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(Securities Code 7701)  
May 30, 2024

**To Shareholders with Voting Rights:**

Yasunori Yamamoto  
Representative Director, President & CEO  
SHIMADZU CORPORATION  
1, Nishinokyo Kuwabara-cho, Nakagyo-ku,  
Kyoto, Japan

**NOTICE OF THE 161ST ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We hereby notify that the 161st Annual General Meeting of Shareholders of SHIMADZU CORPORATION (the “Company”) will be held for the purposes as described below.

In convening this General Meeting of Shareholders, we have taken measures to electronically provide information (“Matters for Electronic Provision”) and have posted the Matters for Electronic Provision on the following websites on the Internet as “Notice of the 161st Annual General Meeting of Shareholders.”

- The Company’s website:  
<https://www.shimadzu.com/ir/stock/meeting.html>

In addition to the above website, the Matters for Electronic Provision have also been posted on the following website on the Internet.

- The Tokyo Stock Exchange website (Listed Company Search)  
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

\*Please find the information by visiting the above Tokyo Stock Exchange website. On this page, you can search for the information by entering either the “Issue name (company name)” or “Securities code,” and then by selecting “Basic Information” and “Documents for public inspection/PR information” tab.

You can exercise your voting rights in writing (by submitting the enclosed Voting Rights Exercise Form) or by electromagnetic means (via the Internet, etc.). Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. on Tuesday, June 25, 2024, Japan standard time (“JST”).

**1. Date and Time:** Wednesday, June 26, 2024 at 10:00 a.m. (JST)

**2. Place:** Main Hall at the Head Office  
1, Nishinokyo Kuwabara-cho, Nakagyo-ku, Kyoto, Japan

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the 161st Fiscal Year (April 1, 2023 - March 31, 2024) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
  2. Non-consolidated Financial Statements for the 161st Fiscal Year (April 1, 2023 - March 31, 2024)

**Matters to be resolved:**

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Eight (8) Directors, Members of the Board
- Proposal 3:** Election of One (1) Audit & Supervisory Board Member
- Proposal 4:** Election of One (1) Substitute Audit & Supervisory Board Member
- Proposal 5:** Revision of the Content of Stock Compensation Scheme for Directors etc.

**• Instructions for the Exercise of Voting Rights**

The following methods are available for exercising voting rights. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights.

**Exercise voting rights**

You can exercise your voting rights in writing or by electromagnetic means.

**• Exercise of voting rights in writing**

Please indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form by mail so that we can receive it no later than the following deadline. If you do not indicate your vote for or against each proposal on the Voting Rights Exercise Form, you will be deemed to have approved the proposal.

**Deadline: 5:00 p.m. Tuesday, June 25, 2024 (JST)**

**• Exercise of voting rights via the Internet, etc.**

Please access the Company's designated website (<https://evote.tr.mufg.jp/>) from a smartphone or a computer etc., enter your "Login ID" and "Temporary Password" both of which are noted on the Voting Rights Exercise Form, follow the on-screen instructions and exercise your voting rights.

**Deadline: 5:00 p.m. Tuesday, June 25, 2024 (JST)**

**If you are able to attend the meeting**

Please submit the enclosed Voting Rights Exercise Form at the reception desk.

**Date and time: 10:00 a.m. Wednesday, June 26, 2024 (JST)**

For inquiries about the system and other matters, contact:  
Securities Business Division (Help Desk), Mitsubishi UFJ Trust and Banking Corporation  
Phone: (0120) 173-027 (Toll Free) (available from 9:00 to 21:00) (Japan only)

<Electronic Platform for Exercising Voting Rights>

Institutional investors can use the Electronic Voting Platform operated by ICJ, Inc. if they submit an application to do so in advance.

**Handling of duplicate voting**

- 1) If the voting rights are exercised both in writing and by electromagnetic means and the vote for the same proposal differs, the exercise of voting rights by electromagnetic means shall be deemed valid.
- 2) If the voting rights are exercised by electromagnetic means multiple times and the vote for the same proposal differs, the last exercise of voting rights shall be deemed valid.

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- ◎ Of the documents required to be provided with this Notice of Convocation, the following documents have been posted as the Matters for Electronic Provision on the Company's website (<https://www.shimadzu.com/>) in accordance with laws and regulations and Article 15, Paragraph 2 of the Articles of Incorporation of the Company. Therefore, those are not included in the documents delivered to shareholders who requested the delivery of paper-based documents.
    - \*The Consolidated Statement of Changes in Net Assets and the Notes to the Consolidated Financial Statements, which are part of the Consolidated Financial Statements
    - \*The Statement of Changes in Net Assets and the Notes to the Non-consolidated Financial Statements, which are part of the Non-consolidated Financial StatementsThe Consolidated Statement of Changes in Net Assets and the Notes to the Consolidated Financial Statements as well as the Statement of Changes in Net Assets and the Notes to the Non-consolidated Financial Statements were audited by the Accounting Auditor and the Audit & Supervisory Board as part of the Consolidated Financial Statements and the Non-consolidated Financial Statements in preparing the Audit Report.
  - ◎ Should the Matters for Electronic Provision require revisions, the revised versions will be posted on each website where they are posted.

# Reference Documents for the General Meeting of Shareholders

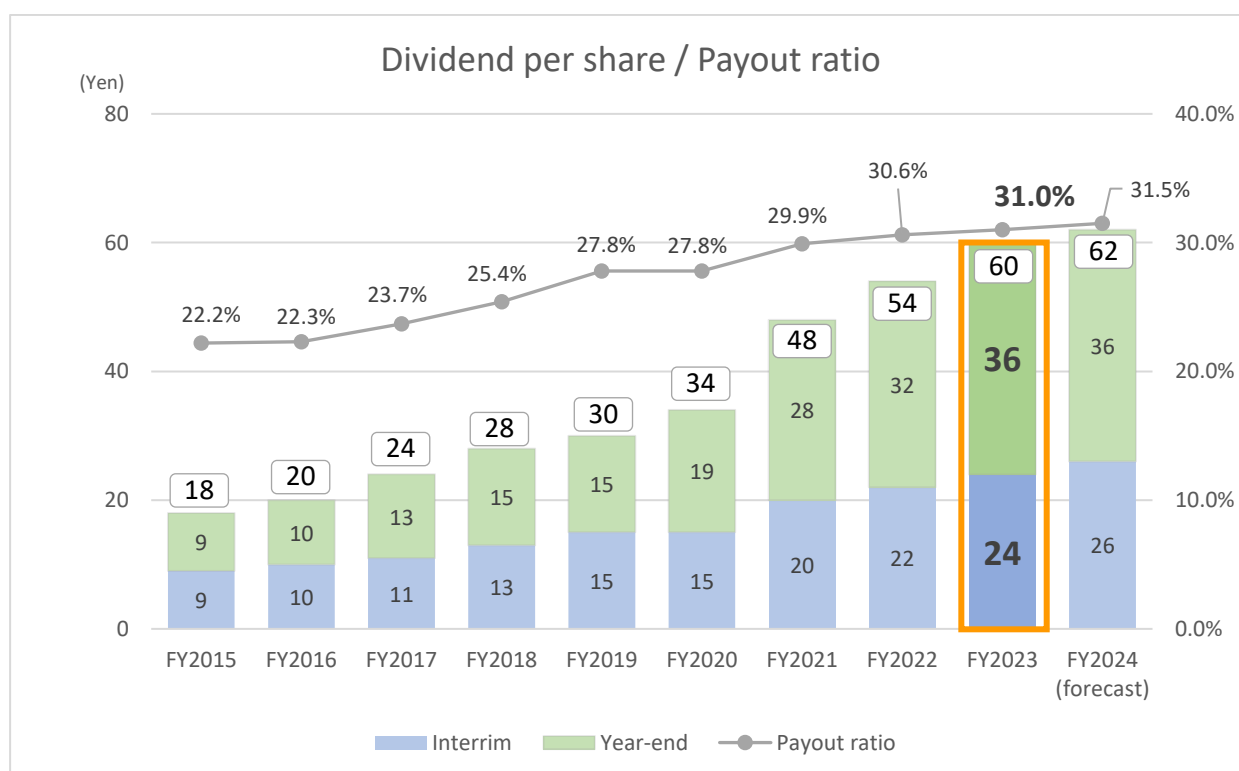
## Proposals and References

### Proposal 1: Appropriation of Surplus

The Company views the return of profits to shareholders as a key management objective. The Company's basic policy is to maintain a dividend payout ratio of 30% or higher and provide constant shareholder returns, while taking into consideration earnings performance and cash flows comprehensively. The Company will strive to utilize its internal reserves mainly for investments that will lead to the Company's sustainable growth while ensuring fiscal health, such as growth investments in areas that create social value and investments to strengthen the base for human resources, development, manufacturing, and DX measures.

Based on this policy, with respect to the appropriation of surplus (year-end dividend) for the fiscal year ended March 31, 2024, taking into consideration the earnings performance for the year and business development from now on, the Company proposes payment of a dividend of 36 yen per share as shown below. Combined with the interim dividend, the total annual dividend will be 60 yen per share, an increase of 6 yen from the previous fiscal year.

1. Type of dividend property  
Cash
2. Matters related to the allotment of dividend property to shareholders and the total amount  
36 yen per share of common stock of the Company  
Total amount: 10,613,326,464 yen
3. Effective date of distribution of surplus  
June 27, 2024



Year-end dividend per share for FY2023

**36 Yen**

(Interim dividend 24 yen, annual dividend 60 yen)

FY2023 payout ratio

**31.0%**


**Proposal 2:** Election of Eight (8) Directors, Members of the Board

The terms of office of all eight (8) Directors, Members of the Board will expire at the closing of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of eight (8) Directors, Members of the Board.

The candidates for Director, Member of the Board are as follows.


No.	Name			Gender	Current positions and responsibilities at the Company	Attendance at Board of Directors' meetings
1	Teruhisa Ueda	Reappointment		Male	Chairman and Representative Director Chairman of the Board	100% (13/13)
2	Yasunori Yamamoto	Reappointment		Male	Representative Director, President & CEO	100% (13/13)
3	Akira Watanabe	Reappointment		Male	Director, Member of the Board Senior Managing Executive Officer CFO In charge of Corporate Strategy Planning and Corporate Communications	100% (13/13)
4	Shuzo Maruyama	Reappointment		Male	Director, Member of the Board Senior Corporate Executive Officer In charge of Risk Management and Global Environmental Management (GX)	100% (10/10)
5	Nobuo Hanai	Reappointment	Outside Director Independent Officer	Male	Director, Member of the Board (part-time)	100% (13/13)
6	Yoshiyuki Nakanishi	Reappointment	Outside Director Independent Officer	Male	Director, Member of the Board (part-time)	100% (13/13)
7	Nami Hamada	Reappointment	Outside Director Independent Officer	Female	Director, Member of the Board (part-time)	100% (13/13)
8	Mie Kitano	New appointment	Outside Director Independent Officer	Female	—	—

(Note) As for the attendance at the Board of Directors' meetings of Mr. Shuzo Maruyama, the Board of Directors' meetings applicable to him were only those held subsequent to his assumption of office on June 28, 2023.

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	
1	<p><b>Teruhisa Ueda</b> (May 14, 1957)</p>  <p>&lt;Reappointment&gt;</p>	<p>April 1982      Joined the Company June 2007      Corporate Officer June 2007      Deputy General Manager, Analytical and Measuring Instruments Division June 2011      Director, Member of the Board June 2011      General Manager, Analytical and Measuring Instruments Division June 2013      Managing Executive Officer June 2014      Senior Managing Executive Officer June 2015      President and Representative Director June 2015      CEO April 2022      Chairman and Representative Director (to present) April 2022      Chairman of the Board (to present) June 2023      Outside Director, Meiji Yasuda Life Insurance Company (to present)</p> <p>[Significant concurrent position] Outside Director, Meiji Yasuda Life Insurance Company</p> <p>[Reasons for nomination as a candidate for Director, Member of the Board and summary of expected roles] As Chairman of the Board, Mr. Teruhisa Ueda is running the Board appropriately and is committed to enhancing corporate value by strengthening corporate governance. Based on his high insight, abundant experience, and distinguished track record in corporate management and the Company's businesses, the Company expects him to fulfill his role in strengthening the Board's functions for decision-making on important matters and for monitoring and oversight of business execution. Therefore, the Company has nominated him again as a candidate for Director, Member of the Board.</p>	<p>Number of shares of the Company held: 30,505</p> <hr/> <p>Years served as Director, Member of the Board: 13 years (at the closing of this Meeting)</p> <hr/> <p>Attendance at Board of Directors' meetings in FY2023 13/13 (100%)</p>


(Notes)

1. There are no special interests between Mr. Teruhisa Ueda and the Company.
2. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages to be borne by the insured persons. Mr. Teruhisa Ueda is an insured person under the insurance contract. If he is reappointed as Director, Member of the Board, he will continue to be included in the insured persons under the insurance contract. The Company plans to renew the insurance contract during his term of office. For the outline of the insurance contract, please refer to Page 20.

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held:
2	<p><b>Yasunori Yamamoto</b> (February 20, 1959)</p>  <p>&lt;Reappointment&gt;</p>	<p>April 1983      Joined the Company June 2014      Corporate Officer June 2017      Managing Executive Officer June 2017      In charge of Manufacturing, Corporate Information &amp; Communications Technology, and CS Management June 2017      Deputy in charge of Corporate Research and Development April 2020      In charge of Corporate Strategy Planning and Corporate Communications June 2020      Director, Member of the Board April 2021      Senior Managing Executive Officer April 2021      CFO April 2022      President and Representative Director (to present) April 2022      CEO (to present)</p> <p>[Reasons for nomination as a candidate for Director, Member of the Board and summary of expected roles] As the CEO, Mr. Yasunori Yamamoto is responsible for the management of the Group, and he has been contributing to the strengthening of the Board's functions in decision-making and in oversight by giving accounts of business execution and important matters. He not only has demonstrated strong leadership as a corporate manager but also has a wide range of experience and track record in areas such as development, manufacturing, and overseas business. Therefore, the Company expects him to fulfill his role in promoting the medium- term management plan and driving the sustainable enhancement of corporate value of the Group, and has nominated him again as a candidate for Director, Member of the Board.</p>	<p>13,528</p> <hr/> <p>Years served as Director, Member of the Board: 4 years (at the closing of this Meeting)</p> <hr/> <p>Attendance at Board of Directors' meetings in FY2023 13/13 (100%)</p>

(Notes)

1. There are no special interests between Mr. Yasunori Yamamoto and the Company.
2. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages to be borne by the insured persons. Mr. Yasunori Yamamoto is an insured person under the insurance contract. If he is reappointed as Director, Member of the Board, he will continue to be included in the insured persons under the insurance contract. The Company plans to renew the insurance contract during his term of office. For the outline of the insurance contract, please refer to Page 20.

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions		
3	<b>Akira Watanabe</b> (March 3, 1963)  <Reappointment>	April 1985      Joined the Company April 2009      General Manager, TMP Business Unit, Semiconductor Equipment Division (currently Industrial Machinery Division) and Deputy General Manager, Sales & Marketing Department, Semiconductor Equipment Division April 2011      General Manager, Sales & Marketing Department, Semiconductor Equipment Division and General Manager, TMP Business Unit, Semiconductor Equipment Division June 2013      Deputy General Manager, Semiconductor Equipment Division, General Manager, Sales & Marketing Department, Semiconductor Equipment Division and General Manager, TMP Business Unit, Semiconductor Equipment Division June 2016      Corporate Officer June 2016      General Manager, Industrial Machinery Division April 2019      Managing Executive Officer April 2020      General Manager, Industrial Machinery Division and General Manager, Fluidics Systems Division April 2022      Senior Managing Executive Officer (to present) April 2022      CFO (to present) In charge of Corporate Strategy Planning and Corporate Communications (to present) June 2022      Director, Member of the Board (to present)	Number of shares of the Company held: 5,036 <hr/> Years served as Director, Member of the Board: 2 years (at the closing of this Meeting) <hr/> Attendance at Board of Directors' meetings in FY2023 13/13 (100%)	
		[Reasons for nomination as a candidate for Director, Member of the Board and summary of expected roles] As the CFO, responsible for Corporate Strategy Planning and Corporate Communications, Mr. Akira Watanabe is fulfilling accountability to the Board and contributing to improving the Board's functions for decision-making on important matters and for oversight of business execution. Based on his abundant knowledge and track record in sales operations, marketing and management of an overseas subsidiary, in addition to having served as General Manager of the Industrial Machinery business and Fluidics Systems business, the Company expects him to fulfill his role in contributing to the Group's sustainable growth and enhancing corporate value. Therefore, the Company has nominated him again as a candidate for Director, Member of the Board.		

(Notes)


1. There are no special interests between Mr. Akira Watanabe and the Company.
2. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages to be borne by the insured persons. Mr. Akira Watanabe is an insured person under the insurance contract. If he is reappointed as Director, Member of the Board, he will continue to be included in the insured persons under the insurance contract. The Company plans to renew the insurance contract during his term of office. For the outline of the insurance contract, please refer to Page 20.

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of shares of the Company held:
4	<p><b>Shuzo Maruyama</b> (August 13, 1959)</p>  <p>&lt;Reappointment&gt;</p>	<p>April 1982      Joined the Company</p> <p>October 2004    General Manager, LC Business Unit, Analytical and Measuring Instruments Division</p> <p>April 2009      General Manager, LC Business Unit, Life Science Business Department, Analytical and Measuring Instruments Division</p> <p>December 2011    President, Shimadzu Scientific Instruments, Inc. (USA)</p> <p>June 2013      Corporate Officer</p> <p>June 2015      General Manager, Analytical and Measuring Instruments Division</p> <p>June 2015      Managing Executive Officer</p> <p>April 2019      Senior Managing Executive Officer</p> <p>April 2021      Managing Director, Shimadzu (Hong Kong), Ltd.</p> <p>April 2023      Senior Corporate Executive Officer (to present)</p> <p>April 2023      In charge of Risk Management and Global Environmental Management (GX) (to present)</p> <p>June 2023      Director, Member of the Board (to present)</p> <p>[Reasons for nomination as a candidate for Director, Member of the Board and summary of expected roles] Being responsible for Risk Management and Global Environmental Management, Mr. Shuzo Maruyama is assuming accountability in these areas and contributing to improving the Board's functions for decision-making on important matters and for oversight of business execution. Based on his abundant knowledge and track record in the Analytical and Measuring Instruments and the US and China businesses, the Company expects him to fulfill his role in contributing to risk management and the sustainable enhancement of the Group's corporate value. Therefore, the Company has nominated him again as a candidate for Director, Member of the Board.</p>	<p>6,609</p> <hr/> <p>Years served as Director, Member of the Board: 1 year (at the closing of this Meeting)</p> <hr/> <p>Attendance at Board of Directors' meetings in FY2023 10/10 (100%) (subsequent to assumption of a Director, Board of the Company)</p>

(Notes)

1. There are no special interests between Mr. Shuzo Maruyama and the Company.
2. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages to be borne by the insured persons. Mr. Shuzo Maruyama is an insured person under the insurance contract. If he is reappointed as Director, Member of the Board, he will continue to be included in the insured persons under the insurance contract. The Company plans to renew the insurance contract during his term of office. For the outline of the insurance contract, please refer to Page 20.



No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	
5	<p><b>Nobuo Hanai</b> (April 30, 1953)</p>  <p>&lt;Reappointment&gt;  <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside Director</div>  <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent Officer</div></p>	<p>April 1976      Joined Kyowa Hakko Kogyo Co., Ltd. (currently Kyowa Kirin Co., Ltd.)</p> <p>June 2006      Executive Officer, Kyowa Kirin Co., Ltd.</p> <p>April 2009      Managing Executive Officer, Kyowa Kirin Co., Ltd.</p> <p>June 2009      Director of the Board, Kyowa Kirin Co., Ltd.</p> <p>March 2010      Senior Managing Executive Officer, Kyowa Kirin Co., Ltd.</p> <p>March 2012      Executive Director of the Board, President and Chief Executive Officer, Kyowa Kirin Co., Ltd.</p> <p>March 2018      Executive Director of the Board, Chairman and Chief Executive Officer, Kyowa Kirin Co., Ltd.</p> <p>March 2019      Director of the Board, Chairman of the Board, Kyowa Kirin Co., Ltd. (retired in March 2020)</p> <p>June 2020      Director, Member of the Board of the Company (to present)</p> <p>March 2021      Outside Director, Perseus Proteomics Inc. (to present)</p> <p>March 2024      Outside Director, Noile-Immune Biotech Inc. (to present)</p> <p>[Significant concurrent positions]  Outside Director, Perseus Proteomics Inc.  Outside Director, Noile-Immune Biotech Inc.</p> <p>[Reasons for nomination as a candidate for Outside Director and summary of expected roles]  Mr. Nobuo Hanai has abundant management experience as the president of a leading Japanese pharmaceutical company and global knowledge about the pharmaceutical industry as well as research and development. He has been proactively engaged in discussions and providing recommendations, which have been conducive to the strengthening of the Board's functions in decision-making and in oversight. In addition, as a member of the Nominating and/or Compensation Committee, he has been engaged in discussions to enhance the transparency and fairness of appointment, dismissal and remuneration of Directors, Members of the Board, Audit &amp; Supervisory Board Members and Executive Officers. Based on his insight into the major market, the Company expects him to fulfill his role in continuously contributing to the Group's sustainable growth and enhancement of corporate value, and has nominated him again as a candidate for Outside Director.</p>	<p>Number of shares of the Company held: 2,122</p> <hr/> <p>Years served as Director, Member of the Board: 4 years (at the closing of this Meeting)</p> <hr/> <p>Attendance at Board of Directors' meetings in FY2023 13/13 (100%)</p>


(Notes)

1. There are no special interests between Mr. Nobuo Hanai and the Company.
2. Mr. Nobuo Hanai is a candidate for Outside Director as stipulated in Article 2, Item 15 of the Companies Act.
3. At Kyowa Kirin Co., Ltd., during Mr. Nobuo Hanai's tenure as a Director of the Board until March 2020, an incident occurred where the company voluntarily recalled its certain product due to an improper operation conducted during the API manufacturing process of the product, and its API manufacturing contractor was subject to administrative sanctions. Mr. Nobuo Hanai was not aware of the fact until the occurrence of the incident, however, he had regularly raised the company's awareness about quality control, etc. at the Board of Directors' meetings, etc. After the incident came to light, he received internal and external investigation reports and made proposals to prevent a recurrence at the Board of Directors' meetings.
4. The Company has entered into an agreement with Mr. Nobuo Hanai to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations if he acted in good faith and without gross negligence in performing his duties.
5. Mr. Nobuo Hanai satisfies the requirements for independent officers prescribed by the Tokyo Stock Exchange and the independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company. The Company designated him as an independent officer and filed a notification to the said exchange. The independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company are available on Page 19.
6. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages to be borne by the insured persons. Mr. Nobuo Hanai is an insured person under the insurance contract. If he is reappointed as Director, Member of the Board, he will continue to be included in the insured persons under the insurance contract. The Company plans to renew the insurance contract during his term of office. For the outline of the insurance contract, please refer to Page 20.

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	
6	<b>Yoshiyuki Nakanishi</b> (November 3, 1954)    <Reappointment> <u>Outside Director</u> <u>Independent Officer</u>	April 1978      Joined Dainippon Ink and Chemicals, Incorporated (currently DIC Corporation) April 2010      Executive Officer, In charge of Corporate Strategy Division, DIC Corporation June 2011      Director of the Board, Executive Officer, In charge of Corporate Strategy Division, DIC Corporation April 2012      Representative Director, President, and CEO, DIC Corporation January 2018    Chairman of the Board of Directors, DIC Corporation June 2020      Outside Director, The Japan Steel Works, Ltd. (to present) June 2020      Outside Director, IHI Corporation (to present) January 2021    Director of the Board, DIC Corporation March 2021     Executive Advisor, DIC Corporation (retired in March 2023) June 2021      Director, Member of the Board of the Company (to present)	Number of shares of the Company held: 789  Years served as Director, Member of the Board: 3 years (at the closing of this Meeting)  Attendance at Board of Directors' meetings in FY2023 13/13 (100%)
		[Significant concurrent positions] Outside Director, The Japan Steel Works, Ltd. Outside Director, IHI Corporation  [Reasons for nomination as a candidate for Outside Director and summary of expected roles] Mr. Yoshiyuki Nakanishi has abundant management experience as the president of a worldwide chemicals company and global knowledge about the chemicals industry as well as management strategy, manufacturing, sales operation, among others. He has been proactively engaged in discussions and providing recommendations, which have been conducive to the strengthening of the Board's functions in decision-making and in oversight. In addition, as a member of the Nominating and/or Compensation Committee, he has been engaged in discussions to enhance the transparency and fairness of appointment, dismissal and remuneration of Directors, Members of the Board, Audit & Supervisory Board Members and Executive Officers. Based on his insight into the major market, the Company expects him to fulfill his role in continuously contributing to the Group's sustainable growth and enhancement of corporate value, and has nominated him again as a candidate for Outside Director.	

(Notes)

1. There are no special interests between Mr. Yoshiyuki Nakanishi and the Company.
2. Mr. Yoshiyuki Nakanishi is a candidate for Outside Director as stipulated in Article 2, Item 15 of the Companies Act.
3. The Company has entered into an agreement with Mr. Yoshiyuki Nakanishi to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations if he acted in good faith and without gross negligence in performing his duties.
4. Mr. Yoshiyuki Nakanishi satisfies the requirements for independent officers prescribed by the Tokyo Stock Exchange and the independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company. The Company designated him as an independent officer and filed a notification to the said exchange. The independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company are available on Page 19.
5. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages to be borne by the insured persons. Mr. Yoshiyuki Nakanishi is an insured person under the insurance contract. If he is reappointed as Director, Member of the Board, he will continue to be included in the insured persons under the insurance contract. The Company plans to renew the insurance contract during his term of office. For the outline of the insurance contract, please refer to Page 20.

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	
7	<p data-bbox="268 734 448 801"><b>Nami Hamada</b> (August 3, 1964)</p>  <p data-bbox="268 1032 448 1133">&lt;Reappointment&gt; Outside Director Independent Officer</p>	<p data-bbox="501 230 1187 925"> July 1992      Joined Lehman Brothers Holdings Inc.  October 1996      Vice President, Lehman Brothers Japan Inc.  June 1999      Senior Vice President,  Lehman Brothers Japan Inc.  May 2004      Representative Director,  HDH Advisors Japan Limited.  December 2006      Principal, HDH Capital Management Pte Ltd.  March 2009      Founder, Managing Director,  Mile High Capital Inc. (to present)  August 2017      Director, Ecoplexus Japan K.K.  February 2019      Chief Operating Officer,  Vesper Group Japan K.K.  March 2019      Outside Director  (Audit &amp; Supervisory Committee Member),  Coca-Cola Bottlers Japan Holdings Inc.  (to present)  May 2020      Outside Director (Audit Committee Member),  MetLife Insurance K.K.  June 2022      Outside Director (Audit Committee Member,  Nomination Committee Member, and  Compensation Committee Member),  MetLife Insurance K.K. (to present)  June 2022      Director, Member of the Board of the Company  (to present) </p> <p data-bbox="501 954 1142 1155"> [Significant concurrent positions]  Founder, Managing Director, Mile High Capital Inc.  Outside Director (Audit &amp; Supervisory Committee Member),  Coca-Cola Bottlers Japan Holdings Inc.  Outside Director (Audit Committee Member, Nomination  Committee Member, and Compensation Committee Member),  MetLife Insurance K.K. </p> <p data-bbox="501 1160 1410 1635"> [Reasons for nomination as a candidate for Outside Director and summary of  expected roles]  Ms. Nami Hamada has abundant knowledge in finance and accounting through her  experience in, for example, managing a finance-related consulting firm. She also has  abundant experience, for example, as a manager of a Japanese subsidiary of a foreign  securities company, as well as knowledge in human resource development and global  insight. She has been proactively engaged in discussions and providing recommendations,  which have been conducive to the strengthening of the Board's functions in decision-  making and in oversight. In addition, as a member of the Nominating and/or Compensation  Committee, she has been engaged in discussions to enhance the transparency and fairness  of appointment, dismissal and remuneration of Directors, Members of the Board, Audit &amp;  Supervisory Board Members and Executive Officers. The Company expects her to provide  valuable suggestions on management of the Group based on her abundant knowledge in  finance and accounting, as well as to fulfill her role in proper oversight of business  execution. Therefore, the Company has nominated her again as a candidate for Outside  Director. </p>	<p data-bbox="1241 383 1394 495">Number of shares of the Company held: 527</p> <hr/> <p data-bbox="1241 555 1410 734">Years served as Director, Member of the Board: 2 years (at the closing of this Meeting)</p> <hr/> <p data-bbox="1241 779 1394 936">Attendance at Board of Directors' meetings in FY2023 13/13 (100%)</p>

(Notes)

1. There are no special interests between Ms. Nami Hamada and the Company.
2. Ms. Nami Hamada is a candidate for Outside Director as stipulated in Article 2, Item 15 of the Companies Act.
3. The Company has entered into an agreement with Ms. Nami Hamada to limit her liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations if she acted in good faith and without gross negligence in performing her duties.
4. Ms. Nami Hamada satisfies the requirements for independent officers prescribed by the Tokyo Stock Exchange and the independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company. The Company designated her as an independent officer and filed a notification to the said exchange. The independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company are available on Page 19. She is a founder and Managing Director of Mile High Capital Inc. In the most recent fiscal year, the Company had no business relationship with Mile High Capital Inc.
5. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated

in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages to be borne by the insured persons. Ms. Nami Hamada is an insured person under the insurance contract. If she is reappointed as Director, Member of the Board, she will continue to be included in the insured persons under the insurance contract. The Company plans to renew the insurance contract during her term of office. For the outline of the insurance contract, please refer to Page 20.

No.	Name (Date of birth)	Career summary, positions and responsibilities, and significant concurrent positions	
8	<p><b>Mie Kitano</b> (January 26, 1969)</p>  <p>&lt;New appointment&gt;  <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside Director</div>  <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent Officer</div></p>	<p>April 1991      Joined Procter &amp; Gamble Far East, Inc. Asia Purchasing Manager (currently The P&amp;G Japan Limited)</p> <p>October 1995      Global Purchasing Manager, Procter &amp; Gamble European Services GmbH</p> <p>June 1997      Manager, Asia Beauty Care Purchasing Group Procter &amp; Gamble Far East, Inc.</p> <p>April 2000      Manager, Global Beauty Care/Innovation Purchasing Group, The Procter &amp; Gamble company</p> <p>May 2003      Associate Director Global Corporate Purchases- HR/BCP/ Sustainability, The Procter &amp; Gamble company</p> <p>May 2005      Associate Director for Chemical Purchases (Asia), Procter &amp; Gamble Far East, Inc.</p> <p>April 2008      Associate Director Integrated E2E Supply Chain, Procter &amp; Gamble Japan K.K. (currently The P&amp;G Japan Limited)</p> <p>September 2010      Senior Director External Relations Communications/ Sustainability, Procter &amp; Gamble Japan K.K. (retired in November 2013)</p> <p>December 2013      Head of Communications, CSR &amp; Advocacy Eli Lilly Japan K.K.</p> <p>January 2016      Head Of Corporate Affairs Japan, Executive Officer, Associate Vice President, Eli Lilly Japan K.K. (retired in December 2021)</p> <p>March 2022      Partner, SynFiny Advisors (to present)</p> <p>[Significant concurrent position] Partner, SynFiny Advisors</p> <p>[Reasons for nomination as a candidate for Outside Director and summary of expected roles] Ms. Mie Kitano has abundant experience in overseas business at a multinational company and foreign pharmaceutical company. Additionally, she possesses high insight and a distinguished track record in areas such as supply chain management including procurement, talent development, diversity, and corporate social responsibility (CSR). The Company expects her to provide valuable suggestions on global business, supply chain management, ESG strategy, and other matters within the Group based on her vast expertise, as well as fulfill her role in the proper oversight of business execution. Therefore, the Company has nominated her as a new candidate for Outside Director.</p>	<p>Number of shares of the Company held: 0</p> <hr/> <p>Years served as Director, Member of the Board: —</p> <hr/> <p>Attendance at Board of Directors' meetings in FY2023 —</p>

(Notes)


1. There are no special interests between Ms. Mie Kitano and the Company.
2. Ms. Mie Kitano is a candidate for Outside Director as stipulated in Article 2, Item 15 of the Companies Act.
3. If Ms. Mie Kitano is appointed as Director, Member of the Board, the Company intends to enter into an agreement with her to limit her liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement will be the minimum amount stipulated by laws and regulations if she acted in good faith and without gross negligence in performing her duties.
4. Ms. Mie Kitano satisfies the requirements for independent officers prescribed by the Tokyo Stock Exchange and the independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company. If she is appointed as Director, Member of the Board, the Company intends to designate her as an independent officer and file a notification to the said exchange. The independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company are available on Page 19. She is a Partner of SynFiny Advisors. In the most recent fiscal year, the Company had no business relationship with SynFiny Advisors.
5. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages to be borne by the insured persons. If Ms. Mie Kitano is appointed as Director, Member of the Board, she will be included in the insured persons under the insurance contract. The Company plans to renew the insurance contract during her term of office. For the outline of the insurance contract, please refer to Page 20.

**Proposal 3: Election of One (1) Audit & Supervisory Board Member**

The term of office of Audit & Supervisory Board Member, Mr. Tsuyoshi Nishimoto will expire at the closing of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of one (1) Audit & Supervisory Board Member.

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

The Audit & Supervisory Board has previously given its approval to this proposal.

Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held:
<p><b>Tsuyoshi Nishimoto</b> (November 21, 1973)</p>  <p>&lt;Reappointment&gt;</p> <p>Outside Audit &amp; Supervisory Board Member</p> <p>Independent Officer</p>	<p>October 2000 Registered as attorney-at-law December 2002 Joined Hibiya Park Law Offices (to present) January 2011 Statutory Auditor, Enigmo Inc. March 2018 Statutory Auditor, Broadleaf Co., Ltd. (to present) June 2020 Audit &amp; Supervisory Board Member, the Company (to present) April 2022 Outside Director (Audit &amp; Supervisory Committee Member), Enigmo Inc. (to present)</p> <p>[Significant concurrent positions] Partner, Hibiya Park Law Offices Outside Director (Audit &amp; Supervisory Committee Member), Enigmo Inc. Statutory Auditor, Broadleaf Co., Ltd.</p>	<p>0</p> <hr/> <p>Years served as Audit &amp; Supervisory Board Member: 4 years (at the closing of this Meeting)</p> <hr/> <p>Attendance at Board of Directors' meetings in FY2023 13/13 (100%)</p> <hr/> <p>Attendance at Audit &amp; Supervisory Board's meetings in FY2023 18/18 (100%)</p>
	<p>[Reasons for nomination as a candidate for Outside Audit &amp; Supervisory Board Member and summary of expected roles]</p> <p>As an attorney-at-law, Mr. Tsuyoshi Nishimoto has proactively expressed his opinions at the Board of Directors meetings, etc. based on a high level of expertise and a wealth of experience in areas such as overseas legal affairs, corporate acquisitions, system development, and crisis management. In addition, he has collected information from the Accounting Auditor and the internal audit department, and has contributed to the improvement of the Group's governance by commenting on the establishment status of internal control systems of the Company as a corporate group. Based on his experience and track record, the Company believes that he is qualified to serve as an Audit &amp; Supervisory Board Member, and has nominated him again as a candidate for Outside Audit &amp; Supervisory Board Member. Although he has no experience of direct involvement in corporate management, the Company expects that he is capable of performing duties as an Outside Audit &amp; Supervisory Board Member appropriately for the reasons stated above.</p>	

(Notes)

1. There are no special interests between Mr. Tsuyoshi Nishimoto and the Company.
2. Mr. Tsuyoshi Nishimoto is a candidate for Outside Audit & Supervisory Board Member as stipulated in Article 2, Item 16 of the Companies Act.
3. The Company has entered into an agreement with Mr. Tsuyoshi Nishimoto to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations if he acted in good faith and without gross negligence in performing his duties.
4. Mr. Tsuyoshi Nishimoto satisfies the requirements for independent officers prescribed by the Tokyo Stock Exchange and the independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company. The Company designated him as an independent officer and filed a notification to the said exchange. The independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company are available on Page 19. He is a partner attorney-at-law at Hibiya Park Law Offices. In the most recent fiscal year, the Company had no business relationship with Hibiya Park Law Offices.

5. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages to be borne by the insured persons. Mr. Tsuyoshi Nishimoto is an insured person under the insurance contract. If he is reappointed as Audit & Supervisory Board Member, he will continue to be included in the insured persons under the insurance contract. The Company plans to renew the insurance contract during his term of office. For the outline of the insurance contract, please refer to Page 20.

(Reference)

### Composition of the Company's Audit & Supervisory Board

The composition of the Company's Audit & Supervisory Board will be as follows if Proposal 3 is approved as originally proposed:

Name		Gender	Positions	Years served as Audit & Supervisory Board Member (at the closing of this Meeting)	Attendance at Board of Directors' meetings / Audit & Supervisory Board's meetings in FY2023
Hiroyuki Fujii	Incumbent	Male	Senior Audit & Supervisory Board Member	11 years	Board of Directors' meetings: 100% (13/13) Audit & Supervisory Board's meetings: 100% (18/18)
Makoto Koyazaki	Incumbent	Male	Audit & Supervisory Board Member	5 years	Board of Directors' meetings: 100% (13/13) Audit & Supervisory Board's meetings: 100% (18/18)
Tsuyoshi Nishimoto	Reappointment	Male	Outside Audit & Supervisory Board Member Independent Officer	Audit & Supervisory Board Member (part-time) 4 years	Board of Directors' meetings: 100% (13/13) Audit & Supervisory Board's meetings: 100% (18/18)
Yuka Hayashi	Incumbent	Female	Outside Audit & Supervisory Board Member Independent Officer	Audit & Supervisory Board Member (part-time) 1 year	Board of Directors' meetings: 100% (10/10) Audit & Supervisory Board's meetings: 100% (12/12)

(Note) As for the attendance at the Board of Directors' meetings / Audit & Supervisory Board's meetings of Ms. Yuka Hayashi, the Board of Directors' meetings and Audit & Supervisory Board's meetings applicable to her were only those held subsequent to her assumption of office on June 28, 2023.




**Proposal 4:** Election of One (1) Substitute Audit & Supervisory Board Member

In order to ensure that the number of incumbent Outside Audit & Supervisory Board Members does not fall short of that required by laws and regulations, the election of one (1) substitute Audit & Supervisory Board Member is proposed.

The candidate for substitute Audit & Supervisory Board Member is as follows.

The Audit & Supervisory Board has previously given its approval to this proposal.

Name (Date of birth)	Career summary and significant concurrent positions		
<p><b>Fumio Iwamoto</b> (March 12, 1979)</p>  <p>&lt;Reappointment&gt; Substitute Outside Audit &amp; Supervisory Board Member Independent Officer</p>	<p>October 2006    Registered as attorney-at-law October 2006    Joined Yodoyabashi &amp; Yamagami Legal Professional Corporation (to present) June 2019       Outside Corporate Auditor, Koyosha Inc. (to present)</p>		<p>Number of shares of the Company held: 0</p>
	<p>[Significant concurrent positions] Partner attorney-at-law of Yodoyabashi &amp; Yamagami Legal Professional Corporation Outside Corporate Auditor, Koyosha Inc.</p> <p>[Reasons for nomination as a candidate for substitute Outside Audit &amp; Supervisory Board Member and summary of expected roles] Mr. Fumio Iwamoto has abundant expertise and experience in legal affairs in general including corporate legal affairs as an attorney-at-law. The Company expects that he will properly provide supervision, advice, etc. as Audit &amp; Supervisory Board Member drawing on such expertise and experience, and has nominated him again as a candidate for substitute Outside Audit &amp; Supervisory Board Member. Although he has no experience of direct involvement in corporate management, the Company believes that he is capable of performing duties as an Outside Audit &amp; Supervisory Board Member appropriately for the reasons stated above.</p>		

(Notes)

1. There are no special interests between Mr. Fumio Iwamoto and the Company.
2. Mr. Fumio Iwamoto is a candidate for substitute Outside Audit & Supervisory Board Member.
3. If Mr. Fumio Iwamoto is appointed as Outside Audit & Supervisory Board Member, the Company intends to enter into an agreement with him to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement will be the minimum amount stipulated by laws and regulations if he acted in good faith and without gross negligence in performing his duties.
4. Mr. Fumio Iwamoto satisfies the requirements for independent officers prescribed by the Tokyo Stock Exchange and the independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company. If he is appointed as Audit & Supervisory Board Member, the Company intends to designate him as an independent officer and file a notification to the said exchange. The independence standards for Outside Directors and Outside Audit & Supervisory Board Members specified by the Company are available on Page 19. He is a partner attorney-at-law at Yodoyabashi & Yamagami Legal Professional Corporation. In the most recent fiscal year, the Company had no business relationship with Yodoyabashi & Yamagami Legal Professional Corporation.
5. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages to be borne by the insured persons. If Mr. Fumio Iwamoto is appointed as Audit & Supervisory Board Member, he will be included in the insured persons under the insurance contract. For the outline of the insurance contract, please refer to Page 20.

**(Reference)**

**Skill Matrix of Each Director and Audit & Supervisory Board Member  
after the closing of this Annual General Meeting of Shareholders**

The skill matrix of each Director and Audit & Supervisory Board Member of the Company will be as follows if Proposal 2 and Proposal 3 are approved as originally proposed:

The composition of the Shimadzu Board of Directors is determined based on achieving a size and diversity appropriate for deploying businesses, the given business environment, and other factors. Shimadzu deploys businesses globally based on the corporate philosophy of “Contributing to Society through Science and Technology” in four business segments—Analytical & Measuring Instruments, Medical Systems, Aircraft Equipment, and Industrial Machinery. In particular, Shimadzu is involved in using the Company’s strengths to create new businesses in healthcare fields based on emerging technologies from both the Analytical & Measuring Instruments and Medical Systems segments.

From the perspective of managing the company in this way, in order to achieve a good balance between decision-making for executing important business activities based on extensive discussion by the Board of Directors and functions for appropriately supervising and auditing such business execution, currently the following areas of knowledge and experience are considered important for the Board of Directors: company management, international experience, technology/IT, sales/marketing, finance/accounting, compliance/risk management, and personnel/human resources development. Directors are appointed from candidates with appropriate knowledge and experience in the above areas. The above areas of knowledge and experience will continue to be reassessed based on external business conditions and company circumstances.

Name			Knowledge/Experience of Directors					
			Company Management	International Experience	Technology/IT	Sales/Marketing	Finance/Accounting	Compliance/Risk Management
Directors	Teruhisa Ueda		○	○	○	○		
	Yasunori Yamamoto		○	○	○		○	
	Akira Watanabe			○		○	○	
	Shuzo Maruyama			○	○			○
	Nobuo Hanai	Outside Shimadzu	○	○	○			
	Yoshiyuki Nakanishi	Outside Shimadzu	○	○		○		
	Nami Hamada	Outside Shimadzu	○	○			○	○
	Mie Kitano	Outside Shimadzu		○				○
Audit & Supervisory Board Members	Hiroyuki Fujii				○		○	○
	Makoto Koyazaki			○		○		
	Tsuyoshi Nishimoto	Outside Shimadzu		○			○	
	Yuka Hayashi	Outside Shimadzu					○	○

(Note) The above is not intended as a complete list of knowledge and experience held by members of the Board of Directors and Audit & Supervisory Board.

**(Reference)**

**Independence Standards for Outside Directors and Outside Audit & Supervisory Board Member**

An Outside Director or an Outside Audit & Supervisory Board Member (including candidates for such posts) is considered independent and is unlikely to have any conflicts of interest with general shareholders if none of the following applies.

- (1) A person for whom the Company is a major business partner (i.e., a person who received payments from the Company that represent 2% or more of its annual consolidated sales for the most recent fiscal year), or an executive officer thereof
- (2) A major business partner of the Company (i.e., a person who made payments to the Company that represent 2% or more of the Company's annual consolidated sales for the most recent fiscal year), or an executive officer thereof
- (3) A consultant, accounting professional, or legal professional who has received a large amount of monetary consideration or other property (10 million yen or more in the most recent fiscal year) from the Company besides compensation as a Director, Member of the Board or an Audit & Supervisory Board Member (If the person who has received such property is an organization such as a corporation or a union, a person who is affiliated with a such organization)
- (4) A person to whom any of the items (1) through (3) applies during the most recent 12 months
- (5) A second-degree relative or closer of a person listed in items 1) through 3) below (excluding immaterial persons)
  - 1) A person listed in items (1) through (4) above
  - 2) An executive officer of a subsidiary of the Company (including a director who does not serve as an executive officer in the case of designation of an Outside Audit & Supervisory Board Member as an independent officer)
  - 3) A person to whom 2) applied during the most recent 12 months or who was an executive officer of the Company (including a director who does not serve as an executive officer in the case of designation of an Outside Audit & Supervisory Board Member as an independent officer) during the most recent 12 months

## **Outline of Directors and Officers Liability Insurance Contract**

The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance contract covers damages including compensation for damages to be borne by the insured persons. The outline of the insurance contract and other related information are as follows:

- (1) Insured persons applicable  
Directors, Members of the Board, Audit & Supervisory Board Members, Corporate Officers, and important employees of the Company
- (2) Outline of the insurance contract
  - 1) Actual ratio of the insurance premium paid by the insured persons  
In principle, the Company pays the insurance premium. Regarding the premium to cover damages arising from the shareholders derivative actions, however, Directors, Members of the Board and Audit & Supervisory Board Members bear the cost.
  - 2) Outline of insurance accidents covered by compensation  
The insurance contract, together with premium, shall cover compensation for damages and court cost etc. to be borne by the insured persons in case where a claim for damages is made due to an act (including omission) based on the position of officers etc. of the Company. However, there are certain exemptions such as in the case where damages from intentional action of violation against laws and regulations are not covered by the insurance.
  - 3) Measures to prevent diminishment of the appropriateness of execution of duties by officers and other important personnel  
The insurance contract has provisions for a deductible, and damages up to the deductible amount are not covered by the insurance.

**(Reference Information Regarding Submission of Proposal 5)**

**Outline of Review of Executive Compensation Scheme**

The Company has introduced an executive compensation scheme that aims to expand business results and increase corporate value in the medium and long term, while ensuring a level of compensation that enables the Company to secure and recruit talented management personnel.

To further advance the expansion of business results and corporate value increase, the Nominating and/or Compensation Committee, which is chaired by an Outside Director with a majority of the members Outside Directors, has had repeated discussions on review of the executive compensation scheme.

As a result, the Company has decided to review the current executive compensation scheme, with the aim of increasing the proportion of stock compensation in the executive compensation structure, while maintaining the overall level of executive compensation, as well as the proportion of performance-linked compensation.

Specifically, the stock compensation scheme will be revised as shown below to provide in stock part of short-term performance-linked compensation which is currently paid in cash.

(Illustration of the revision of the scheme)

	<b>Monetary compensation</b>		<b>Stock compensation</b>
<b>Before revision</b>	<b>Fixed compensation</b>	<b>Performance-linked compensation</b>	
	Base compensation	Short-term performance-linked compensation	Medium- and long-term performance-linked stock compensation
	<b>Monetary compensation</b>		<b>Stock compensation</b>
<b>After revision</b>	<b>Fixed compensation</b>	<b>Performance-linked compensation</b>	
	Base compensation	Short-term performance-linked compensation	Short-term performance-linked part Medium- and long-term performance-linked part

Proposed change

\*The Company does not intend to raise the overall level of executive compensation while the revision of the scheme.

**Proposal 5:** Revision of the Content of Stock Compensation Scheme for Directors etc.

1. Reasons for the proposal and reasons that revision of the current scheme is considered to be reasonable

Upon the approval of shareholders at the 154th Annual General Meeting of Shareholders held on June 27, 2017, the Company introduced a medium- and long-term performance-linked stock compensation scheme (hereinafter referred to as the “Current Scheme”) for its Directors and Executive Officers with specific duties (excluding Outside Directors and non-residents of Japan; hereinafter referred to as “Directors etc.”).

By increasing the proportion of stock compensation in the executive compensation structure, the Company expects Directors etc. to further increase awareness toward contribution to corporate value improvement and share price increase through achievement of performance targets and other factors, as well as to share benefits and risks of share price fluctuations with shareholders. To this end, the Company proposes a partial revision of the Current Scheme.

Specifically, while the current medium- and long-term performance-linked stock compensation scheme will be maintained, part of the Current Scheme will be revised to enable the Company to deliver shares with transfer restrictions every year using part of short-term performance-linked compensation which is paid in cash (hereinafter, the revised scheme will be referred to as the “Scheme,” part of the Scheme that is equivalent to the Current Scheme will be referred to as the “Medium- and Long-Term Performance-Linked Part,” and part of the short-term performance-linked compensation to be paid in stock will be referred to as the “Short-Term Performance-Linked Part”).

While the revision of the scheme will increase the proportion of stock compensation in the executive compensation structure, the Company does not intend to raise the overall level of executive compensation.

In addition, the Nominating and/or Compensation Committee, which is chaired by an Outside Director with a majority of the members Outside Directors, has deliberated on the revision of the scheme.

As described on page 26 and 27, the Company has decided to revise its “Policies related to compensation and other amounts and their calculation methods” on the condition that this Proposal is approved. This Proposal is in line with the revised policy, and the Company deems the revision of the scheme to be reasonable based on the reasons stated above and other factors.

The number of Directors subject to the Scheme will be four (4) if Proposal 2 “Election of Eight (8) Directors, Members of the Board” is approved as originally proposed. As described above, Executive Officers with specific duties are subject to the Scheme as well. The number of Executive Officers with specific duties (excluding Directors) subject to the Scheme will be eight (8) at the closing of this General Meeting of Shareholders.

2. Amount and the content of compensation in the Scheme after the revision

[1] Outline of the Scheme

The Scheme is a stock compensation scheme in which shares of the Company will be acquired through a trust, using cash contributed by the Company, and the delivery and payment (hereinafter referred to as the “Delivery etc.”) of shares of the Company and the money equivalent to the amount after being converted from shares to cash (hereinafter referred to as “Company Shares etc.”) will be made to Directors etc. of the Company according to their positions, the Company’s performance, and other factors based on the share delivery policy established by the Company. (See [2] below onward for details.)

The Scheme consists of the Medium- and Long-Term Performance-Linked Part and the Short-Term Performance-Linked Part. The former involves the Delivery etc. of Company Shares etc. after the completion of a medium-term management plan, according to the degree to which specified performance targets were achieved. The latter uses part of short-term performance-linked compensation, the amount of which is decided based on overall consideration of the year-on-year growth rate of consolidated net sales and operating income, performance evaluation of specific departments which administrative corporate executive officers are in charge of, and personal evaluation, to deliver shares with transfer restrictions every year. The transfer restrictions will be lifted at the time of retirement.

(Compensation structure)

<b>Monetary compensation</b>		<b>Stock compensation</b>	
<b>Fixed compensation</b>	<b>Performance-linked compensation</b>		
<b>Base compensation</b>	<b>Short-term performance-linked compensation</b>	<b>Short-term performance-linked part</b>	<b>Medium- and long-term performance-linked part</b>

(Key revisions to the content of the scheme are underlined)

1) Persons eligible for the Delivery etc. of Company Shares etc. in this proposal	<ul style="list-style-type: none"> <li>• Directors and Executive Officers with specific duties of the Company (excluding Outside Directors and non-residents of Japan)</li> </ul>
2) Impact that the shares of the Company referred to in this proposal will have on the total number of issued shares	
Upper limit of cash contributed by the Company and method of acquisition of shares of the Company (as stated in [2] (1) below)	<ul style="list-style-type: none"> <li>• The upper limit of cash for the overall stock compensation (total of the Medium- and Long-Term Performance-Linked Part and Short-Term Performance-Linked Part): <u>Total of 830 million yen</u> for the applicable period (three business years)</li> <li>• Shares of the Company are to be acquired from the stock market <u>or the Company (through the disposal of treasury shares)</u></li> </ul> <p>Note) After the revision of the scheme, shares will be delivered to officers in the final year of a medium-term management plan for the Medium- and Long-Term Performance-Linked Part and every year for the Short-Term Performance-Linked Part, in principle. On the other hand, the Scheme uses the trust to acquire shares from the stock market, etc. every applicable period (three business years). The Company therefore sets the upper limit of cash contributed and the number of shares acquired for the overall stock compensation (total of the Medium- and Long-Term Performance-Linked Part and Short-Term Performance-Linked Part) for every applicable period (three business years).</p>
Upper limit of the number of Company Shares etc. to be acquired by Directors etc. (as stated in [2] (2) below)	<ul style="list-style-type: none"> <li>• The upper limit of the number of shares for the overall stock compensation (total of the Medium- and Long-Term Performance-Linked Part and Short-Term Performance-Linked Part): <u>Total of 415 thousand shares</u> for the applicable period (three business years)</li> <li>• The proportion to the total number of issued shares of the Company (as of March 31, <u>2024</u>) is approximately <u>0.14%</u></li> </ul>
3) Calculation method of the number of Company Shares etc. to be acquired by Directors etc. (as stated in [2] (2) below)	<p>&lt;Medium- and Long-Term Performance-Linked Part&gt;</p> <ul style="list-style-type: none"> <li>• Varies in the range of 50% to 200% depending on the degree of achievement of the Company's performance targets outlined in the medium-term management plan, such as consolidated net sales and consolidated operating income</li> </ul> <p>&lt;Short-Term Performance-Linked Part&gt;</p> <ul style="list-style-type: none"> <li>• <u>Short-term performance-linked compensation will be decided based on overall consideration of the year-on-year growth rate of consolidated net sales and operating income, performance evaluation of specific departments which administrative corporate executive officers are in charge of, and personal evaluation</u></li> <li>• <u>Part of the above short-term performance-linked compensation will be delivered as shares with transfer restrictions. The ratio will be decided each time at the Nominating and/or Compensation Committee.</u></li> </ul>
4) Timing of Delivery etc. of Company Shares etc. to Directors etc. (as stated in [2] (3) below)	<p>&lt;Medium- and Long-Term Performance-Linked Part&gt; Upon the passing of three business years, in principle</p> <p>&lt;Short-Term Performance-Linked Part&gt; <u>Upon the completion of every business year, in principle (transfer restrictions, however, are imposed until the retirement of Directors etc.)</u></p>

5) Clawback clauses etc. (as stated in [2] (5) below)	If a Director etc. commits a serious violation of job duties or company regulations, the Company may forfeit or deprive the Director etc. of the right to benefit from scheduled delivery of shares etc. (malus) or claim back cash equivalent to the value of delivered shares etc. (clawback). <u>(If this occurs during the transfer restriction period, [2] (3) below applies)</u>
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[2] Details of the Scheme

(1) Upper limit of cash contributed by the Company

The Medium- and Long-Term Performance-Linked Part of the Scheme, in consideration of its relevance to the medium-term management plan announced by the Company, will be applicable to the three consecutive business years (hereinafter referred to as the “Applicable Period”) corresponding to the duration of the medium-term management plan. The Applicable Period of the Scheme will remain the three business years from the business year ended March 31, 2024 to the business year ending March 31, 2026. The Short-Term Performance-Linked Part will be applicable from the business year ending March 31, 2025, after this Proposal is approved.

For each Applicable Period, the Company will contribute cash within the upper limit amount of 830 million yen in total as compensation for Directors etc. of the Company, and set a trust (hereinafter referred to as the “Trust”) with a trust period of three years (including extensions of the trust period as stated below; the same hereinafter) with Directors etc. who satisfy the beneficiary requirements as beneficiaries. The Trust, under the direction of the trust administrator, will acquire shares of the Company from the stock market or the Company (through the disposal of treasury shares), using entrusted cash. During the trust period, the Company will grant points to Directors etc. (as stated in (3) below) or carry out the Delivery etc. of Company Shares etc. through the Trust.

Upon expiration of the trust period of the Trust, the Trust may be continued by modifying the trust agreement and making additional contributions to the Trust in lieu of setting a new Trust. In such a case, the trust period of the Trust will be extended and the Applicable Period will be the three consecutive business years corresponding to the duration of the medium-term management plan after the extension of the trust period. The Company will, for each trust period, make additional contributions, within the limit of 830 million yen in total, and during the extended trust period, it will continue to grant points to Directors etc. and carry out the Delivery etc. of Company Shares etc. However, in the case that there are remaining shares of the Company (hereinafter referred to as “Remaining Company Shares”) and cash (along with Remaining Company Shares, hereinafter collectively referred to as “Remaining Company Shares etc.”) in the trust property as of the final day of the trust period prior to extension, additional contributions will be made so that the amount of the Remaining Company Shares etc. and the additionally contributed trust funds will be within the limit of 830 million yen in total, and the number of Remaining Company Shares and shares additionally acquired by the Trust will be within the limit of 415 thousand shares in total.

(2) Calculation method and upper limit of Company Shares etc. to be acquired by Directors etc.

In accordance with the criteria for the Medium- and Long-Term Performance-Linked Part and Short-Term Performance-Linked Part set out below, Directors etc. will be granted a certain number of points (hereinafter referred to as “Granted Points”) or receive the delivery of shares of the Company for the respective parts at a specific timing every year during the trust period.

One point will be equivalent to one share of the Company. However, in the event that shares of the Company undergo a share split, reverse share split, etc. during the trust period, the number of shares of the Company for one point will be adjusted according to the split ratio, reverse split ratio, etc. of shares of the Company.

<Medium- and Long-Term Performance-Linked Part>

The content will be the same as that of the Current Scheme. The cumulative number of Granted Points for the Applicable Period (hereinafter referred to as the “Number of Cumulative Points”) will be multiplied by a coefficient according to the degree of achievement of performance targets for the final business year of the medium-term management plan to decide the number of points that will be the basis for calculation of the number of shares to be delivered. Immediately after the end of the Applicable Period, Delivery etc. of Company Shares etc. will take place based on the number of points decided as described above.

Indicators used for evaluating the degree of achievement of performance targets are consolidated net sales, consolidated operating income, etc. and the number of points granted will vary in the range from 50% to 200% depending on the degree of achievement of the Company’s performance targets outlined in the medium-term management plan etc.



#### <Short-Term Performance-Linked Part>

At a certain timing every year, shares of the Company are delivered to Directors etc. using part of short-term performance-linked compensation, the amount of which is decided based on overall consideration of the year-on-year growth rate of consolidated net sales and operating income, performance evaluation of specific departments which administrative corporate executive officers are in charge of, and personal evaluation. Transfer restrictions will be imposed on the delivered shares, and the transfer restrictions will be lifted when Directors etc. retire, in principle. The ratio of the Short-Term Performance-Linked Part of stock compensation to short-term performance-linked compensation is decided each time at the Nominating and/or Compensation Committee.

Shares, however, may not be delivered if certain criteria for short-term performance-linked compensation are unmet.

The upper limit of the total number of shares of the Company acquired by the Trust and delivered to Directors etc. by the Trust in each Applicable Period is 415 thousand, which is the total of those for the Medium- and Long-Term Performance-Linked Part and those for the Short-Term Performance-Linked Part. This upper limit number of shares is determined based on the most recent stock price etc. in consideration of the upper limit of trust funds stated in (1) above.

#### (3) Method and timing of Delivery etc. of Company Shares etc. to Directors etc.

##### <Medium- and Long-Term Performance-Linked Part>

The content will be the same as that of the Current Scheme. Directors etc. who meet the beneficiary requirements will receive a delivery of shares of the Company from the Trust for 50% of the Number of Cumulative Points (shares of less than one trading unit will be rounded up; the same hereinafter) at a certain timing immediately after the end of the Applicable Period, and concerning the remaining shares, upon conversion within the Trust, the Directors etc. will receive the cash equivalent to the amount of shares after being converted from shares to cash.

If a Director etc. retires during a trust period (except when the retirement is due to personal circumstances or dismissal based on justifiable grounds for dismissal; the same hereinafter), the Director etc. will receive shares of the Company corresponding to 50% of the Number of Cumulative Points, and concerning the remaining shares, upon conversion within the Trust, the Director etc. will receive the cash equivalent to the amount of shares after being converted from shares to cash.

In addition, if a Director etc. becomes a non-resident of Japan or passes away during a trust period, the Director etc. or the heir to the Director etc. will receive the cash equivalent to the shares of the Company that correspond to the Number of Cumulative Points at that point after conversion within the Trust.

##### <Short-Term Performance-Linked Part>

Directors etc. who meet the beneficiary requirements will receive a delivery of shares of the Company from the Trust at a certain timing immediately after the completion of every business year. Directors etc. who receive the delivery of shares of the Company will, in principle, continue to hold the shares for the period up to their retirement as Directors etc. (hereinafter referred to as the "Transfer Restriction Period").

Shares of the Company subject to transfer restrictions will be managed in dedicated accounts which Directors etc. open with a securities company in advance, so that the shares will not be transferred, registered as a security interest, or otherwise disposed of during the Transfer Restriction Period.

If a Director etc. engages in serious misconduct etc. during the Transfer Restriction Period, the Company will, without consideration, automatically acquire the shares that have been delivered to the Director etc.

If a Director etc. retires during a business year, the number of shares of the Company calculated at that point will be delivered to the Director etc.

In addition, if a Director etc. becomes a non-resident of Japan or passes away during a business year, the Director etc. or the heir to the Director etc. will receive the cash equivalent to the number of shares of the Company calculated at that point after conversion within the Trust.

#### (4) Voting rights for shares of the Company within the Trust

Concerning the shares of the Company within the Trust, in order to secure objectivity in management, voting rights will not be exercised during the trust period.

#### (5) Clawback clauses etc.

If a Director etc. engages in serious misconduct etc., the Company may forfeit or deprive the Director etc. of the right to receive the Delivery etc. of Company Shares etc. based on the Scheme (malus) or may claim back cash equivalent to the value of Company Shares etc. that have been delivered (clawback). (If this occurs during the Transfer Restriction Period, (3) above applies.)

#### (6) Other contents of the Scheme

The Board of Directors will determine other contents regarding the Scheme each time the Trust is set, the trust agreement is modified, or an additional contribution to the Trust is made.

## (Reference)

The Company, at the Board of Directors' meeting held on April 30, 2024, decided to revise, as shown below, the "Policy on Method for Deciding Director and Audit & Supervisory Board Member Compensation" on the condition that Proposal 5 "Revision of the Content of Stock Compensation Scheme for Directors etc." is approved as originally proposed. (The revised portions are underlined.)

### **Policy on Method for Deciding Director and Audit & Supervisory Board Member Compensation (After Revision)**

The Company's executive compensation regulations stipulate the procedures for determining the compensation of Directors, Audit & Supervisory Members, and Executive Officers with specific duties (hereinafter collectively referred to as "Executives"), as well as the compensation structure. The specific contents are described below, which the Company establishes as the "Policy on Method for Deciding Director and Audit & Supervisory Board Member Compensation" upon resolution by the Board of Directors based on the deliberations and reports of the Nominating and/or Compensation Committee.

#### 1. Process for Deciding the Amount of Compensation

##### (1) Amount of compensation for Directors and Executive Officers with specific duties

The amount of compensation for Directors and Executive Officers with specific duties is decided by Nominating and/or Compensation Committee members appointed by the Board of Directors within the range of the total amount of compensation decided by resolution at the Annual General Meeting of Shareholders. The results are then reported to the Board of Directors. The Nominating and/or Compensation Committee is composed of Representative Directors and Outside Directors, with a majority of the members Independent Outside Directors. In principle, the chairperson is an Independent Outside Director, thereby enhancing independence and objectivity regarding appointment and compensation.

##### (2) Amount of compensation for Audit & Supervisory Board Members

The amount of compensation for Audit & Supervisory Board Members is decided through discussion with the Audit & Supervisory Board Members.

#### 2. Outline of Compensation Structure and Compensation Scheme for the Company's Executives

##### (1) Directors (excluding Outside Directors) and Executive Officers with specific duties (hereinafter collectively referred to as "Directors etc.")

###### 1) Compensation structure for Directors etc.

Compensation for Directors etc. comprises monetary base compensation, short-term performance-linked compensation paid in accordance with performance, and non-monetary stock compensation, taking into consideration the management duties of Directors etc. with the aims of expanding business results each business year and increasing medium- and long-term corporate value.

###### 2) Breakdown of compensation

Base compensation accounts for roughly 60% of the overall compensation so that the compensation scheme for Directors etc. functions as an appropriate and effective incentive for medium- and long-term corporate value increase.

###### 3) Policy for deciding each type of compensation

###### • Base compensation

From the perspective of deciding compensation based on objective information, while also providing a level that is sufficient to enable the Company to recruit talented human resources, base compensation paid monthly is decided based on the current position and intended role of a Director etc., using the compensation offered by similar companies (group of benchmark companies of a similar amount of market capitalization, a similar size and in a similar type of business), to be determined by a survey performed by an outside specialist company, as an important reference level.

###### • Short-term performance-linked compensation

Short-term performance-linked compensation is decided based on overall consideration of the year-on-year growth rate of consolidated net sales and operating income, performance evaluation of specific departments which administrative corporate executive officers are in charge of, and personal evaluation. It is paid once a year to Directors etc. who were in office during a business year, within three months from the end of the business year.

###### • Stock compensation

Stock compensation is paid to share value with shareholders and raise incentives to expand business results and increase corporate value. The compensation scheme consists of the short-term performance-linked part and the medium- and long-term performance-linked part.

###### [Short-term performance-linked part]

Part of short-term performance-linked compensation is allotted as shares. Shares with transfer

restrictions are delivered to Directors etc. who are residents of Japan at a certain timing every year, and the transfer restrictions are lifted when the Directors etc. retire. The ratio of payment in stock is decided each time at the Nominating and/or Compensation Committee.

[Medium- and long-term performance-linked part]

The number of shares granted to Directors etc. who are residents of Japan is decided in the final year of a medium-term management plan according to the position and the degree of achievement of performance targets. In principle, the shares are delivered after the end of the applicable period of the medium-term management plan. Indicators used for evaluating the degree of achievement of performance targets are consolidated net sales and consolidated operating income, and the number of shares granted will vary in the range from 50% to 200% depending on the degree of achievement of the Company's performance targets. If a Director etc. commits a serious violation of job duties or company regulations, the Company may forfeit the right to benefit from scheduled delivery of shares or claim back cash equivalent to the value of delivered shares etc.

(2) Outside Directors

Compensation for Outside Directors only includes base compensation, and compensation levels are decided based on the expected roles and duties of each Outside Director.

(3) Audit & Supervisory Board Members

Compensation for Audit & Supervisory Board Members only includes base compensation decided based on their duties.