

To All Shareholders:

5-5-3 Minatojima Minamimachi, Chuo-ku, Kobe, Hyogo

**MORESCO Corporation**

Motohisa Morozumi

President and Representative Director

## Notice of the 66th Ordinary General Meeting of Shareholders

On behalf of the Board, I would like to thank you, our valued shareholders, for your continued support.

MORESCO Corporation (hereinafter, the “Company” or “MORESCO”) is pleased to announce that the 66th Ordinary General Meeting of Shareholders will be held on the date and at the venue specified below.

In convening this general meeting, the Company electronically provides information contained in the Reference Materials for the General Meeting of Shareholders, etc. (hereinafter, “Electronic Provision Matters”) by posting it on its corporate website as “Notice of the 66th Ordinary General Meeting of Shareholders” and “Other Electronic Provision Matters for the 66th Ordinary General Meeting of Shareholders (matters omitted in the document for delivery).”

[MORESCO corporate website]

[https://www.moresco.co.jp/en/ir/shareholders\\_info.php](https://www.moresco.co.jp/en/ir/shareholders_info.php)

Besides the above, the same information is also posted on the website of Tokyo Stock Exchange.

[Tokyo Stock Exchange website (TSE Listed Company Search service)]

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

Enter “MORESCO” for the Issue name (company name) or the Company’s securities code “5018” for the Code, and check “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” under “Basic information” and “Documents for public inspection/PR information.”

If you exercise your voting rights by filling in a voting form or via the Internet, please refer to the Reference Materials for the General Meeting of Shareholders contained in the Electronic Provision Matters and exercise your voting rights in accordance with the methods described on pages 4 and 5 by 5:35 p.m. on Wednesday, May 29, 2024.

1. Date and Time: 10:00 a.m., Thursday, May 30, 2024  
(Reception will open at 9:00 a.m.)
2. Venue: 6-10-1 Minatojima Nakamachi, Chuo-ku, Kobe  
Kairaku Hall (B1F, Main Building), Kobe Portopia Hotel  
(Please see the attached venue map.)
3. Agenda:
 

Matters to Be Reported	<ol style="list-style-type: none"> <li>1. Business Report on the 66th fiscal year from March 1, 2023 to February 29, 2024, the Consolidated Financial Statements, and results of the audit by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements</li> <li>2. Non-consolidated Financial Statements for the 66th fiscal year from March 1, 2023 to February 29, 2024</li> </ol>
Matters to Be Resolved	
Agendum 1	Disposal of Retained Earnings
Agendum 2	Partial Amendment of the Articles of Incorporation
Agendum 3	Election of Six Directors (except Directors who are Audit and Supervisory Committee Members)
Agendum 4	Election of Four Directors Who Are Audit and Supervisory Committee Members
Agendum 5	Revision of the Amount of Remuneration for Directors (except Directors who are Audit and Supervisory Committee Members)
Agendum 6	Revision of the Amount of Remuneration for Directors Who Are Audit and Supervisory Committee Members

[Matters decided upon convening the Meeting]

If you exercise your voting rights both in writing (by mail) and via the Internet, the vote via the Internet shall be treated as effective.

If you exercise your voting rights multiple times via the Internet, only the last vote shall be treated as effective.

If you exercise your voting rights in writing (by mail) but do not indicate your approval or disapproval of each agendum in the voting form, your vote shall be treated as approval.

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\* Of the Electronic Provision Matters, the matters below are not included in this Notice of the Ordinary General Meeting of Shareholders pursuant to laws and regulations as well as the provision of Paragraph 2, Article 12 of MORESCO's Articles of Incorporation.

• “Notes to Consolidated Financial Statements” of the Consolidated Financial Statements and “Notes to Non-consolidated Statements” of the Non-consolidated Financial Statements

These items are a part of the Consolidated Financial Statements and Non-consolidated Financial Statements that had been audited by the Audit and Supervisory Committee and the Accounting Auditors in order to prepare the Audit Report and the Accounting Audit Report, respectively.

\* Please be aware that if it becomes necessary to revise any of the Electronic Provision Matters, the revised information will be posted on the relevant website.

<Notes>

- Small gifts will no longer be presented to attendees of the General Meeting of Shareholders. We have also cancelled the get-together party between our Directors and shareholders since last year, considering the difficulty in ensuring fairness between shareholders who are able to attend the General Meeting and shareholders who are unable to do so. We appreciate your understanding.
- When attending the meeting, please submit the enclosed Voting Rights Exercise Form to the reception at the meeting venue. Please also bring this notice of convocation with you for the sake of saving resources.
- If a proxy attends the General Meeting of Shareholders, the proxy shall be a MORESCO shareholder who has a voting right pursuant to the provisions of Article 16 of MORESCO's Articles of Incorporation. In such a case, a document legitimizing the proxy must be submitted to MORESCO. Please note that persons other than shareholders who are entitled to exercise their voting rights will not be admitted to the meeting (however, persons accompanying shareholders with disabilities, guide dogs, hearing dogs, and service dogs, etc. will be permitted to enter the venue).
- The venue staff will guide shareholders in wheelchairs, etc. to their seats.
- Notification of resolutions will be posted on our corporate website (<https://www.moresco.co.jp/>) in place of the written notification, from the viewpoint of saving resources to help protect the global environment. We appreciate your understanding.

<On-demand distribution of the video of the General Meeting of Shareholders>

- A video of a part of the proceedings of the General Meeting of Shareholders will be available for on-demand viewing from a later date (scheduled to be in early June 2024) on our website ([https://www.moresco.co.jp/ir/shareholders\\_info.php](https://www.moresco.co.jp/ir/shareholders_info.php)). ※Japanese only. Please access the website if you are interested.
- Cameras will be placed at the venue on the day of the General Meeting of Shareholders for the above video recording. In consideration of the privacy of the shareholders attending, attention will be paid so that only the screen images and the area around the seats of our directors will be video recorded. However, some of the shareholders present may be inevitably included in the video. We would appreciate your understanding.

## Reference Materials for the General Meeting of Shareholders

### Agendum 1. Disposal of Retained Earnings

The Company positions shareholder returns as its key management issue. It is therefore the Company's basic policy to return profits to its shareholders in light of business performance, etc. while securing the internal reserves required for future business expansion and the enhancement of the management structure.

Based on this policy, the Company plans to pay out a year-end dividend for the current fiscal year under review as described below.

(1) Type of dividend property

Cash

(2) Matters concerning appropriation of dividend property and total amount thereof

25 yen per share of the Company's common stock (20 yen as ordinary dividend and 5 yen as the 65th anniversary commemorative dividend)

Total amount of dividends: 230,819,500 yen

The Company celebrated its 65th anniversary on October 27, 2023. In order to respond to the support of our shareholders, we would like to pay a year-end dividend of 25 yen per share for the fiscal year under review by adding a commemorative dividend of 5 yen to the ordinary dividend of 20 yen.

Since 20 yen per share of the Company's common stock was paid as an interim dividend in November 2023, the annual dividend will be 45 yen per share.

(3) Date on which distribution of retained earnings takes effect

May 31, 2024

Agendum 2. Partial Amendment of the Articles of Incorporation

1. Reason for proposal

To add a purpose item to Article 2 (Purpose) of the current Articles of Incorporation in order to be prepared for the expansion of the Company’s business lines and future business development

2. Details of amendment

(The underlined parts indicate proposed changes.)

Current Articles of Incorporation	Amendment draft
(Purpose)	(Purpose)
Article 2 (Text omitted)	Article 2 (Same as the current provisions)
1. through 3. (Text omitted)	1. through 3. (Same as the current provisions)
4. Manufacture and sale of pharmaceuticals	4. Manufacture and sale of pharmaceuticals, <u>quasi-</u> <u>drugs, and cosmetics</u>
5. through 16. (Text omitted)	5. through 16. (Same as the current provisions)

Agendum 3. Election of Six Directors (except Directors who are Audit and Supervisory Committee Members)

The term of office of all Directors (five) of the Company (except Directors who are the Audit and Supervisory Committee Members; the same shall apply hereinafter in this agendum) will expire at the conclusion of this General Meeting of Shareholders. In order to strengthen the management structure, we propose to increase the number of Directors by one and request the election of six Directors in total.

Regarding this agendum, the Audit and Supervisory Committee of the Company has commented that the candidates and their selection processes are reasonable.

The candidates for Directors are as described below.

No.	Name (Date of birth)	Personal history, position and duty at the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
1	Motohisa Morozumi (April 23, 1962)	<p>April 1987 Joined HBF Japan (currently, Sekisui Fuller Company, Ltd.)</p> <p>March 1999 Joined MORESCO Corporation. Section Manager of Tokyo Sales, Sales Department III, MORESCO Corporation</p> <p>March 2007 General Manager, Sales Department, Hot Melt Adhesive, MORESCO Corporation</p> <p>May 2008 Executive Officer General Manager, Sales Department, Hot Melt Adhesive, MORESCO Corporation</p> <p>March 2011 Executive Officer Division Manager, Hot Melt Adhesive and General Manager, Sales Department, Hot Melt Adhesive, MORESCO Corporation</p> <p>May 2011 Director and Executive Officer Division Manager, Hot Melt Adhesive and General Manager, Sales Department, Hot Melt Adhesive, MORESCO Corporation</p> <p>January 2012 President and Representative Director of PT. MORESCO MACRO ADHESIVE</p> <p>May 2014 Director and Managing Executive Officer Division Manager, Hot Melt Adhesive and General Manager, Sales Department, Hot Melt Adhesive, MORESCO Corporation</p> <p>March 2015 Director and Managing Executive Officer Division Manager, Hot Melt Adhesive, MORESCO Corporation</p> <p>May 2017 Director and Senior Managing Executive Officer Division Manager, Hot Melt Adhesive and Division Manager, Metal Working Fluids, MORESCO Corporation</p> <p>May 2018 President and Representative Director, COO, MORESCO Corporation</p> <p>May 2021 President and Representative Director, CEO, MORESCO Corporation (current position)</p>	34,488
<p>[Reasons for nomination as Director]            Since he was appointed CEO (Chief Executive Officer), President and Representative Director in May 2021, Motohisa Morozumi has been steering the Company's overall management in all aspects, including running the Company during the COVID-19 pandemic, responding to the sharp rise in raw material prices, and demonstrating strong leadership in promoting sustainability management that aims to both "realize a sustainable society" and "increase the corporate value in the medium- to long-term." In FY2023, the Company formulated its 10th Medium-Term Management Plan. His experience and knowledge are essential to promote the Plan's theme of achieving both "realization of a sustainable society" and "increasing added value of business." He has been nominated as a candidate for Director of MORESCO Corporation as we conclude that he will be able to continue to contribute to sustainably increasing the corporate value of MORESCO Corporation and the MORESCO Group as a Director.</p>			

No.	Name (Date of birth)	Personal history, position and duty at the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
2	Nobuhiro Sewaki (March 23, 1964)	<p>April 1982      Joined MORESCO Corporation</p> <p>March 2008    General Manager, Sales Department, Functional Fluids, MORESCO Corporation</p> <p>May 2010      Executive Officer General Manager, Sales Department, Functional Fluids, MORESCO Corporation</p> <p>March 2015    President and Representative Director, MORESCO (Thailand) Co., Ltd.</p> <p>May 2015      Executive Officer in charge of Southeast Asia, MORESCO Corporation</p> <p>May 2016      Senior Executive Officer in charge of Southeast Asia, MORESCO Corporation</p> <p>February 2017 President and Representative Director, MORESCO HM&amp;LUB INDIA PRIVATE LIMITED</p> <p>May 2017      Director, Senior Executive Officer in charge of Southeast Asia, MORESCO Corporation</p> <p>May 2018      Director, Senior Executive Officer in charge of Global Operations, MORESCO Corporation</p> <p>November 2020 Chairman, Wuxi MoreTex Technology Co., Ltd.</p> <p>May 2021      Director and Senior Managing Executive Officer, COO, MORESCO Corporation (current position)</p>	19,523
<p>[Reasons for nomination as Director]</p> <p>Since he was appointed COO (Chief Operating Officer), Director and Senior Managing Executive Officer in May 2021, Nobuhiro Sewaki has supervised all Divisions and subsidiaries both in Japan and overseas by leveraging his abundant experience and knowledge of the operations of the Company and the Group. In FY2023, he promoted initiatives to strengthen the overall business of the MORESCO Group, such as restructuring group companies in China and advancing corporate acquisition in North America. To promote the five basic policies set forth in the 10th Medium-Term Management Plan, his strong business execution capabilities, which he has cultivated through a wide range of negotiations with other companies and through promoting the business of the entire Group, are essential. He has been nominated as a candidate for Director of MORESCO Corporation as we conclude that he will be able to continue to contribute to sustainably increasing the corporate value of MORESCO Corporation and the MORESCO Group as a Director.</p>			

No.	Name (Date of birth)	Personal history, position and duty at the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
3	Yasuo Sakane (June 7, 1958)	<p>October 2003 Joined MORESCO Corporation. Special Manager, SS Group, Corporate R&amp;D Department, MORESCO Corporation</p> <p>March 2004 General Manager, Corporate R&amp;D Department, MORESCO Corporation</p> <p>April 2006 Technical Director, Komag, Inc.</p> <p>October 2007 Technologist, Western Digital Media Operations (currently Western Digital Corporation)</p> <p>March 2016 Rejoined MORESCO Corporation. Executive Officer Division Manager, Synthetic Lubricants, MORESCO Corporation</p> <p>March 2016 Executive Officer Division Manager, Synthetic Lubricants and General Manager, R&amp;D Department, Synthetic Lubricants, MORESCO Corporation</p> <p>June 2016 Executive Officer Division Manager, Synthetic Lubricants, MORESCO Corporation</p> <p>May 2018 Director and Senior Executive Officer, CTO Division Manager, Synthetic Lubricants and General Manager, Corporate R&amp;D Department, MORESCO Corporation</p> <p>March 2021 Director and Senior Executive Officer, CTO General Manager, Life Science R&amp;D Department, MORESCO Corporation</p> <p>May 2021 Director and Managing Executive Officer, CTO General Manager, Life Science R&amp;D Department, MORESCO Corporation</p> <p>March 2022 Director and Managing Executive Officer, CTO, MORESCO Corporation (current position)</p>	10,150
<p>[Reasons for nomination as Director]</p> <p>Since he was appointed Director and CTO (Chief Technology Officer) of MORESCO Corporation in May 2018, Yasuo Sakane has supervised the corporate R&amp;D segment. He has also worked to advance research and development projects in the life science area that will lead to new business fields. Starting from FY2022, he has been promoting the establishment of "Project MOLGADC," a company-wide, cross-divisional R&amp;D system that collaborates with industry, government, and academia. To promote the enhancement of our product portfolio and the creation of next-generation business as declared in the 10th Medium-Term Management Plan, his expertise in the field of research and development and strong business execution capabilities are essential. He has been nominated as a candidate for Director of MORESCO Corporation as we conclude that he will be able to continue to contribute to sustainably increasing the corporate value of MORESCO Corporation and the MORESCO Group as a Director.</p>			



No.	Name (Date of birth)	Personal history, position and duty at the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
4	Hirofumi Fujimoto (July 14, 1966)	<p>April 2010 Syndication Promotion Manager, Products Distribution Department, Mizuho Corporate Bank, Ltd. (currently, Mizuho Bank, Ltd.)</p> <p>July 2012 Deputy General Manager, Shinjuku Corporate Banking Department, Mizuho Corporate Bank, Ltd.</p> <p>April 2015 General Manager, Investors Service Department, Trust &amp; Custody Services Bank, Ltd. (currently, Custody Bank of Japan, Ltd.)</p> <p>May 2017 Senior Manager, Internal Audit Department, Mizuho Bank, Ltd.</p> <p>March 2019 Joined MORESCO Corporation. Deputy General Manager, Strategy Planning Department</p> <p>March 2020 General Manager, Overseas Sales Department, Hot Melt Adhesive, MORESCO Corporation</p> <p>January 2021 Executive Officer in charge of administration segments, CFO, MORESCO Corporation</p> <p>March 2021 Executive Officer in charge of administration segments and Safety, CFO, MORESCO Corporation</p> <p>May 2021 Director and Senior Executive Officer, CFO in charge of administration segments and Safety, MORESCO Corporation</p> <p>March 2022 Director and Senior Executive Officer, CFO, MORESCO Corporation</p> <p>April 2024 Director and Senior Executive Officer, CFO in charge of Sustainability, MORESCO Corporation (current position)</p>	6,679
<p>[Reasons for nomination as Director]</p> <p>Since he was appointed CFO (Chief Financial Officer) in January 2021 and Director in May 2021, Hirofumi Fujimoto has been responsible for carrying out important duties in the corporate governance and administration segments of the Company, promoting initiatives for human rights due diligence and management responses to strengthen human capital. To ensure the promotion of sustainability management, innovation of business processes, and improvement of the return on capital as declared in the 10th Medium-Term Management Plan, his multifaceted perspective and strong business execution capabilities are essential. He has been nominated as a candidate for Director of MORESCO Corporation as we conclude that he will be able to continue to contribute to sustainably increasing the corporate value of MORESCO Corporation and the MORESCO Group as a Director.</p>			

No.	Name (Date of birth)	Personal history, position and duty at the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
5	[New]  Jiro Hosomi (June 9, 1972)	<p>April 1996    Joined MORESCO Corporation</p> <p>March 2014    General Manager, Sales Department, Metal Working Fluids, MORESCO Corporation</p> <p>May 2018    Division Manager, Metal Working Fluids and General Manager, Sales Department, Metal Working Fluids, MORESCO Corporation</p> <p>May 2019    Executive Officer Division Manager, Metal Working Fluids and General Manager, Sales Department, Metal Working Fluids, MORESCO Corporation</p> <p>May 2021    President and Representative Director, MORESCO TECHNO Co., Ltd. (current position)</p> <p>March 2023    Executive Officer Division Manager, Functional Fluids, MORESCO Corporation (current position)</p>	6,554
<p>[Reasons for nomination as Director] Jiro Hosomi served as General Manager of Sales Department, Metal Working Fluids for many years, and became representative director and president of a subsidiary in Japan in 2021. Since he was appointed Functional Fluids Division Manager in 2023, he has been working to expand the business of the Division. Also with experience of working at overseas subsidiaries, he has sufficient experience and insight regarding the operations of the Company and its subsidiaries. He has been nominated as a candidate for Director of MORESCO Corporation as we conclude that based on his global management perspective in addition to his experience and insight, he will be able to contribute to sustainably increasing the corporate value of MORESCO Corporation and the MORESCO Group as a Director.</p>			
6	Hiroko Fuji (September 27, 1960)	<p>April 1981    Joined Daimaru Co., Ltd. (currently, Daimaru Matsuzakaya Department Stores Co., Ltd.)</p> <p>May 2011    Executive Officer and General Manager, MD Promotion Department 2, MD Strategy Promotion Office, Daimaru Matsuzakaya Department Stores Co., Ltd.</p> <p>September 2011    Executive Officer and General Manager, Independent Business Unit, MD Strategy Promotion Office, Daimaru Matsuzakaya Department Stores Co., Ltd.</p> <p>April 2013    Executive Officer and Store Manager, Daimaru Osaka Umeda, Daimaru Matsuzakaya Department Stores, Co., Ltd.</p> <p>January 2017    Executive Officer and Store Manager, Daimaru Kobe, Daimaru Matsuzakaya Department Stores, Co., Ltd.</p> <p>January 2020    Executive Officer and Store Manager, Daimaru Sapporo, Daimaru Matsuzakaya Department Stores, Co., Ltd.</p> <p>January 2021    Executive Officer in charge of Special Assignments from President, Daimaru Matsuzakaya Department Stores, Co., Ltd.</p> <p>June 2021    General Manager, Ad Tele-support Division, AD DAISEN Co., Ltd.</p> <p>May 2022    Director, MORESCO Corporation (current position)</p>	2,284
<p>[Reasons for nomination as Outside Director and overview of the expected role] Hiroko Fuji served as an executive officer for 10 years at a major department store, which is a group company of a listed corporation, and was deeply involved in the management of the company through working as the store manager of several flagship stores of the department store. She thus has abundant experience and knowledge of corporate management. Although she has no experience of being involved in the management of a company as a director, she has abundant experience of corporate management as an executive officer of a major department store as described above. By making use of this experience and knowledge, she has provided us with guidance and advice on management of the Company and the career development of female employees and female managers of the Company, and has contributed to improving employee engagement and human resource development through dialogue with employees of corporate administration segments. She has been nominated as a candidate for Outside Director of MORESCO Corporation, as we expect that she will continue to provide us with guidance and advice based on her experience and knowledge.</p>			

- (Notes)
1. There are no particular conflicts of interest between any of the candidates and MORESCO Corporation.
  2. Hiroko Fuji is a candidate for Outside Director.
  3. The Company has entered into a directors and officers liability insurance (D&O insurance) contract prescribed in Paragraph 1, Article 430-3 of the Companies Act with an insurance company to cover any damage that may be incurred in association with any liability that directors of the Company (who are the insured) bear with regard to the execution of their duties or any claim filed with regard to such liability (excluding damage, etc. attributable to any act conducted with awareness that it is violating any law or regulation).  
Each candidate will be included among the insured of this insurance contract when his/her appointment is approved, and therefore the Company plans to renew the insurance contract with the same content on July 1, 2024, before the expiration of their term of office.
  4. Special notes related to the candidates for outside directors are as follows.
    - (1) Term of office  
The term of office of Hiroko Fuji as an Outside Director will be two years at the conclusion of this General Meeting.
    - (2) Contract for limitation of liability  
The Company has entered into a contract with Hiroko Fuji which limits the liability for damages in Paragraph 1, Article 423 of the Companies Act, in accordance with the Articles of Incorporation, pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act. The liability for damages under the said contract is limited to the statutory amount, and the Company plans to continue the same contract if her election is approved.
  5. The Company has registered Hiroko Fuji as an independent officer in accordance with the regulations of Tokyo Stock Exchange, Inc. The Company plans to continue to have Hiroko Fuji act as an independent officer if her election is approved.
  6. The number of the Company's shares held by Motohisa Morozumi, Nobuhiro Sewaki, Hirofumi Fujimoto, and Hiroko Fuji includes their equity in the MORESCO Officers' stock ownership plan. The number of the Company's shares held by Jiro Hosomi includes his equity in the MORESCO employees' stock ownership plan.

[Comment by Audit and Supervisory Committee]

Regarding the election of directors of the Company, the Audit and Supervisory Committee of the Company has judged that as a result of discussions at the Committee, the eligibility of candidates and their selection processes are reasonable, as their appointment was decided by the Board of Directors after examination and approval by the Nominating/Compensation Committee, which is composed of all independent outside directors and representative directors.

Agendum 4. Election of Four Directors Who are Audit and Supervisory Committee Members

The term of office of all Directors who are the Audit and Supervisory Committee Members (four) will expire at the conclusion of this General Meeting of Shareholders. It is therefore proposed that four Directors who are the Audit and Supervisory Committee Members should be elected.

The agendum has been approved by the Audit and Supervisory Committee in advance.

The candidates for Directors who are the Audit and Supervisory Committee Members are as described below.

No.	Name (Date of birth)	Personal history, position and duty at the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
1	Mikio Honda (June 21, 1962)	<p>April 1986      Joined MORESCO Corporation</p> <p>March 2007      Section Manager of General Affairs, General Affairs Department, MORESCO Corporation</p> <p>March 2010      Section Manager of Human Resources, Human Resources Department, Administration Division, MORESCO Corporation</p> <p>March 2012      Section Manager of Operations, Akoh Plant, MORESCO Corporation</p> <p>March 2017      General Manager, General Affairs Department, MORESCO Corporation</p> <p>May 2022      Director (full-time Audit and Supervisory Committee Member), MORESCO Corporation (current position)</p>	4,468
<p>[Reasons for nomination as Director who is an Audit and Supervisory Committee Member]</p> <p>After joining the Company, Mikio Honda experienced working in various sectors, such as administration, sales and plant, and became General Manager of the General Affairs Department in March 2017 engaged in general affairs operations, labor management, and operation of general meetings of shareholders. He also served as secretary of the safety measures meeting and the Compliance and Risk Management Committee, and promoted the establishment of our corporate governance system. He is therefore quite familiar with the business operations of the Company, and has the knowledge and experience necessary for the sound and proper management of the Company. He was appointed the Company's Director who is an Audit and Supervisory Committee Member in May 2022 and has performed auditing and supervision by making use of his abundant knowledge and experience. He has been nominated as a candidate for Director who is an Audit and Supervisory Committee Member of MORESCO Corporation, as we conclude that he will be able to continue to properly perform his duties as a Director who is an Audit and Supervisory Member.</p>			
2	Kazuo Machigaki (May 11, 1951)	<p>July 1995      Manager of Tokyo Plant, Tocalo Co., Ltd.</p> <p>September 1999      Manager of Akashi Plant, Tocalo Co., Ltd.</p> <p>April 2005      General Manager of Manufacturing Division, Tocalo Co., Ltd.</p> <p>June 2005      Director and Deputy General Manager of Manufacturing Division, Tocalo Co., Ltd.</p> <p>June 2007      Representative Director and President, Tocalo Co., Ltd.</p> <p>April 2013      President, Tocalo &amp; Han Tai TW Co., Ltd.</p> <p>June 2013      Representative Director and Chairman, Tocalo Co., Ltd.</p> <p>June 2019      Advisor, Tocalo Co., Ltd.</p> <p>May 2020      Director (Audit and Supervisory Committee Member), MORESCO Corporation (current position)</p>	5,778
<p>[Reasons for nomination as Outside Director who is an Audit and Supervisory Committee Member and overview of the expected role]</p> <p>Kazuo Machigaki has served for many years as President and Chairman of a top manufacturer in the field of surface modification, and possesses abundant experience and extensive knowledge as a manager. He was appointed the Company's Director who is an Audit and Supervisory Committee Member in May 2020 and has performed auditing and supervision by making use of his experience and knowledge. He has been nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member of MORESCO Corporation, as we conclude that he will be able to continue to properly perform his duties as an Outside Director who is an Audit and Supervisory Member.</p>			

No.	Name (Date of birth)	Personal history, position and duty at the Company, and significant concurrent positions outside the Company	Number of the Company's shares held
3	Mikio Nakajo (March 19, 1963)	<p>April 1998 Registered as attorney, joined the Sawada and Kikui Law Office (now Sawada, Nakajo and Mori Law Office)</p> <p>April 2005 Partner attorney, Sawada and Nakajo Law Office (now Sawada, Nakajo and Mori Law Office)</p> <p>June 2010 External auditor, Nishishiba Electric, Co., Ltd.</p> <p>June 2011 External auditor, Glory Ltd.</p> <p>May 2019 Representative attorney, Sawada, Nakajo and Mori Law Office (current position)</p> <p>June 2019 External auditor, Yamato Kogyo Co., Ltd. (current position)</p> <p>May 2020 Director (Audit and Supervisory Committee Member), MORESCO Corporation (current position)</p>	0
<p>[Reasons for nomination as Outside Director who is an Audit and Supervisory Committee Member and overview of the expected role]  Mikio Nakajo has professional knowledge and extensive experience gained over many years as an attorney. Although he has no experience of being directly involved in corporate management, he has management experience as the representative attorney of a law office and has served as the external auditor of companies listed on the Tokyo Stock Exchange and is therefore quite familiar with the auditing operations of listed companies. He was appointed the Company's Director who is an Audit and Supervisory Committee Member in May 2020 and has performed auditing and supervision by making use of his experience and knowledge. He has been nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member of MORESCO Corporation, as we conclude that he will be able to continue to properly perform his duties as an Outside Director who is an Audit and Supervisory Member.</p>			
4	Hidetoshi Nakatsuka (October 26, 1964)	<p>April 1983 Hired by the Osaka Regional Taxation Bureau</p> <p>July 2000 Company Split PT (in charge of notification of organizational restructuring taxation systems), Corporation Taxation Division, Taxation Department, and Large Enterprise Examination Division, Large Enterprise Examination and Criminal Investigation Department, National Tax Agency</p> <p>January 2002 Corporate Planning Office, Tax Bureau, Ministry of Finance (in charge of consolidated taxation laws) and Large Enterprise Examination Division, Large Enterprise Examination and Criminal Investigation Department, National Tax Agency</p> <p>July 2009 International Investigation Director, Examination Division, First Examination Department, Osaka Regional Taxation Bureau</p> <p>July 2012 Assistant Director, Comprehensive Investigation Division, First Examination Department, Osaka Regional Taxation Bureau</p> <p>August 2013 Registered as tax accountant, opened Hidetoshi Nakatsuka Tax Accountant Office, representative (current position)</p> <p>April 2014 Special Professor, Graduate School and Faculty of Law, Himeji Dokkyo University</p> <p>December 2018 External auditor, Tiger Corporation (current position)</p> <p>May 2020 Director (Audit and Supervisory Committee Member), MORESCO Corporation (current position)</p> <p>June 2023 Outside Director, Kaji Technology Corporation (current position)</p>	2,284
<p>[Reasons for nomination as Outside Director who is an Audit and Supervisory Committee Member and overview of the expected role]  Hidetoshi Nakatsuka has experience of being involved in tax administration for many years and is also familiar with corporate taxation as a tax accountant, and thus acquired professional knowledge about accounting and taxation. Although he has no experience of being directly involved in corporate management, he has experienced management of a tax accountant office apart from the professional experience and knowledge described above. He was appointed the Company's Director who is an Audit and Supervisory Committee Member in May 2020 and has performed auditing and supervision by making use of his experience and knowledge. He has been nominated as a candidate for Outside Director who is an Audit and Supervisory Committee Member of MORESCO Corporation, as we conclude that he will be able to continue to properly perform his duties as an Outside Director who is an Audit and Supervisory Member.</p>			

- (Notes)
1. There are no particular conflicts of interest between any of the candidates and MORESCO Corporation.
  2. Kazuo Machigaki, Mikio Nakajo and Hidetoshi Nakatsuka are candidates for Outside Directors.
  3. The Company has entered into a directors and officers liability insurance (D&O insurance) contract prescribed in Paragraph 1, Article 430-3 of the Companies Act with an insurance company to cover any damage that may be incurred in association with any liability that directors of the Company (who are the insured) bear with regard to the execution of their duties or any claim filed with regard to such liability (excluding damage, etc. attributable to any act conducted with awareness that it is violating any law or regulation).  
Each candidate will be included among the insured of this insurance contract when his/her appointment is approved, and therefore the Company plans to renew the insurance contract with the same content on July 1, 2024, before the expiration of their term of office.
  4. The Company has entered into a contract with Mikio Honda which limits the liability for damages in Paragraph 1, Article 423 of the Companies Act, in accordance with the Articles of Incorporation, pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act. The liability for damages under the said contract is limited to the statutory amount, and the Company plans to continue the same contract if his election is approved.
  5. Special notes related to the candidates for outside directors are as follows.
    - (1) Term of office  
The term of office of Kazuo Machigaki, Mikio Nakajo and Hidetoshi Nakatsuka as Outside Directors who are Audit and Supervisory Committee Members will be four years at the conclusion of this General Meeting.
    - (2) Contract for limitation of liability  
The Company has entered into a contract with Kazuo Machigaki, Mikio Nakajo and Hidetoshi Nakatsuka which limits the liability for damages in Paragraph 1, Article 423 of the Companies Act, in accordance with the Articles of Incorporation, pursuant to the provisions of Paragraph 1, Article 427 of the Companies Act. The liability for damages under the said contract is limited to the statutory amount, and the Company plans to continue the same contract with the three if their election is approved.
  6. The Company has registered Kazuo Machigaki, Mikio Nakajo and Hidetoshi Nakatsuka as independent officers in accordance with the regulations of Tokyo Stock Exchange, Inc. The Company plans to continue to have the three act as independent officers if their election is approved.
  7. The number of the Company's shares held by Mikio Honda, Kazuo Machigaki and Hidetoshi Nakatsuka includes their equity in the MORESCO Officers' stock ownership plan.

Agendum 5. Revision of the Amount of Remuneration for Directors (except Directors who are Audit and Supervisory Committee Members)

The amount of remuneration of Directors (except Directors who are Audit and Supervisory Committee Members, hereinafter, “eligible Directors”) was approved as not more than 180 million yen per year (including not more than 10 million yen per year for Outside Directors) at the 62nd General Meeting of Shareholders held on May 26, 2020. However, in conjunction with the increase of one eligible Director in order to strengthen the management structure and in consideration of subsequent changes in the economic and business environment and various other circumstances, it is proposed that the amount of remuneration for eligible Directors should be set at not more than 250 million yen per year (including not more than 20 million yen per year for Outside Directors).

It is also proposed that as in the past, the amount of remuneration for eligible Directors should not include salaries as employees for Directors who are also employees.

This agendum was decided by the Board of Directors after deliberation by the Nomination and Compensation Committee, taking into comprehensive consideration the Directors’ remuneration system and the level of payment thereof, the current number of eligible Directors, and other factors, and thus it has been judged as appropriate. The policy for determining details of remuneration, etc. for each individual eligible Director of the Company is as described in “E. Matters Concerning Policy for Determining Remuneration, etc. for Individual Directors” on page 19.

The current number of eligible Directors is five (including one Outside Director). And if Agendum 3 “Election of Six Directors (except Directors who are Audit and Supervisory Committee Members)” is approved and adopted in its original form, the number of eligible Directors will be six (including one Outside Director).

Regarding this agendum, the Audit and Supervisory Committee of the Company has commented that as a result of discussions at the Committee, the amount of remuneration and the process of determining it are reasonable, as it was decided by the Board of Directors after examination and approval by the Nomination and Compensation Committee, which is composed of all independent outside directors and representative directors.

Agendum 6. Revision of the Amount of Remuneration for Directors Who are Audit and Supervisory Committee Members

The amount of remuneration of Directors who are Audit and Supervisory Committee Members was approved as not more than 36 million yen per year at the 62nd General Meeting of Shareholders held on May 26, 2020. However, in consideration of subsequent changes in the economic and business environment and various other circumstances, it is proposed that the amount of remuneration for Directors who are Audit and Supervisory Committee Members should be set at not more than 50 million yen per year.

This agendum was decided by the Board of Directors after deliberation by the Nomination and Compensation Committee, taking into comprehensive consideration the remuneration system for Directors who are Audit and Supervisory Committee Members and the level of payment thereof, the current number of Directors who are Audit and Supervisory Committee Members, and other factors, and thus it has been judged as appropriate.

The current number of Directors who are Audit and Supervisory Committee Members is four (including three Outside Directors). And if Agendum 4 is approved and adopted in its original form, the number of eligible Directors who are Audit and Supervisory Committee Members will not change.

[Reference] Skills matrix

The skills matrix below shows a list of knowledge, experience, abilities, etc. of Directors.

	Name	Type	Gender	Age	Corporate management	R&D	Internationality	Sales/marketing	Production	Legal/governance	Finance/accounting
Director	Motohisa Morozumi		Male	62	○		○	○			
	Nobuhiro Sewaki		Male	60	○		○	○	○		
	Yasuo Sakane		Male	65	○	○	○				
	Hirofumi Fujimoto		Male	57	○		○	○		○	○
	Jiro Hosomi		Male	51	○		○	○			
	Hiroko Fuji	Outside Independent	Female	63	○			○			
Director (Audit and Supervisory Committee Member)	Mikio Honda		Male	61						○	
	Kazuo Machigaki	Outside Independent	Male	73	○		○		○		
	Mikio Nakajo	Outside Independent	Male	61						○	
	Hidetoshi Nakatsuka	Outside Independent	Male	59							○

- (Notes)
1. The above skills matrix does not represent all the knowledge, etc. possessed by the Directors.
  2. Ages as of the conclusion of the General Meeting are provided.