

## Reference Documents for General Meeting of Shareholders

### Proposals and references

#### Proposal No. 1 Appropriation of Surplus

Our Nippon Kayaku Group regards profit return to our shareholders as important. In our mid-term business plan “**KAYAKU Vision 2025 (KV25)**” that has started from our fiscal year 2022, we have targeted a dividend payout ratio of 40% or higher, taking stable and continuous profit return and sufficiency of retained earnings into consideration. Furthermore, while securing sufficient retained earnings, we will flexibly acquire treasury stocks as part of our profit return. Retained earnings will be allocated to R&D investments, capital investments and other investments in order to achieve sustainable growth for future development. We will continue to enhance cooperate value aiming to achieve ROE of 8% or higher in the final year of **KV25**.

Based on this policy, the Company proposes the appropriation of surplus for this fiscal year as follows.

#### 1. Matters related to the year-end dividend

##### (1) Type of dividend property

Cash

##### (2) Allotment of dividend property to shareholders and the total amount

Dividends 22.50 yen per common share of Company stock

Total amount 3,732,092,663 yen

##### (3) Effect date of appropriation of surplus ;

June 27, 2024

Since the Company has paid 22.50 yen per 1 share as interim dividend, annual dividend for this fiscal year will be 45.00 yen per common share.

## Proposal No. 2 Election of Ten (10) Directors

The terms of office of all ten (10) Directors will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, we hereby propose to elect ten (10) Directors, who consist of seven (7) candidates for re-election and three (3) candidates for new election.

(The list of candidates for Directors)

Candidate number	Name	Current Position and Responsibilities in Company	Attribute Information for Company (New Election) (Independent) (Outside)	Attendance at Board of Directors meeting during the fiscal year
1	Atsuhiko Wakumoto	President Representative Director		14 of 14 meetings (100%)
2	Yoshitsugu Ishida	Senior Managing Director Member of board of Directors		14 of 14 meetings (100%)
3	Shigeyuki Kawamura	Managing Director Member of board of Directors		11 of 11 meetings (100%)
4	Yo Ota	Outside Director Member of board of Directors	(Independent) (Outside)	13 of 14 meetings (92%)
5	Yasuyuki Fujishima	Outside Director Member of board of Directors	(Independent) (Outside)	14 of 14 meetings (100%)
6	Seiichi Fusamura	Outside Director Member of board of Directors	(Independent) (Outside)	12 of 14 meetings (85%)
7	Ikuko Akamatsu	Outside Director Member of board of Directors	(Independent) (Outside)	11 of 11 meetings (100%)
8	Hiroshi Shimada	Managing Director	(New Election)	-
9	Shinji Inoue	Senior Director	(New Election)	-
10	Makoto Takeda	Senior Director	(New Election)	-

(Notice) The records of attendance of Mr. Shigeyuki Kawamura and Ms. Ikuko Akamatsu are based on only the Board of Directors meetings held after they have been appointed as a director on June 28, 2023.

(Independence Standards and Qualification for Outside Officers)

Company has set for the following independence standards of outside officers (Outside Directors and Outside Audit & Supervisory Board Members). The outside officer concerned is judged to be independent of Company if he or she does not constitute any of the following

- (1) A supplier who sees Company and important subsidiaries of Company (hereafter, “Company Group”) as a main customer, or a person who is an executive director, executive officer, or other employee of the parent company or main subsidiaries of that supplier (hereafter “Executive”);
- (2) A main customer of Company or an Executive at that customer;
- (3) An Executive at a main financial institution from which Company borrows or the parent or a subsidiary of that financial institution;
- (4) An attorney, certified public accountant (CPA), licensed tax accountant or other consultant who has received funds or other assets exceeding a certain amount, other than officer remuneration, from Company Group (the person affiliated with the group when the entity receiving the assets is a corporation, association, or other group);
- (5) A person who has received donations or aid exceeding 10 million yen a year from Company (an Executive of the group when the entity receiving the donation or aid is a corporation, association, or other group);
- (6) A main shareholder of Company Group or an Executive of that shareholder;
- (7) A company that has accepted directors from Company Group or an Executive of the parent company or a subsidiary of that company;
- (8) A person who constituted (1) through (7), above, in the past five years;
- (9) The spouse or close relatives within the second degrees when the person who falls under (1) to (8) above is in an important position; or
- (10) The spouse or close relatives within the second degrees when the person is a director, executive officer, or manager of Company or a subsidiary of Company.

(Notes)

1. “Important subsidiaries of Company” in (1) refer to subsidiaries that comprise 20% or more of any one of Company’s (non-consolidated) sales, total assets, income, or borrowings in the most recent fiscal year.  
“A supplier who sees Company Group as a main customer” in (1) refers to a “supplier who received payment of 2% or more of that entity’s annual consolidated sales for the most recent fiscal year from Company Group.”
2. “A main customer of Company” in (2) refers to “a customer who paid Company 2% or more of Company’s annual consolidated sales for the most recent fiscal year.”
3. “Main financial institution” in (3) refers to “an entity that lends an amount equaling 2% or more of Company’s consolidated assets for the most recent fiscal year to Company.
4. “A certain amount” in (4) refers to whichever is higher “10 million yen a year” or “2% of the annual sales of an attorney and or the corporation, association or other organization to which the attorneys belong.
5. “Main shareholder” in (6) refers to a shareholder who holds 10% or more of the voting rights (including both direct and indirect ownership).
6. “A person in an important position” in (9) refers to employees who are directors (excluding outside directors), executive officers, persons responsible for operational execution, or upper

level management of department manager or above, as well as attorneys affiliated with the law firm who have a position of partner and employee or higher; CPAs affiliated with the accounting firm who have a position of partner and employee or higher; trustees, directors, auditors, or other officers affiliated with a foundation, incorporated organization, educational corporation or other corporation; and other persons reasonably and objectively judged to be of similar importance.

The candidates for Director are as follows.

**(Re-election)**

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
1 <u>Re-election</u>	Atsuhiko Wakumoto (March 15, 1957)	April 1979	Joined Company	76,555
		August 2007	Manager of Marketing Dept., Global Business Division and Manager of Marketing Dept., Japan Business Division, Safety Systems Group	
		August 2008	General Manager of Global Business Division and Manager of Marketing Dept., Global Business Division and Manager of Marketing Dept., Japan Business Division, Safety Systems Group	
		August 2009	General Manager of Global Business Division and Manager of Marketing Dept., Global Business Division, Safety Systems Group	
		August 2010	General Manager of Marketing Division and Manager of Global Marketing Dept., Marketing Division, Safety Systems Group	Number of years as Member of the Board
		August 2012	Director, Company General Manager of Marketing Division, Safety Systems Group	8 years
		June 2016	Member of the board of Directors Managing Director	
		April 2018	General Manager of Marketing & Sales Division, Safety Systems Group	
		June 2018	Head of Safety Systems Group	
		June 2019	President (current)	
	Representative Director (current)			
[Special interests between Company and the above candidate ] None				
[Reason for selection as a candidate for Director] Mr. Atsuhiko Wakumoto has been led the safety systems business for many years and currently serving as a President and Representative Directors. The Company has continuously selected him as a candidate for a Director in consideration of the fact that he has extensive global experience and has advanced knowledge of the overall business of the Company.				

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
2  <u>Re-election</u>	Yoshitsugu Ishida (September 8, 1958)	April 1981	Joined Company	58,505
		August 2004	General Manager of Administration Dept., Safety System Division	
		August 2007	General Manager of Planning & Coordination Dept., Safety System Division	
		August 2010	General Manager of Planning & Coordination Dept., Safety System Group	
		June 2016	Director, Company	
		April 2018	General Manager of Strategic Planning Division, Safety System Group	
		June 2019	Member of the board of Directors (current) Managing Director	
		June 2021	Head of Safety Systems Group	Number of years as Member of the Board
		August 2021	Head of Financial Group and General Manager of Information Systems Division, Financial Group	
		June 2023	Head of Financial Group	
			Senior Managing Director (current) In charge of Corporate Planning Division, Corporate Communications Division, Finance & Accounting Division, and Information Systems Division (current)	5 years
[Special interests between Company and the above candidate ] None				
[Reason for selection as a candidate for Director]				
Mr. Yoshitsugu Ishida has been in charge of the Strategic Planning Division, Safety System business for many years and currently serving as a Member of the Board of Directors and Senior Managing Director. The Company continuously selected him as a candidate for a Director since he has extensive experience of global business and advanced knowledge of the overall business of the Company.				
3  <u>Re-election</u>	Shigeyuki kawamura (June 30, 1963)	April 1987	Joined Company	Number of shares of Company owned by Candidate
		June 2008	General Manager of Purchasing Division, Himeji Plant	
		June 2010	General Manager of Planning and Purchasing Division, Himeji Plant	
		June 2016	Chairman & General Manager of Kayaku Safety Systems (Huzhou) Co., Ltd.	16,037
		June 2019	General Manager of Strategic Planning Division, Safety Systems Group	
		June 2020	Directors, Company	
		April 2021	Deputy Director of Safety Systems Group and General Manager of Strategic Planning Division, Safety Systems Group	Number of years as Member of the Board
		June 2021	Senior Director	
		April 2022	Head of Safety Systems Group	
		June 2023	Managing Director (current) Member of the board of Directors (current) In charge of Mobility & Imaging Business Unit, Head of Safety Systems Group (current)	1 years
[Special interests between Company and the above candidate ] None				
[Reason for selection as a candidate for Director]				
Mr. Shigeyuki Kawamura has been engaged in the plant management sector, leading the safety systems business for many years and currently serving as a Member of the Board of Directors and Managing Director. The Company continuously selected him as a candidate for a Director in consideration of the fact that he has extensive global experience such as being engaged in management of overseas subsidiaries and has advanced knowledge of the overall business of the Company.				

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
4	Yo Ota (October 3, 1967)	April 1993	Registered lawyer Joined Nishimura Tokiwa Law office	0
		February 2001 April 2001	Registered lawyer in New York State, USA Appointed Civil Affairs Bureau, the Ministry of Justice (charge of the Commercial Law, the office of counselor)	
<div style="border: 1px solid black; padding: 2px;">Re-election</div> <div style="border: 1px solid black; padding: 2px;">Independent</div> <div style="border: 1px solid black; padding: 2px;">Outside</div>		January 2003 August 2004	Partner of Nishimura Tokiwa Law office Outside Audit & Supervisory Board Member of Company	Number of years as Member of the Board
		June 2005 July 2007	Outside Director of DKK Co., Ltd. Partner of Nishimura & Asahi (Gaikokuho Kyodo Jigyo) (current)	
		April 2013	Professor, Graduate Schools for Law and Politics, The University of Tokyo	
		June 2016 June 2017	Member of the board of Directors, Company (current) Outside Audit & Supervisory Board Member of Ricoh Co., Ltd. (current)	8 years
<p>[Special interests between Company and the above candidate ] None</p> <p>[Reason for selection as a candidate for Outside Director and overview of expected role]</p> <p>Mr. Yo Ota has extensive experience and advanced knowledge as a lawyer. He served as Outside Audit &amp; Supervisory Board Member of the Company, and he is well acquainted with the Company. The Company continuously selected him as a candidate for Outside Director for strengthening supervisory functions of the Board of Directors. The Company expects him to perform the role to strengthen corporate governance of the Company with his thorough knowledge of corporate legal affairs including corporate governance.</p>				

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate	
5  <u>Re-election</u> <u>Independent</u> <u>Outside</u>	Yasuyuki Fujishima (March 25, 1947)	July 1969	Joined Ministry of International Trade and Industry (presently Ministry of Economy, Trade and Industry).	7,000	
		July 1997	Economic Planning Agency Representative to the Economic Planning Agency Bank of Japan Policy Board		
		July 1998	Japan Ambassador Extraordinary and Plenipotentiary to Panama, Ministry of Foreign Affairs		
		June 2002	Managing Executive Officer, Nissho Iwai Corp. (presently Sojitz Corp.)		
		November 2002	Outside Director, Wacom Co., Ltd.		
		April 2003	Senior Managing Executive Officer, Member of Board of Directors, Nissho Iwai Corp.		Number of years as Member of the Board
		October 2005	Representative Director and Senior Managing Executive Officer, Sojitz Corp.		8 years
		April 2008	Executive Vice President, Sojitz Corp.		
		August 2010	Representative Director, President, Mutual Service Aid Guarantee Corporation		
		June 2016	Member of the board of Directors, Company (current)		
August 2017	Representative Director, President, Ceremonial Occasions Research Institute, Inc.				
November 2018	Chairperson of Human Resources Development & Employment Organization (current)				
[Special interests between Company and the above candidate ] None					
[Reason for selection as a candidate for Outside Director and overview of expected role] The Company continuously selected Mr.Yasuyuki Fujishima as a candidate for Outside Director to make recommendation about overall business of the Company since he has extensive experience and knowledge as a management executive of general trading company. The Company expects him to perform the role of supervising management from an objective standpoint based on his management experience at other the companies.					

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate	
6	Seiichi Fusamura (March 18, 1947)	July 1971	Assistant Judge of Kyoto District Court	0	
		June 1998	Director-General of Judicial System and Research Dept., Minister's Secretariat, Ministry of Justice		
		December 2001	Director-General of the Civil Affairs Bureau, Ministry of Justice		
		October 2006	President of the Saitama District Court		
		December 2009	President of the Sendai High Court		
		January 2011	President of the Nagoya High Court		
		March 2012	Retired from High Court		
		April 2012	Public member of Tokyo Metropolitan Government Labor Relations Commission(Deputy Chairperson)		
		June 2012	Outside Audit & Supervisory Board Member of Nippon Paper Industries Co., Ltd. Registered Lawyer		Number of years as Member of the Board
		January 2013	Chairperson of Public Security Examination Commission		4 years
August 2013	Chairperson of Tokyo Metropolitan Government Labor Relations Commission				
June 2016	Outside Audit & Supervisory Board Member of The Bank of Yokohama, Ltd.				
		June 2020	Outside Audit & Supervisory Board Member of Concordia Financial Group, Ltd. (current) Member of the board of Directors, Company (current)		
[Special interests between Company and the above candidate ] None					
[Reason for selection and as a candidate for Outside Director and overview of expected role] The Company continuously selected Mr. Seiichi Fusamura as a candidate for Outside Director to make recommendation about overall business of the Company since he has extensive experience and knowledge as a legal expert at the judicial branch although he has not been involved in the management of the company. The Company expects him to perform the role of supervising management from an independent and objective standpoint of Member of the board of Directors.					

Re-election  
Independent  
Outside



Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
7  Re-election Independent Outside	Ikuko Akamatsu (February 27, 1968)	January 1995	Joined Showa Ota & Co. (presently Ernst & Young ShinNihon LLC) (Left in October 2010)	0
		April 1997	Registered as Certified Public Accountant	
		April 2008	Registered as Certified Fraud Examiner	
		December 2010	Chief Researcher, Management Training and Consulting Division, Institute of Management, SANNO University	Number of years as Member of the Board
		April 2019	Senior Researcher, Management Training and Consulting Division, Institute of Management, SANNO University	
		July 2019	Board Director, The Japanese Institute of Certified Public Accountants (current)	
		June 2020	Outside Director of CAWACHI LIMITED Outside Audit & Supervisory Board Member of Toyo Seikan Group Holdings, Ltd. (current)	
June 2022	Outside Director of Mitsubishi UFJ Securities Holdings Co., Ltd. (Audit & Supervisory committee member) (current)	1		
June 2023	Member of the board of Directors, Company (current)			
[Special interests between Company and the above candidate ] None				
[Reason for selection as a candidate for Outside Director and overview of expected role] The Company has continuously selected Ms. Ikuko Akamatsu as a candidate for an Outside Director to make recommendations about overall business of the Company in consideration of the fact that she has extensive experience and knowledge as a Certified Public Accountant and Certified Fraud Examiner although she has not been directly involved in the business management. The Company expects her to provide appropriate advice and perform the role of supervising the management from an independent and objective standpoint.				

**(New Candidate)**

Candidate number	Name (Date of birth)	Brief biographical outlines, position and responsibility in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
8  <span style="border: 1px solid black; padding: 2px;">New</span>	<b>Hiroshi Shimada</b> (June 4, 1965)	April 1989	Joined Company	16,022
		June 2018	Representative Director of NIPPONKAYAKU FOOD TECHNO CO.,LTD.	
		June 2020	General Manager of Specialty Chemicals , International & IVD Division, Pharmaceuticals Group	Number of years as Member of the Board
		June 2021	Directors, Company	
April 2023	General Manager of Planning & Coordination Division, Pharmaceuticals Group	-		
June 2023	Managing Director (current) In charge of Life Science Business Unit, Head of Pharmaceuticals Group (current)			
[Special interests between Company and the above candidate ] None [Reason for selection as a candidate for Director] Mr. Hiroshi Shimada has been in charge of the Pharmaceuticals Group for many years and currently serving as a Managing Director and involved in the management of domestic subsidiaries as a Director. The Company newly selected him as a candidate for a Director since he has extensive experience of business and advanced knowledge of the overall business of the Company.				
9  <span style="border: 1px solid black; padding: 2px;">New</span>	<b>Shinji Inoue</b> (February 6, 1966)	April 1988	Joined Company	Number of shares of Company owned by Candidate
		December 2011	Chairman & General Manager of Shanghai KAYAKU International Trading Co., Ltd.	27,249
		June 2018	General Manager of Color Materials Division, Functional Chemicals Group	Number of years as Member of the Board
		June 2020	Directors, Company	
April 2023	Senior Director (current)	-		
June 2023	Head of Functional Materials Group, Fine Chemicals Business Unit (current)			
[Special interests between Company and the above candidate ] None [Reason for selection and as a candidate for Outside Director and overview of expected role] Mr. Shinji Inoue has been engaged in the Functional Chemicals business for many years, currently serving as a Senior Director and involved in the management of overseas subsidiaries as a Director. The Company newly selected him as a candidate for Director since he has extensive experience and advanced knowledge of the overall business of the Company.				
10  <span style="border: 1px solid black; padding: 2px;">New</span>	<b>Makoto Takeda</b> (July 17, 1964)	April 1988	Joined Company	Number of shares of Company owned by Candidate
		June 2013	General Manager of Secretarial Division, Strategic Corporate Planning Group	8,402
		June 2020	General Manager of Human Resources Management Division, Administration Group	Number of years as Member of the Board
		June 2021	General Manager of General Affairs & Human Resources Division, Administration Group	
April 2022	Directors, Company	-		
April 2023	Senior Director (current)			
June 2023	General Manager of Human Resources Division (current)			
[Special interests between Company and the above candidate ] None [Reason for selection and as a candidate for Outside Director and overview of expected role] Mr. Makoto Takeda has been in charge of Strategic Corporate Planning Group and Human Resources Management Division for many years and currently serving as Senior Director. The Company newly selected him as a candidate for Director since he has extensive experience of business and advanced knowledge of the overall business of the Company.				

(Notes)

1. Messrs. Yo Ota, Yasuyuki Fujishima, Seiich Fusamura and Ms. Ikuko Akamatsu are candidates for Outside Director as prescribed in Article 2, paragraph (3), item (vii) of the Ordinance for Enforcement of the Companies Act. The Company has registered Messrs. Yo Ota, Yasuyuki Fujishima, Seiichi Fusamura and Ms. Ikuko Akamatsu as Independent Officers stipulated in the Securities Listing Regulations of the Tokyo Stock Exchange.
2. The number of years since Messrs. Yo Ota and Yasuyuki Fujishima became Outside Directors of Company is eight (8) years at the conclusion of this general meeting. The number of years since Mr. Seiichi Fusamura became Outside Directors of Company is four (4) years at the conclusion of this general meeting. The number of years since Ms. Ikuko Akamatsu became Outside Directors of Company is one (1) year at the conclusion of this general meeting.
3. Mr. Yo Ota didn't recognized the fact that DKK Co., Ltd., where he was appointed as its outside director until June 2021, had improper accounting for the postponement of the announcement of financial results for the fiscal year ending March 2019 due to the replacement of costs at multiple bases of the company although he routinely made recommendations from the perspective of legal compliance and alerted. After the fact was revealed, he took necessary measures as an outside director and fulfilled his responsibilities to recommend to prevent recurrence.
4. Messrs. Yo Ota, Yasuyuki Fujishima, Seiichi Fusamura and Ms. Ikuko Akamatsu have entered into a contract with the Company to limit the liability for damages as prescribed in Article 423, paragraph (1) of the Companies Act, and such amount of limitation of liability based on such contract shall be amount prescribed in the Companies Act and if they are re-elected, the Company will continue the contract as before.

(Summary of Contracts for Limitation of Liability)

In the event that Outside Director causes damage to the Company due to his/her negligence, if he/she performs his/her duties in a good faith and without gross negligence, the liability of such Outside Director shall be limited to the amount as prescribed in Article 425, paragraph (1) of the Companies Act.

5. The Company has entered into a directors and officers liability insurance agreement prescribed in Article 430-3, Paragraph (1) of the Companies Act with the insurance company, and that agreement is designed to cover damages that may be incurred by the insured as a result of assuming responsibility for the execution of their duties or receiving claims related to the pursuit of such responsibility. Candidates will be included as insured under the insurance agreement. The insurance agreement was renewed in February 2024 with the same contents as before, and the Company plans to renew the insurance agreement with the same contents at the next renewal after one year has passed.
6. The Shares owned by the candidates includes those held through the stock ownership association.

**Proposal No. 3 Election of Two (2) Members of the Audit & Supervisory Board**

The terms of office of Mr. Katsuji Higashi and Mr. Yasuhiro Osaki, members of the Audit & Supervisory Board, will expire at the close of this Ordinary General Meeting of Shareholders. Accordingly, we hereby propose to newly elect two (2) members of the Audit & Supervisory Board.

The Company has already obtained the consent of the Audit & Supervisory Board with respect to this proposal.

The candidates for member of the Audit & Supervisory Board are as follows.

**(New Candidate)**

Name (Date of birth)	Brief biographical outlines, position in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
<p style="text-align: center;"><b>Atsushi Iwasaki</b> (January 9, 1959)</p> <p style="text-align: center;"> <input type="checkbox"/> New  <input type="checkbox"/> Independent  <input type="checkbox"/> Outside                 </p>	November 1990	Joined Century Audit Corporation (currently Ernst & Young ShinNihon LLC) (Left in August 2005)	0
	March 1991	Registered as Certified Public Accountant	
	March 1997	Registered as Real Estate Appraiser	Number of years as Member of Audit & Supervisory Board
	September 2005	Chief, Iwasaki CPA Office (current)	
	June 2013	Outside Director, ISEKI & CO., Ltd. (current)	-
	June 2015	Outside Audit & Supervisory Board Member of NH Foods Ltd.	
	June 2016	Outside Audit & Supervisory Board Member of Olympus Corporation	
	June 2019	Outside Director of NH Foods Ltd.	
June 2019	Outside Director of Olympus Corporation		
[Special interests between Company and the above candidate ] None			
[Reason for selection as a candidate for an Audit & Supervisory Board Member]			
Mr. Atsushi Iwasaki has professional knowledge and experience as Certified Public Account. Company newly selected him as a candidate for Outside Audit & Supervisory Board Member for utilizing his advanced knowledge on auditing system.			
Although he has not been directly involved in corporate management, the Company has judged he will fulfill his vocation of Outside Audit & Supervisory Board Member since he has the thorough knowledge of corporate accounting.			

Name (Date of birth)	Brief biographical outlines, position in Company, and significant concurrent positions		Number of shares of Company owned by Candidate
<p style="text-align: center;">Kyoichi Toriyama (May 15, 1958)</p> <p style="text-align: center;"> <input type="checkbox"/> New  <input checked="" type="checkbox"/> Independent  <input type="checkbox"/> Outside </p>	April 1988 April 1993 April 2004	Assistant Professor, School of Law, Waseda University Professor, School of Law, Waseda University Professor, Law School, Waseda University	0
	[Special interests between Company and the above candidate ]None		Number of years as Member of Audit & Supervisory Board
	[Reason for selection as a candidate for an Audit & Supervisory Board Member] Mr. Kyoichi Toriyama has professional knowledge and experience as a professor specializing in corporate law and commercial law at the graduate school. The Company newly selected him as a candidate for Outside Audit & Supervisory Board Member for utilizing his advanced knowledge on auditing system. Although he has not been directly involved in corporate management, the Company has judged he will fulfill his vocation of Outside Audit & Supervisory Board Member since he has the thorough knowledge of corporate law.		-

(Notes)

1. Messrs. Atsushi Iwasaki and Kyoichi Toriyama are candidates for Outside Audit & Supervisory Board Member as prescribed in Article 2, paragraph (3), item (viii) of the Ordinance for Enforcement of the Companies Act. If Messrs. Atsushi Iwasaki and Kyoichi Toriyama are elected, the Company will register them as Independent Officers with the Tokyo Stock Exchange.
2. If Messrs. Atsushi Iwasaki and Kyoichi Toriyama are elected, the Company will enter into a contract with them to limit the liability for damages as prescribed in Article 423, paragraph (1) of the Companies Act.  
(Summary of Contracts for Limitation of Liability)  
In the event that Outside Audit & Supervisory Board Member causes damage to the Company due to his negligence, if he performs his duties in a good faith and without gross negligence, the liability of such member of the Audit & Supervisory Board shall be limited to the amount as prescribed in Article 425, paragraph (1) of the Companies Act.
3. The Company has entered into a directors and officers liability insurance agreement prescribed in Article 430-3, Paragraph (1) of the Companies Act with the insurance company, and that agreement is designed to cover damages that may be incurred by the insured as a result of assuming responsibility for the execution of their duties or receiving claims related to the pursuit of such responsibility. Candidates will be included as insured under the insurance agreement. The insurance agreement was renewed in February 2024 with the same contents as before, and the Company plans to renew the insurance agreement with the same contents at the next renewal after one year has passed.

**【Reference】 Skills Matrix of Members of the Board of Directors and Audit & Supervisory Board Members after the Ordinary General Meeting of Shareholders.**

The Nomination and Remuneration Advisory Committee specifies skills considered universally necessary and skills necessary for Company-wide Material Issues Initiatives (the M-CFT activities) that form the cornerstones of **KV25** for Group directors and Audit & Supervisory Board members, and discloses these as a Skills Matrix, which is reported to the Board of Directors.

Name	Position	Gender	Corporate Management	International Experience	Finance Accounting Tax	Regal Compliance	Risk Management	Business Strategy Marketing	Personnel Labor Affairs Human Resources Development	Research & Development	Manufacturing Quality Management	ESG Sustainability	IT・DX (Digital Transformation)
Atsuhiko Wakumoto	President Representative Director	Male	◎	◎				◎				○	
Yoshitsugu Ishida	Representative Director Executive Vice President	Male	○	◎	◎			◎					◎
Shigeyuki Kawamura	Member of the Board of Directors Managing Director	Male	○	◎				◎					
Hiroshi Shimada	Member of the Board of Directors Managing Director	Male	○	○				◎					
Shinji Inoue	Member of the Board of Directors Managing Director	Male	○	◎				◎					
Makoto Takeda	Member of the Board of Directors Managing Director	Male	○						◎				
Yo Ota	Member of the Board of Directors Outside Director	Male		○	○	◎						○	○
Yasuyuki Fujishima	Member of the Board of Directors Outside Director	Male	○	◎				○					○
Seiichi Fusamura	Member of the Board of Directors Outside Director	Male				◎			○				
Ikuko Akamatsu	Member of the Board of Directors Outside Director	Female	◎		◎	○						○	
Megumi Machida	Standing Audit & Supervisory Board Member	Female							○	◎	◎		
Yoichiro Wada	Full-time Audit & Supervisory Board Member	Male	○	◎					○				
Ichiro Wakasa	Outside Audit & Supervisory Board Member	Male	◎				◎		○			○	
Atsushi Iwasaki	Outside Audit & Supervisory Board Member	Male	◎		◎		◎					○	
Kyoichi Toriyama	Outside Audit & Supervisory Board Member	Male		◎		◎						○	

Note: 1. Skills possessed based on each person's expertise, knowledge, experience, and abilities are indicated with ○, and skills with more than 3 years of hands-on experience are indicated with ◎.

2. The matters to Company-wide Material Issues Initiatives (the M-CFT activities) are available at the Company's website below:

(<https://www.nipponkayaku.co.jp/english/sustainability/management/materiality/>)

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