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Securities code: 4923

May 30, 2024

(Start date of measures for electronic provision: May 27, 2024)

**To Shareholders with Voting Rights:**

Hiroteru Oda  
Representative Director and  
President  
COTA CO., LTD.  
77 Tai-Shin-Arami, Kumiyama-cho,  
Kuse-gun, Kyoto, Japan

**NOTICE OF  
THE 45TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

We would like to express our appreciation for your continued support and patronage.

We hereby inform you that the 45th Annual General Meeting of Shareholders of COTA CO., LTD. (the “Company”) will be held as described below.

In convening this general meeting of shareholders, the Company has taken measures for electronic provision of information contained in the reference documents for the general meeting of shareholders (matters subject to measures for electronic provision), and posted the information on the following website.

The Company’s website: <https://www.cota.co.jp/company-ir/general-meeting-of-shareholders>

The matters subject to electronic provision are also posted on the website shown below, in addition to the website above.

Tokyo Stock Exchange website:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the TSE website above, enter the Company name “COTA CO., LTD.” or the Company’s securities code “4923,” and perform a search. Select “Basic information” followed by “Documents for public inspection/PR information” to read the relevant information.

If you do not attend the meeting in person, you can exercise your voting rights via the internet or in writing. Please review the following Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. (JST) on Thursday, June 20, 2024.

**1. Date and Time:** Friday, June 21, 2024 at 10:00 a.m. Japan time  
(Reception starts at 9:00 a.m.)

At the venue, we will give product presentation from 9:15 a.m. Our staff will outline our products and production philosophy. We look forward to your attendance.

**2. Place:** Genji Ballroom (3rd floor), HOTEL GRANVIA KYOTO  
Shiokoji-sagaru, Karasuma-dori, Shimogyo-ku, Kyoto, Japan (inside the JR Kyoto Station Building Complex)

**3. Meeting Agenda:**

**Matters to be reported:** The Business Report and Non-consolidated Financial Statements for the Company's 45th Fiscal Year (April 1, 2023 - March 31, 2024)

**Proposals to be resolved:**

**Proposal 1:** Appropriation of Surplus

**Proposal 2:** Election of Eleven (11) Directors

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

**Proposal 4:** Retirement Benefits to Retiring Directors

**4. Matters decided in convening the Meeting:**

- (1) If you indicate neither approval nor disapproval of the proposal in the Voting Rights Exercise Form, it shall be treated as an indication of approval.
- (2) If a shareholder desires to attend the meeting by proxy, the proxy shall be one person who must be another shareholder of the Company with voting rights. Please note that in such cases, a written document verifying the proxy's power of representation must be submitted along with the shareholder's Voting Rights Exercise Form.

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- ◎ If you attend the meeting in person, please submit the Voting Rights Exercise Form at the reception desk.
  - ◎ Attendees are encouraged to arrive early, as the reception desk will be crowded just before the start of the meeting.
  - ◎ The documents that have been delivered to shareholders requesting the delivery of documents do not include the following item pursuant to the provisions of relevant laws and regulations and Article 15 of the Company's Articles of Incorporation. Accordingly, the documents include a part of the documents audited by Audit & Supervisory Board Members and the Accounting Auditor in preparing their audit reports.
    - Notes to Non-consolidated Financial Statements
  - ◎ If there is any revision to the matters subject to measures for electronic provision, the details of the revision will be posted on the Company's website and the website of the Tokyo Stock Exchange.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

#### Matters concerning year-end dividends

Our basic policy is to continue to pay stable dividends prioritizing the return of profits to shareholders, comprehensively taking into account factors such as the Company's business performance, enhancement of internal reserves, and dividend payout ratio, while aiming to sustainably increase our corporate value and further strengthen our corporate structure.

The Company proposes to pay a year-end dividend of ¥20.00 per share for the fiscal year under review.

- (1) Type of dividend property  
Cash
- (2) Allotment of dividend property and the total amount thereof  
¥20.00 per share of the Company's common stock  
Total amount: ¥513,362,540
- (3) Effective date of dividends of surplus  
June 24,2024

**Proposal 2:** Election of Eleven (11) Directors

The terms of office of all eleven (11) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of eleven (11) Directors.

The candidates for Director are as follows.

No.	Name	Current positions and responsibilities at the Company	Term of office as Director	Attendance at the Board of Directors meetings
1	Hiroteru Oda [Reappointment]	Representative Director and President	32 years and 1 month	100% 18/18
2	Shunji Hirose [Reappointment]	Managing Director	20 years	94% 17/18
3	Ritsuo Hirata [Reappointment]	Managing Director, General Manager of General Affairs Department	13 years and 7 months	83% 15/18
4	Shogo Kawamura [Reappointment]	Director, General Manager of Logistics Department	6 years	100% 18/18
5	Shigeharu Yoshida [Reappointment]	Director, General Manager of Sales No. 2 Department	2 years	100% 18/18
6	Mitsuhiro Nishimura [Reappointment]	Director, General Manager of PR and IR Department	2 years	100% 18/18
7	Hideaki Okimura [Reappointment]	Director, General Manager of Education and Training Department	2 years	100% 18/18
8	Masakazu Hara [Reappointment] [Outside]	Outside Director (Independent Officer)	9 years	100% 18/18
9	Chika Yamanaka [Reappointment] [Outside]	Outside Director (Independent Officer)	2 years	94% 17/18
10	Renka Honjo [Reappointment] [Outside]	Outside Director (Independent Officer)	2 years	89% 16/18
11	Yuko Osawa [New appointment] [Outside]	—	—	—

Note: The term of office of each candidate in this proposal is as of the conclusion of this General Meeting.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Hiroteru Oda (October 3, 1959)  [Reappointment]	September 1984    Joined the Company March 1991        General Manager of General Affairs Department, the Company May 1992            Director, General Manager of General Affairs Department, the Company April 1995          Managing Director, General Manager of Sales Division, the Company January 1998        Managing Director, General Manager of Administrative Department, the Company June 2004            Representative Director and President, the Company (current) [Significant concurrent positions] • Representative Director and President, EIWA SHOJI Co., Ltd.	839,485
[Reason for nomination as candidate for Director] Mr. Hiroteru Oda has exceptional management acumen and leadership qualities. Over the past 20 years since assuming the position of Representative Director and President in June 2004, he has been leading the Company's management, consistently improving our performance. In addition, through the Company's founding spirit of "modernizing the hair salon industry with salon management," he has enhanced the Company's presence in the hair salon industry. Considering these achievements, we believe that he is the talent necessary for achieving sustained enhancement of corporate value. Therefore, we nominated him again as a candidate for Director.			
2	Shunji Hirose (June 19, 1961)  [Reappointment]	December 1987    Joined the Company April 1996            General Manager of Sales No. 2 Department, the Company June 2004            Director, General Manager of Sales No. 2 Department, the Company June 2009            Director, General Manager of Accounting Department, the Company April 2018            Managing Director, General Manager of Accounting Department, the Company April 2019            Managing Director, the Company (current)	113,424
[Reason for nomination as candidate for Director] Mr. Shunji Hirose has made significant contributions to the Company's performance improvement, particularly in sales operations. Possessing a high level of knowledge in finance, accounting, and taxation, he has been fulfilling his responsibilities adequately by managing performance progress, negotiating with financial institutions, and participating in corporate planning. Moreover, he engages in investor relations activities and conducts proactive dialogues with investors to enhance their understanding and support for the Company, thus contributing to building a positive relationship with them. Considering these achievements, we believe that he is the talent necessary for developing strategies and tactics to grow the Company. Therefore, we nominated him again as a candidate for Director.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Ritsuo Hirata (January 1, 1963)  [Reappointment]	October 1984    Joined the Company June 2009        General Manager of CS Department, the Company November 2010    Director, General Manager of CS Department, the Company June 2012        Director, General Manager of General Affairs Department, the Company April 2018        Managing Director, General Manager of General Affairs Department, the Company (current)	101,822
	<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Ritsuo Hirata possesses a high level of knowledge in the HR, general affairs, and legal affairs segments, as well as in the Junpo Salon System and sales operations. Additionally, he has been fulfilling his responsibilities adequately by participating in internal HR development and product development. He attends multiple cross-sectional meetings to grasp the Company's situation, offers proactive and constructive opinions, and contributes to activating discussions at Board of Directors meetings from compliance and risk management perspectives. Considering these achievements, we believe that he is the talent necessary for developing HR strategies and further enhancing corporate governance. Therefore, we nominated him again as a candidate for Director.</p>		
4	Shogo Kawamura (September 22, 1962)  [Reappointment]	December 1994    Joined the Company April 2012        General Manager of Production Department, the Company June 2018        Director, General Manager of Production Department, the Company April 2023        Director, General Manager of Logistics Department, the Company (current)	58,704
	<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Shogo Kawamura has extensive experience in the manufacturing and logistics fields. Leveraging his experience, he has been contributing to the Company's fundamental principles of ensuring safe and secure development and production. He has been serving as General Manager of Logistics to stably supply high-quality products to the market, enhance user satisfaction and trust in the Company and its products. Furthermore, he has been working actively to improve on-site operations to achieve efficient production in our factories, significantly contributing to improvements in the Company's performance.</p> <p>Considering these achievements, we believe that he is the talent necessary for leading the manufacturing and logistics segments from a management perspective, as well as for achieving stable supply of higher-quality products and enhancing corporate value as a manufacturer. Therefore, we nominated him again as a candidate for Director.</p>		
5	Shigeharu Yoshida (February 17, 1972)  [Reappointment]	April 1994        Joined the Company April 2018        General Manager of Sales No. 2 Department, the Company June 2022        Director, General Manager of Sales No. 2 Department, the Company (current)	48,932
	<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Shigeharu Yoshida has extensive experience in the sales and marketing fields. He has been utilizing his experience to develop and nurture Junpo member salons and making significant contributions to improving hair salon performance and "modernizing the hair salon industry with salon management."</p> <p>Considering these achievements, we believe that he is the talent necessary for strengthening our sales foundation from a management perspective. Therefore, we nominated him again as a candidate for Director.</p>		

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	Mitsuhiro Nishimura (July 9, 1972)  [Reappointment]	April 1995      Joined the Company	32,719
		April 2018      General Manager of PR and IR Department, the Company	
		June 2022      Director, General Manager of PR and IR Department, the Company (current)	
		[Significant concurrent positions] • Director, EIWA SHOJI Co., Ltd.	
	[Reason for nomination as candidate for Director] Mr. Mitsuhiro Nishimura has extensive experience in the public relations and investor relations fields, as well as in finance and accounting, which has been built on a foundation of his sales experience. He has utilized his experience to respond to stakeholders and thereby has made shareholders and users fans of the Company. Considering these achievements, we believe that he is the talent necessary for enhancing corporate value through public relations and investor relations activities focused on value sharing. Therefore, we nominated him again as a candidate for Director.		
7	Hideaki Okimura (November 18, 1974)  [Reappointment]	April 1997      Joined the Company	27,662
		April 2018      General Manager of Education and Training Department, the Company	
		June 2022      Director, General Manager of Education and Training Department, the Company (current)	
	[Reason for nomination as candidate for Director] Mr. Hideaki Okimura has extensive experience in the education and training fields, which has been built on a foundation of his sales experience. He has utilized this experience to conduct internal employee education and early stylist development for our partner hair salons. Considering these achievements, we believe that he is the talent necessary for nurturing the next generation of employees from a management perspective. Therefore, we nominated him again as a candidate for Director.		

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
8	<p>Masakazu Hara (May 5, 1976)</p> <p>[Reappointment] [Outside]</p>	<p>October 2002 Registered as an attorney-at-law</p> <p>October 2002 Joined FAS Yodoyabashi Sogo Law Offices</p> <p>July 2003 Joined Asunaro Law Office (currently Asunaro Legal Professional Corporation)</p> <p>May 2008 Completed LLM Degree, Duke University School of Law</p> <p>August 2008 Visiting Attorney-at-Law, Earthjustice (an environmental law office and NGO)</p> <p>April 2009 Registered as an attorney-at-law of New York State</p> <p>May 2010 Senior Partner, Attorney-at-Law, Asunaro Legal Professional Corporation (current)</p> <p>June 2015 Director, the Company (current)</p> <p>June 2018 Outside Auditor, Navitas Co., Ltd. (currently SiriusVision Co., Ltd.)</p> <p>December 2018 Auditor, MITSUYU &amp; CO., LTD. (current)</p> <p>October 2022 Outside Director, Shimanaka Co., Ltd.</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Attorney-at-Law</li> <li>• Auditor, MITSUYU &amp; CO., LTD.</li> </ul>	6,698
<p>[Reason for nomination as candidate for Outside Director and expected roles]</p> <p>Mr. Masakazu Hara is well-versed in corporate legal affairs as an attorney-at-law and has utilized his extensive experience and broad insights to actively offer multifaceted and constructive opinions, which encompass not only legal aspects but also ethical and moral considerations, at Board of Directors meetings from an independent and objective standpoint.</p> <p>Considering these achievements, we believe that he is capable of appropriately fulfilling his duties as an Outside Director. We expect him to utilize his knowledge and experience to oversee the Company's management independently from the executive team. Therefore, we nominated him again as a candidate for Outside Director.</p>			



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
9	Chika Yamanaka (October 24, 1967)  [Reappointment] [Outside]	<p>April 1990      Joined Tanabe Seiyaku Co., Ltd. (currently Mitsubishi Tanabe Pharma Corporation)</p> <p>June 1990      Registered as a licensed pharmacist</p> <p>February 1994      Joined Kotobuki Kampo Pharmacy</p> <p>April 2007      Joined Spring Breeze Pharmacy, LIAISON, Ltd.</p> <p>March 2008      Certified as a career consultant</p> <p>January 2012      Representative, with grow (current)</p> <p>January 2017      Part-time Lecturer, Faculty of Pharmacy and Pharmaceutical Sciences, Fukuyama University (current)</p> <p>April 2022      Part-time Lecturer, Kobe Pharmaceutical University (current)</p> <p>June 2022      Director, the Company (current)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Representative, with grow</li> <li>• Part-time Lecturer, Kobe Pharmaceutical University</li> </ul>	1,240
<p>[Reason for nomination as candidate for Outside Director and expected roles]</p> <p>Ms. Chika Yamanaka has been involved in HR development and organizational development for many companies as a career consultant and has utilized her extensive experience and broad insights to actively offer multifaceted and constructive opinions at Board of Directors meetings from an independent and objective standpoint. Considering these achievements, we believe that she is capable of appropriately fulfilling her duties as an Outside Director. While she has never been involved in corporate management directly, we expect her to provide advice on internal HR development and organizational development based on her knowledge and experience. Therefore, we nominated her again as a candidate for Outside Director.</p>			
10	Renka Honjo (June 4, 1980)  [Reappointment] [Outside]	<p>September 2002      Worked at Oh! Atom (a pub with cabaret performances by transgender women)</p> <p>October 2009      Opened transgender women club KAMALA</p> <p>June 2022      Director, the Company (current)</p> <p>July 2023      Representative, BAR KAMALA (current)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Representative, BAR KAMALA</li> </ul>	0
<p>[Reason for nomination as candidate for Outside Director and expected roles]</p> <p>Ms. Renka Honjo is well-versed in LGBTQ issues as a transgender individual and has actively offered multifaceted and constructive opinions at Board of Directors meetings from an independent and objective standpoint as well as from a diversity perspective. This has brought a better understanding of sexual minorities in the Company. Considering these achievements, we believe that she is capable of appropriately fulfilling her duties as an Outside Director. While she has never been involved in corporate management directly, it is highly likely that the Company has individuals, both aspiring employees and those already employed, who struggle with being sexual minorities on a daily basis, and we expect her to bring a greater understanding of such individuals and promote the active participation of diverse human resources. Additionally, considering her continuous pursuit of femininity, we expect her to provide valuable advice in the Company's sales and research &amp; development fields. Therefore, we nominated her again as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
11	Yuko Osawa (December 21, 1971)  [New appointment] [Outside]	<p>April 1994      Joined FUJI ELECTRIC CO., LTD.</p> <p>February 2001      Joined Veloqx Asset Management Corp.</p> <p>May 2003      Joined Hiramatsu Inc.</p> <p>November 2006      Joined Horwath HTL</p> <p>August 2014      Joined Japan Real Estate Asset Management Co., Ltd.</p> <p>October 2016      Rejoined Hiramatsu Inc.</p> <p>October 2019      Director, General Manager of Management Strategy Department, Hiramatsu Inc.</p> <p>May 2021      Joined Deloitte Tohmatsu Financial Advisory LLC</p> <p>May 2023      Representative, Aurora Elementum (current)</p> <p>[Significant concurrent positions] • Representative, Aurora Elementum</p>	0
<p>[Reason for nomination as candidate for Outside Director and expected roles]</p> <p>Ms. Yuko Osawa has been involved in the development, reconstruction, and management of many businesses in the service industry as a consultant. We have determined that she can utilize her extensive experience and broad insights to actively offer multifaceted and constructive opinions at Board of Directors meetings from an independent and objective standpoint.</p> <p>Considering these extensive experiences, we believe that she is capable of appropriately fulfilling her duties as an Outside Director. We expect her to provide advice on organizational management and development based on her knowledge and experience. Therefore, we nominated her as a new candidate for Outside Director.</p>			

- Notes:
1. There are no special interests between each candidate and the Company.
  2. Mr. Masakazu Hara, Ms. Chika Yamanaka, Ms. Renka Honjo (registered name: Yoshitaka Maeda), and Ms. Yuko Osawa (registered name: Yuko Yoshi) are candidates for Outside Director.
  3. The Company has designated Mr. Masakazu Hara, Ms. Chika Yamanaka, and Ms. Renka Honjo as independent officers provided for by the rules of the Tokyo Stock Exchange and has notified the Exchange to that effect. If their reelection is approved, they will continue to serve as independent officer. If the election of Ms. Yuko Osawa is approved, the Company will designate her as an independent officer and notify the Exchange to that effect.
  4. Mr. Masakazu Hara will have served as Outside Director of the Company for nine years at the conclusion of this General Meeting.
  5. Ms. Chika Yamanaka's and Ms. Renka Honjo will have served as Outside Director of the Company for two years at the conclusion of this General Meeting.
  6. The Company has entered into liability limitation agreements with Mr. Masakazu Hara, Ms. Chika Yamanaka, and Ms. Renka Honjo, in accordance with Article 427, Paragraph 1 of the Companies Act, to limit their liability for damages pursuant to Article 423, Paragraph 1 of the same Act to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act. If their reelection is approved, the Company will continue the above liability limitation agreements.
  7. If the election of Ms. Yuko Osawa is approved, the Company will enter into an agreement with her, in accordance with Article 427, Paragraph 1 of the Companies Act, to limit her liability for damages pursuant to Article 423, Paragraph 1 of the same Act. The maximum amount of liability pursuant to the agreement is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
  8. The Company has concluded a directors and officers liability insurance agreement with an insurance company, and each candidate will be insured under the insurance agreement. For an outline of the insurance agreement, please refer to "4. Matters related to company officers, (2) Outline of the contents of directors and officers liability insurance agreements" of the Business Report (in Japanese only). The Company plans to renew the insurance agreement with the same contents at the next time of renewal.

(Reference) Skills Matrix of Directors

If Proposal 2 is approved, the main areas of expertise of Directors will be as follows.

No.	Name	Positions and responsibilities at the Company	Corporate management	HR & labor affairs	Legal affairs & compliance
1	Hiroteru Oda	Representative Director and President	●	●	●
2	Shunji Hirose	Managing Director	●		
3	Ritsuo Hirata	Managing Director, General Manager of General Affairs Department	●	●	●
4	Shogo Kawamura	Director, General Manager of Logistics Department	●	●	
5	Shigeharu Yoshida	Director, General Manager of Sales No. 2 Department	●	●	
6	Mitsuhiro Nishimura	Director, General Manager of PR and IR Department	●		
7	Hideaki Okimura	Director, General Manager of Education and Training Department	●		
8	Masakazu Hara	Outside Director (Independent Officer)	●	●	●
9	Chika Yamanaka	Outside Director (Independent Officer)			
10	Renka Honjo	Outside Director (Independent Officer)			
11	Yuko Osawa	Outside Director (Independent Officer)	●		

No.	Name	HR development	Finance & accounting	Sales	Research & development	Production	ESG	Diversity
1	Hiroteru Oda	●	●					●
2	Shunji Hirose	●	●	●		●		
3	Ritsuo Hirata				●		●	
4	Shogo Kawamura					●	●	
5	Shigeharu Yoshida			●	●			
6	Mitsuhiro Nishimura		●			●	●	
7	Hideaki Okimura	●		●				●
8	Masakazu Hara							
9	Chika Yamanaka	●			●		●	
10	Renka Honjo	●			●			●
11	Yuko Osawa		●					

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

In case the number of Audit & Supervisory Board Members falls below the number required by laws and regulations, the Company proposes the election of one (1) substitute Audit & Supervisory Board Member pursuant to Article 329, Paragraph 3 of the Companies Act.

Only if the number of Audit & Supervisory Board Members falls below the number required by laws and regulations, the substitute Audit & Supervisory Board Member will assume the office of Audit & Supervisory Board Member to serve the remaining term of the predecessor. Furthermore, the effectiveness of the resolution of this proposal will expire at the conclusion of the Annual General Meeting of Shareholders held for the last of the fiscal years ending within two years after the election of the substitute Audit & Supervisory Board Member, as stipulated in Article 32 of the Company's Articles of Incorporation. Unless the substitute Audit & Supervisory Board Member has assumed the office of Audit & Supervisory Board Member, the Company may revoke the appointment of the substitute Audit & Supervisory Board Member by resolution of the Board of Directors with the consent of the Audit & Supervisory Board.

The Audit & Supervisory Board has given its approval to the submission of this proposal. The candidate for substitute Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
Koji Tanabe (April 27, 1973)	April 1998      Joined Mitsubishi Electric Corporation October 2002      Joined Chuo Aoyama Audit Corporation (subsequently MISUZU Audit Corporation) May 2006      Registered as a certified public accountant October 2006      Joined Murata Certified Public Accountant Office (current) December 2009      Established Tanabe Certified Public Accountant Office June 2015      Auditor, Unionthink Co., Ltd. (current) February 2016      Registered as a certified tax accountant [Significant concurrent positions] • Certified Public Accountant • Certified Tax Accountant • Auditor, Unionthink Co., Ltd.	0
[Reason for nomination as candidate for substitute Outside Audit & Supervisory Board Member] Mr. Koji Tanabe is capable of monitoring and supervising management activities from an objective and fair standpoint, fully leveraging his extensive knowledge in tax accounting operations as well as experience as a certified public accountant and certified tax accountant. Therefore, we nominated him as a new candidate for substitute Audit & Supervisory Board Member.		

- Notes:
1. There are no special interests between the candidate for substitute Audit & Supervisory Board Member and the Company.
  2. Mr. Koji Tanabe is a candidate for substitute Outside Audit & Supervisory Board Member.
  3. If Mr. Koji Tanabe assumes the office of Outside Audit & Supervisory Board Member, the Company will notify the Tokyo Stock Exchange of his appointment as an independent officer.
  4. If Mr. Koji Tanabe assumes the office of Outside Audit & Supervisory Board Member, the Company will enter into an agreement with him, in accordance with Article 427, Paragraph 1 of the Companies Act, to limit his liability for damages pursuant to Article 423, Paragraph 1 of the same Act. The maximum amount of liability pursuant to the agreement is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
  5. The Company has concluded a directors and officers liability insurance agreement with an insurance company. If Mr. Koji Tanabe assumes the office of Outside Audit & Supervisory Board Member, he will be insured under the insurance agreement. For an outline of the insurance agreement, please refer to "4. Matters related to company

officers, (2) Outline of the contents of directors and officers liability insurance agreements” of the Business Report (in Japanese only).

**Proposal 4:** Retirement Benefits to Retiring Directors

Mr. Shoya Yamasaki resigned as Director as of February 2024, and Ms. Kumiko Nishio will retire as Director at the conclusion of this General Meeting due to the expiration of her term of office. The Company proposes to pay them retirement benefits within a reasonable range in accordance with certain criteria of the Company and requests to leave the specific amounts as well as the timing and methods of the payments to the discretion of the Board of Directors. The submission of this proposal to the General Meeting of Shareholders was determined by the Board of Directors in accordance with the Company's rules on retirement benefits for officers and is considered appropriate.

Career summaries of retiring Directors are as follows.

Name	Career summary
Shoya Yamasaki	November 2010 Director, the Company
	February 2024 Resigned as Director, the Company
Kumiko Nishio	June 2022 Director, the Company
	To present

(Reference) Our approach to retirement benefits for officers

The Company aims for continuous and steady growth through achieving financial results every fiscal year. Over the past ten fiscal years, we have achieved our targeted management indicators (ordinary profit to net sales ratio: 15% or higher, ROE: 10% or higher), determined officers' remuneration so that its amount is substantively linked to our financial results, and made an allowance for retirement benefits for officers based on the determined officers' remuneration.

Therefore, the Company's retirement benefits for officers are fundamentally perceived as compensation for services rendered during their tenure of office, rooted in our steady growth. We save a portion of officers' monthly remuneration for their retirement benefits, considering retirement benefits as officers' deferred remuneration.

Additionally, the Company's regulations stipulate that the Company will not provide retirement benefits to an officer if the officer is dismissed due to fraudulent acts, such as embezzlement or breach of trust, or causes significant harm to the Company during the officer's tenure, or if the payment of retirement benefits is deemed inappropriate given the Company's financial condition at the time of the officer's resignation or retirement (a "non-payment reason"), and that, if a non-payment reason is discovered after the payment of retirement benefits, the officer shall refund part or all of the retirement benefits. Furthermore, we seek approval of the General Meeting of Shareholders for each payment of retirement benefits. As seen above, we have established the system of retirement benefits for officers since retirement benefits are considered as officers' deferred remuneration and are expected to mitigate the risk that officers commit legal or disciplinary violations and consequently harm the Company.

Regarding the amount of retirement benefits, in accordance with the Company's regulations, we reasonably estimate the amount to be paid and allocate it as a provision every fiscal period. We will not add any extra amounts during Annual General Meetings of Shareholders, such as extra benefits for exceptional contributions, beyond what is recorded in our business reports and financial statements.