director and summary of expected roles)</p> <p>Hiroaki Nishi has experience as a management consultant and abundant expertise as a certified public accountant and possesses considerable knowledge. 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 knowledge and fulfills his role of supervising and advising corporate management, etc. as an outside Director especially from the perspective of corporate management, and also that he is involved in the Nomination and Remuneration Advisory Committee as its member from an objective and independent position.</p>			

- 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's Board of Directors adopts the independence criteria stipulated by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. as criteria for determining independence, and appoints independent outside Directors in accordance with these criteria.
 3. Kiyofumi Yagi, Naoki Tajiri and Hiroaki Nishi are candidates for outside Director.

4. The Company has submitted notification to Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. concerning the appointment of Kiyofumi Yagi, Naoki Tajiri and Hiroaki Nishi as Independent Directors as provided for by the aforementioned exchanges. If their reelection is approved, the Company plans to continue to appoint them as Independent Directors.
5. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into limited liability agreements with Kiyofumi Yagi, Naoki Tajiri and Hiroaki Nishi to limit their liability under Article 423, paragraph (1) of the Companies Act to an amount as provided for by laws and regulations. If their reelection is approved, the Company plans to renew the aforementioned agreements with them.
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. which a Director of the Company, or an insured, assumes. If this proposal is approved and adopted, and the candidates assume office, the candidates will be included as insureds in the policy. In addition, when this insurance policy is renewed, the Company plans to renew the policy with the same terms.
7. Kiyofumi Yagi, Naoki Tajiri and Hiroaki Nishi are currently outside Directors of the Company. At the conclusion of this meeting, their tenures since assuming office as outside Directors will have been seven years, three 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 Annual General Meeting of Shareholders proposed by Chairman (in cases where the post of Chairman is vacant, or Chairman is prevented from so acting, President), taking into consideration the following criteria, and reports to the Board of Directors. The Board of Directors determines the candidates for Director, respecting the report of the Nomination and Remuneration Advisory Committee.

Criteria for nominating candidates for Director

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

Experience areas of candidates for Director

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

Candidate No.	Name	Major experience areas required of Directors							
		Corporate management	Manufacturing and technology	Research and development, and quality	Sales	Global	Finance and accounting	Legal affairs	Risk management
1	Narumitsu Yoshioka	●			●	●	●	●	●
2	Kazuyuki Kojima	●	●	●	●	●			
3	Kazushi Tono	●	●		●		●	●	●
4	Yoshinori Kawamura	●	●	●					
5	Hisayuki Kawashima	●			●				
6	Kiyofumi Yagi							●	●
7	Naoki Tajiri	●				●	●		
8	Hiroaki Nishi	●				●	●		●