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Stock Exchange Code 5393

June 3, 2024

(Start date of measures for electronic provision: May 30, 2024)

**To Shareholders with Voting Rights:**

Katsumi Kametsu  
President and Chief Executive Officer  
NICHIAS Corporation  
6-1, Hatchobori 1-chome, Chuo-ku, Tokyo, Japan

**NOTICE OF  
THE 208TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are cordially notified that the 208th Annual General Meeting of Shareholders of NICHIAS Corporation (the “Company”) will be held for the purposes as described below.

When convening this General Meeting of Shareholders, we are taking measures for electronic provision, and we have posted the matters concerning measures for electronic provision as “Notice of the 208th Annual General Meeting of Shareholders” on the following website on the Internet.

(i) The Company’s website:

<https://www.nichias.co.jp/en/ir/news/index.html>

(ii) Tokyo Stock Exchange (TSE) Website (Listed Company Search)

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

To view the matters, please access the above website, enter the Company’s name or securities code, and click “Search,” and then click “Basic Information” and select “Documents for Public Inspection/PR Information” in this order.

(iii) Soukai-portal® (Sumitomo Mitsui Trust Bank, Limited)

<https://www.soukai-portal.net>

Please scan the QR Code on the enclosed Voting Rights Exercise Form or enter your ID and password.

You can exercise your voting rights in writing, or via electromagnetic means (the Internet). Please review the “Reference Documents for the General Meeting of Shareholders,” described in the matters concerning measures for electronic provision and exercise your voting rights by 5:30 p.m. on Wednesday, June 26, 2024, Japan time.

1. **Date and Time:** Thursday, June 27, 2024 at 10:00 a.m. Japan time
2. **Place:** Banquet room “Ariake” on the second floor of The Royal Park Hotel located at 1-1, Kakigara-cho 2-chome, Nihonbashi, Chuo-ku, Tokyo, Japan
3. **Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated Financial Statements for the Company’s 208th Fiscal Year (April 1, 2023 - March 31, 2024) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
    2. Non-consolidated Financial Statements for the Company’s 208th Fiscal Year (April 1, 2023 - March 31, 2024)
  - Proposals to be resolved:**
    - Proposal 1:** Appropriation of Surplus
    - Proposal 2:** Election of 8 Directors
    - Proposal 3:** Election of 3 Audit & Supervisory Board Members

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

- If you exercise your voting rights by proxy, you may delegate your voting rights to a proxy who is a shareholder with voting rights of the Company. In such a case, a document needs to be submitted to prove such appointment of proxy.
- In the event of any modifications to the matters concerning measures for electronic provision, the modifications will be posted on the respective websites where they are posted.
- Please note that each website may be temporarily inaccessible due to scheduled maintenance or other reasons. If you cannot view the website, please check another website or try again later.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

In addition to strengthening the management base in order to enhance earnings power, the basic policy of the Company Group (the “Group”) with respect to the distribution of profits is to strive for the long-term and appropriate return of profits to shareholders by expanding the level of such profits available as dividends and increasing shareholder value, while retaining sufficient reserves for reinvestment.

Based on this policy and in consideration of business results for the fiscal year under review and future business expansion, etc., the year-end dividends for the fiscal year under review is proposed as following.

- (1) Type of dividend property  
Cash
- (2) Matters concerning the allotment of dividend property to shareholders and the total amount thereof  
50 yen per share of common stock of the Company, for a total amount of 3,285,028,750 yen
- (3) Effective date of distribution of surplus  
June 28, 2024

\* The annual dividends for the fiscal year under review will be 98 yen per share including the interim dividends of 48 yen per share already paid.

**Proposal 2: Election of 8 Directors**

The terms of office of all 8 Directors elected at the Annual General Meeting of Shareholders last year will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 8 Directors is proposed.

The candidates are as follows. The matters concerning each candidate for Director are as stated in the pages 8 through 15.

[Reference] Skills matrix

Leveraging technological capacity with the keywords of “Insulation and Protection,” the Company will support the development of various industries and provide essential products and services, thereby contributing to the “Earth’s brighter future.” To that end, the Company works to further improve the governance system and is conducting the sustainability-oriented management. The proposed Directors who will constitute the Board of Directors have skills necessary to realize these efforts.

No.	Name	Current positions and responsibilities at the Company	Attending status to Board of Directors’ meetings	Expertise and experience				
				Corporate management & strategy	Finance & accounting	Legal & compliance	Sales & marketing	Manufacture & development
1	Katsumi Kametsu Reelection	President and Chief Executive Officer	100% (15 meetings out of 15 meetings)	○	○	○	○	
2	Tsukasa Yamamoto Reelection	Representative Director & Senior Managing Executive Officer In charge of Internal Control, Compliance, Sustainability & Accounting	100% (15 meetings out of 15 meetings)	○	○	○		
3	Satoshi Tanabe Reelection	Director & Managing Executive Officer Division Director of Production Headquarter Division In charge of Production Department, Safety & Health, Environment and Quality Assurance	100% (15 meetings out of 15 meetings)	○		○		○
4	Kiyoshi Sato Reelection	Director & Senior Executive Officer Division Director of Research & Development Division In charge of Research & Development and Digitalization Promotion	100% (15 meetings out of 15 meetings)	○		○		○
5	Yukinori Ryuko Reelection	Director & Senior Executive Officer Division Director of Advanced Products Division In charge of Sales Department	100% (15 meetings out of 15 meetings)	○			○	○
6	Yoichi Eto Reelection Outside Independent	Outside Director	100% (15 meetings out of 15 meetings)		○	○		
7	Yoko Wachi Reelection Outside Independent	Outside Director	100% (15 meetings out of 15 meetings)		○	○		
8	Yasushi Manabe New election Outside Independent	—	—	○			○	○


(Notes) 1. There are no special interests between each candidate and the Company.

2. The Company has entered into a directors and officers liability insurance contract with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The outline of the contract is as stated in “(3) Outline of the directors and officers liability insurance contract” on page 36 of the Business Report (Japanese version only). The insurance contract will be renewed in June 2024. If the candidates are reappointed or appointed as Director, each of them will be insured under the insurance contract.

3. The skills matrix above does not indicate all expertise and experience of the candidates, but shows areas particularly expected of them.

Reelection candidate for reelected Director  
Outside candidate for Outside Director

New election candidate for newly elected Director  
Independent candidate for Independent Director

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
1	 Katsumi Kametsu (July 28, 1962)  Reelection	March 1985      Joined the Company April 2007      General Manager of Tokyo Sales Group, Advanced Polymer Products Department, Industrial Products Division of the Company March 2008      General Manager of East Japan Sales Group 3, Industrial Products Department, Industrial Products Division of the Company April 2009      General Manager of International Marketing and Sales Group, Industrial Products Department, Industrial Products Division of the Company March 2010      General Manager of International Marketing and Sales Group, Industrial Products Division of the Company April 2011      Executive Manager of Sales Group, Industrial Products Division, and General Manager of International Marketing and Sales Group, Industrial Products Division of the Company April 2013      Deputy Division Director of Industrial Products Division, and General Manager of International Marketing and Sales Group of the Company June 2013      Executive Officer of the Company March 2014      President of INOCRETE CO., LTD. April 2016      Division Director of Energy and Industrial Plants Division of the Company June 2016      Director & Executive Officer of the Company June 2019      Director & Managing Executive Officer of the Company April 2022      In charge of Corporate Strategic Planning of the Company June 2022      President and Chief Executive Officer of the Company (current position)	36,213
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Katsumi Kametsu has primarily engaged in business fields including the industrial products and advanced products, and served as President of one of the Company's subsidiaries. Having been involved in business operations as Head of Energy and Industrial Plants Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
2	 Tsukasa Yamamoto (September 23, 1961)  Reelection	March 1986      Joined the Company July 2011      President of Nippon Rockwool Corporation Executive Manager of Building Materials Division (in charge January 2014   of Sales and Production) and General Manager of Renovation Measures Department of the Company January 2014   President of NICHIAS Cemcrete Corporation April 2017      General Manager of Corporate Strategic Planning Department of the Company Deputy Division Director of Corporate Administration April 2018      Division and General Manager of General Affairs Department of the Company June 2018      Executive Officer of the Company June 2020      Division Director of Corporate Administration Division of the Company June 2021      Director & Executive Officer of the Company June 2022      Representative Director & Senior Managing Executive Officer of the Company (current position) June 2022      In charge of Internal Control, Compliance, CSR and Accounting of the Company October 2023   In charge of Internal Control, Compliance, Sustainability and Accounting of the Company (current position)	16,240
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Tsukasa Yamamoto has primarily engaged in the building materials business, and has served as President of the Company's subsidiaries and General Manager of Corporate Strategic Planning Department of the Company. Having also been involved in overall administration in the capacity as Division Director of Corporate Administration Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
3	 Satoshi Tanabe (May 23, 1960)  Reelection	April 1989      Joined the Company April 2006      General Manager of Advanced Polymer Products Manufacturing Department, Tsurumi Factory of the Company April 2007      Factory General Manager of Tsurumi Factory of the Company August 2009    General Manager of Corporate Strategic Planning Department of the Company April 2012      Executive Manager of Technology Production, Advanced Products Division and General Manager of Polymer Technology Development Department of the Company April 2013      Deputy Division Director of Advanced Products Division of the Company June 2013      Executive Officer of the Company April 2014      Division Director of Technical Division of the Company June 2019      Director & Executive Officer of the Company June 2021      Director & Managing Executive Officer of the Company (current position) October 2023    In charge of Production Department, Safety & Health, Environment and Quality Assurance of the Company (current position) April 2024      Division Director of Production Headquarter Division of the Company (current position)	15,612
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Satoshi Tanabe has primarily engaged in technology field. Having experienced as Factory General Manager of Tsurumi Factory, General Manager of Corporate Strategic Planning Department and Deputy Division Director of Advanced Products Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
4	 Kiyoshi Sato (September 3, 1962)  Reelection	June 2003      Joined the Company April 2008    General Manager of Research & Development Department, Hamamatsu Research Laboratory of the Company August 2014   Director of Hamamatsu Research Laboratory, Research & Development Division of the Company June 2016      Executive Officer of the Company June 2016      Deputy Division Director of Research & Development Division and Director of Hamamatsu Research Laboratory of the Company April 2018     Division Director of Research & Development Division of the Company (current position) June 2021      Director & Executive Officer of the Company October 2023   In charge of Research & Development and Digitalization Promotion (current position) April 2024     Director & Senior Executive Officer of the Company (current position)	11,022
<p>[Reason for nomination as candidate for Director]            Mr. Kiyoshi Sato has primarily engaged in research and development. Having been involved in organizational management of research and development as Director of Hamamatsu Research Laboratory and Division Director of Research &amp; Development Division, he has acquired high-level insight into broad aspects of research and development. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>			




No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
5	 Yukinori Ryuko (January 28, 1965)  Reelection	September 1988    Joined the Company October 2009    General Manager of East Japan Sales Group, Advanced Products Department, Industrial Products Division of the Company March 2010        General Manager of East Japan Sales Group, Advanced Products Division of the Company April 2014        Executive Manager of Advanced Products Division and General Manager of East Japan Sales Group of the Company April 2016        Executive Manager of Sales Group, Advanced Products Division of the Company June 2017         Executive Officer of the Company June 2017         Deputy Division Director of Advanced Products Division of the Company April 2021        Deputy Division Director of Advanced Products Division and General Manager of Planning and Control Group of the Company June 2021         Division Director of Advanced Products Division of the Company (current position) June 2022         Director & Executive Officer of the Company October 2023     In charge of Sales Department of the Company (current position) April 2024        Director & Senior Executive Officer of the Company (current position)	15,235
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Yukinori Ryuko has primarily engaged in the advanced products business. Having been involved in organizational management of the Advanced Products Division as Division Director of Advanced Products Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
6	 Yoichi Eto (August 11, 1950)  Reelection Outside Independent	April 1978 Registered as lawyer (current position) April 2003 Vice president of Daiichi Tokyo Bar Association April 2005 Vice President of Kanto Federation of Bar Associations July 2006 Outside Auditor of TSUNEISHI SHIPBUILDING Co., Ltd. April 2010 President of Daiichi Tokyo Bar Association and Vice President of the Japan Federation of Bar Associations June 2011 Outside Audit & Supervisory Board Member of the Company June 2012 Outside Auditor of Japan Display Inc. June 2014 Executive Board Member of Center for Housing Renovation and Dispute Settlement Support June 2015 Outside Director of the Company (current position) April 2016 President of Kanto Federation of Bar Associations August 2020 Audit & Supervisory Board Member of Sunrise Partners Co., Ltd.	0
[Reason for nomination as candidate for Outside Director and outline of expected roles] Mr. Yoichi Eto has an extensive insight and broad knowledge as a lawyer, and a wealth of experience in legal community. The Company requests his continued election as Outside Director with the expectation of supervision on the overall management and valuable advice. Although he has no direct experience in corporate management, he has achieved a remarkable track record in corporate legal affairs in which he has been engaged as a lawyer for over the years. Based on his professional career, he has broad insight into corporate management. Therefore, the Company believes that he will execute his duties as Outside Director appropriately.			

(Notes) Mr. Yoichi Eto is a candidate for Outside Director. Matters concerning the candidate for Outside Director are as follows:

- (1) The Company has designated him as an independent director pursuant to the rules stipulated by the Tokyo Stock Exchange and has reported to the Exchange. Subject to the approval of his reappointment, he will be continuously designated as an independent director.
- (2) He is currently serving as Outside Director of the Company and will have served for a period of nine years as of the conclusion of this General Meeting of Shareholders. He also used to serve as Outside Audit & Supervisory Board Member of the Company.
- (3) The Company has concluded a liability limitation agreement with him pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 36 of the Business Report (Japanese version only). Subject to the approval of his reappointment, the Company plans to continue such liability limitation agreement with him.
- (4) Japan Display Inc., for which Mr. Yoichi Eto served as an Outside Auditor until August 2020, released results of the third party committee investigation of improper accounting treatment and the revised prior year financial reports on April 13, 2020. Although he was not aware of the improper accounting treatment before it was revealed, he had always checked Japan Display’s internal control system and specific compliance measures and expressed his opinions about them. After the above fact came to light, he has appropriately checked and made proposals on how to develop and enhance a compliance structure to prevent the reoccurrence.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
7	 Yoko Wachi (April 29, 1960)  Reelection Outside Independent	April 1989      Registered as lawyer (current position) April 1989      Joined Kajitani Law Offices (current position) June 2015      Outside Audit & Supervisory Board Member of the Company March 2016      Outside Audit & Supervisory Board Member of Otsuka Holdings Co., Ltd. June 2019      Outside Director of the Company (current position) June 2023      Outside Director of S.T. CORPORATION (current position)	0
[Reason for nomination as candidate for Outside Director and outline of expected roles] Ms. Yoko Wachi has an extensive insight and broad knowledge as well as abundant experience as a lawyer. The Company requests her continued election as Outside Director with the expectation of supervision on the overall management and valuable advice. Although she has no direct experience in corporate management, she has broad knowledge and experiences in corporate legal affairs as well as broad insight into corporate management. Therefore, the Company believes that she will execute her duties as Outside Director appropriately.			

(Notes) Ms. Yoko Wachi is a candidate for Outside Director. Matters concerning the candidate for Outside Director are as follows:

- (1) The Company has designated her as an independent director pursuant to the rules stipulated by the Tokyo Stock Exchange and has reported to the Exchange. Subject to the approval of her reappointment, she will be continuously designated as an independent director.
- (2) She is currently serving as Outside Director of the Company and will have served for a period of five years as of the conclusion of this General Meeting of Shareholders. She also used to serve as Outside Audit & Supervisory Board Member of the Company.
- (3) The Company has concluded a liability limitation agreement with her pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 36 of the Business Report (Japanese version only). Subject to the approval of her reappointment, the Company plans to continue such liability limitation agreement with her.
- (4) S.T. CORPORATION, where she serves as an outside director, received a measure order from the Consumer Affairs Agency on April 25, 2024 based on the provisions of Article 7, Paragraph 1 of Act against Unjustifiable Premiums and Misleading Representations. Although she was not aware of the fact of this violation until it was discovered, she has been regularly reviewing the establishment and operation of the internal control system at the Board of Directors meetings and other meetings, and has been alerting the Board of Directors to the importance of compliance with laws and regulations. After confirming the fact of this violation, she has fulfilled her responsibilities by making recommendations on efforts to ensure legal compliance and prevent recurrence.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
8	 Yasushi Manabe (December 15, 1956)  New election Outside Independent	April 1979      Joined Hitachi, Ltd. April 2000      General Manager, Public Sales 2nd Department, Public Sales Division, Hitachi, Ltd. April 2002      General Manager, Heavy Industries Plant Department, Plant Sales Division, Electric System Sales Headquarters, Hitachi, Ltd. April 2008      General Manager, New Business Development Division, Hitachi, Ltd. April 2011      General Manager, Social Infrastructure & Industrial Systems Sales Division, Hitachi, Ltd. April 2012      General Manager, Sales Division Infra System Group Infra System, Hitachi, Ltd. April 2013      Executive Officer, General Manager Kansai Area Operation, Hitachi, Ltd. June 2013      Outside Audit & Supervisory Board Member, ShinMaywa Industries, Ltd. April 2016      Executive General Manager, Deputy Director General Corporate Sales & Marketing Group, CMO of Industry & Distribution, Water & Urban Business Unit, Hitachi, Ltd. April 2017      Vice President and Executive Officer, Deputy Director General Corporate Sales & Marketing Group, CMO of Industry & Distribution Business, Water & Urban Business, Hitachi, Ltd. April 2021      Executive Advisor, Yashima Denki Co., Ltd. June 2021      Outside Director, MGC (current position)	0
[Reason for nomination as candidate for Outside Director and outline of expected roles] Mr. Yasushi Manabe has a wealth of experience and broad knowledge in overall management as a cooperate manager with global operations. The Company requests his election as Outside Director with the expectation of supervision on the overall management and valuable advice.			

(Notes) Mr. Yasushi Manabe is a candidate for Outside Director. Matters concerning the candidate for Outside Director are as follows:

- (1) Subject to the approval of his appointment, he will be designated as an independent director pursuant to the rules stipulated by the Tokyo Stock Exchange.
- (2) Subject to the approval of his appointment, the Company plans to conclude a liability limitation agreement with him pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 36 of the Business Report (Japanese version only).

**Proposal 3: Election of 3 Audit & Supervisory Board Members**

The terms of office of full-time Audit & Supervisory Board Member, Mr. Hiroaki Seki and Audit & Supervisory Board Members, Mr. Mr. Isao Iwabuchi and Nobuhiko Takano will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 3 Audit & Supervisory Board Members is proposed.

The Audit & Supervisory Board has given its consent to the submission of this proposal in advance.


The candidates are as follows. The matters concerning each candidate for Audit & Supervisory Board Member are as stated in the pages 17 through 19.

No.	Name	Current positions and responsibilities at the Company	Attending status to Board of Directors' meetings	Attending status to Board of Audit & Supervisory Board Members' meetings
1	Kazuyuki Motohashi New election	General Manager of Accounting Department, Corporate Administration Division of the Company	—	—
2	Nobuhiko Takano Reelection Outside Independent	Outside Audit & Supervisory Board Member	100% (15 meetings out of 15 meetings)	100% (12 meetings out of 12 meetings)
3	Masatoshi Deguchi New election Outside Independent	—	—	—


(Notes) 1. There are no special interests between each candidate and the Company.

2. The Company has entered into a directors and officers liability insurance contract with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The outline of the contract is as stated in “(3) Outline of the directors and officers liability insurance contract” on page 36 of the Business Report (Japanese version only). The insurance contract will be renewed in June 2024. If the candidates are reappointed or appointed as Audit & Supervisory Board Member, each of them will be insured under the insurance contract.

Reelection      candidate for reelected Audit & Supervisory Board Member  
New election    candidate for newly elected Audit & Supervisory Board Member  
Outside          candidate for Outside Audit & Supervisory Board Member  
Independent     candidate for Independent Audit & Supervisory Board Member


No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
1	 Kazuyuki Motohashi (May 5, 1962) New election	October 1989      Joined the Company April 2005        Team Leader, Accounting Team, Accounting Department of the Company July 2009          Section Manager of General Affairs Section, Fukuroi Factory of the Company July 2015          Deputy General Manager and Section Manager of Human Resources Section, Personnel Department of Corporate Administration Division of the Company June 2020          General Manager of General Affairs Department, Corporate Administration Division of the Company April 2021          General Manager of General Affairs Department and Section Manager of Compliance Section, Corporate Administration Division of the Company March 2022        General Manager of Accounting Department, Corporate Administration Division of the Company (current position)	4,300
<p>[Reason for nomination as candidate for Audit &amp; Supervisory Board Member]</p> <p>Mr. Kazuyuki Motohashi has served as Deputy General Manager of Personnel Department, General Manager of General Affairs Department, General Manager of Accounting Department, Corporate Administration Division of the Company. Thus, he has acquired high-level insight into corporate administration and accounting. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the audit and supervision of the Company, he will contribute to strengthening of the Company's audit &amp; supervisory system, and requests his election as Audit &amp; Supervisory Board Member.</p>			

(Note) Subject to the approval of the appointment of Mr. Kazuyuki Motohashi, the Company plans to conclude a liability limitation agreement with him pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 36 of the Business Report (Japanese version only).

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
2	 Nobuhiko Takano (October 8, 1956)  Reelection Outside Independent	April 1975      Joined Fukuoka Regional Taxation Bureau July 2006      District Director, Moji Tax Office, Fukuoka Regional Taxation Bureau July 2007      Chief Investigator, Criminal Investigation Department, Tokyo Regional Taxation Bureau July 2009      Chief Examiner, First Taxation Department, Tokyo Regional Taxation Bureau July 2010      Director, Second Personnel Division, Management and Co- ordination Department, Tokyo Regional Taxation Bureau July 2012      Director, First Personnel Division, Management and Co- ordination Department, Tokyo Regional Taxation Bureau July 2014      Director (Health and Welfare), Commissioner's Secretariat, National Tax Agency July 2015      Chief Internal Inspector, Commissioner's Secretariat, National Tax Agency July 2016      Regional Commissioner, Kumamoto Regional Taxation Bureau August 2017    Registered as certified public tax accountant (current position) March 2018    Outside Director (Audit & Supervisory Committee Member) of Toagosei Co., Ltd. (current position) June 2020      Outside Audit & Supervisory Board Member of the Company (current position)	600
<p>[Reason for nomination as candidate for Audit &amp; Supervisory Board Member]</p> <p>Mr. Nobuhiko Takano has professional knowledge cultivated as a certified public tax accountant and abundant experience in taxation and accounting. The Company has judged that by utilizing his knowledge and experience in the audit and supervision of the Company, he will contribute to strengthening of the Company's audit &amp; supervisory system, and requests his continuous election as Audit &amp; Supervisory Board Member. Although Mr. Nobuhiko Takano has no direct experience in corporate management, he has broad insight into audits of companies gained through his career such as an inspector at the National Tax Agency. Therefore, the Company believes that he will appropriately execute his duties as Outside Audit &amp; Supervisory Board Member.</p>			

(Notes) Mr. Nobuhiko Takano is a candidate for Outside Audit & Supervisory Board Member. Matters concerning the candidate for Outside Audit & Supervisory Board Member are as follows:

- (1) The Company has designated him as an independent auditor pursuant to the rules stipulated by the Tokyo Stock Exchange and has reported to the Exchange. Subject to the approval of his reappointment, he will be continuously designated as an independent auditor.
- (2) He is currently serving as Outside Audit & Supervisory Board Member of the Company and will have served for a period of four years as of the conclusion of this General Meeting of Shareholders.
- (3) The Company has concluded a liability limitation agreement with him pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in "(2) Outline of liability limitation agreement" on page 36 of the Business Report (Japanese version only). Subject to the approval of his reappointment, the Company plans to continue such liability limitation agreement with him.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
3	 Masatoshi Deguchi (November 29, 1958)  New election Outside Independent	April 1982      Joined Sumitomo Corporation April 1993      Assistant General Manager of Nonferrous Metals, Chemicals, and Fuels Accounting Department, Sumitomo Corporation September 1994   Assistant General Manager of Accounting Controlling Department No. 2, Sumitomo Corporation February 1996    Assistant General Manager of Treasury & Accounting Department (New York), Sumitomo Corporation of America July 2002          Assistant General Managers of Corporate Finance Department and Investor Relations Department, Sumitomo Corporation April 2008        Assistant to General Manager for Asia, Sumitomo Corporation and Director, Sumitomo Corporation Asia (Singapore) April 2012        Corporate Officer, Assistant to General Manager for Asia & Asia and Corporate Unit Head of Sumitomo Corporation of Asia Group, Sumitomo Corporation April 2013        Corporate Officer and General Manager of Planning & Administration Department, Kansai, Sumitomo Corporation April 2014        Corporate Officer and General Manager of Global Strategy & Coordination Department, Sumitomo Corporation April 2016        Corporate Officer and General Manager of Internal Auditing Department, Sumitomo Corporation April 2017        Executive Officer and General Manager of Internal Auditing Department, Sumitomo Corporation April 2019        Managing Executive Officer, Sumitomo Precision Products CO., LTD. June 2019        Director and Managing Executive Officer, Sumitomo Precision Products CO., LTD. June 2020        Representative Director, Senior Managing Executive Officer, and General Manager of Corporate Management Division, Sumitomo Precision Products CO., LTD. June 2022        Director, Executive Vice President, Loginet Japan East Co., LTD. September 2023   Outside Director (Audit & Supervisory Committee Member) of TechnoPro Holdings, Inc. (current position)	0
[Reason for nomination as candidate for Audit & Supervisory Board Member] Mr. Masatoshi Deguchi has experience and knowledge in finance, accounting, and taxation, as well as management of overseas subsidiaries and head of the internal audit department, and in overall management as a cooperate manager. The Company has judged that by utilizing his knowledge and experience in the audit and supervision of the Company, he will contribute to strengthening of the Company's audit & supervisory system, and requests his election as Audit & Supervisory Board Member.			

(Notes) Mr. Masatoshi Deguchi is a candidate for Outside Audit & Supervisory Board Member. Matters concerning the candidate for Outside Audit & Supervisory Board Member are as follows:

- (1) Subject to the approval of his appointment, he will be designated as an independent auditor pursuant to the rules stipulated by the Tokyo Stock Exchange.
- (2) Subject to the approval of his appointment, the Company plans to conclude a liability limitation agreement with him pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 36 of the Business Report (Japanese version only).
- (3) Sumitomo Precision Products CO., LTD., where he served as a director until June 2022, was found to have manufactured and inspected plate fin heat exchangers subject to the High Pressure Gas Safety Act manufactured by the company by outsourcing part of the welding process, in a manner different from that applied for when the company registered as a manufacturer of specified equipment. Sumitomo Precision Products CO., LTD. received an administrative disposition from the Ministry of Economy, Trade and Industry on March 12, 2020 to cancel its registration as a registered manufacturer of specified equipment under the High Pressure Gas Safety Act.



(Reference) Independence Standards for Independent Outside Officers

The Company deems that an Outside Officer who does not fall under any of the items below is an Independent Outside Officer.

1. A person who is currently or was in the past an Executive Director, Executive Officer or Employee of the Group (Note 1)
2. Currently or in the five years prior to their appointment, a person who falls under any of the items below:
  - (1) A person for which the Group is a major client (Note 2), or an Executive Director, Executive Officer or Employee of such a client
  - (2) A major client which places orders with the Group (Note 3), or an Executive Director, Executive Officer or Employee of such a client
  - (3) A major shareholder of the Company (Note 4), or an Executive Director, Executive Officer or Employee of such a shareholder
  - (4) An Executive Director, Executive Officer or Employee of a company in which the Group is a major shareholder (Note 5)
  - (5) A legal professional, certified public accountant, licensed tax accountant, or consultant, etc. who receives monetary or other property benefits over a certain amount (Note 6) from the Group, other than executive compensation (if the recipient is a corporation, partnership or any other organization, this item applies to any person belonging to the said organization.)
  - (6) A person who receives donations or assistance over a certain amount (Note 7) from the Group, or a council member or another executive of such a person
  - (7) A spouse or relative within the second degree of kinship of an Executive Director, Executive Officer or senior manager of the Group with a position higher than General Manager.
3. A person who is subject to circumstances reasonably deemed unable to fulfill their duties as an Independent Outside Officer.

- (Notes)
1. “The Group” refers to “the Company and its consolidated subsidiaries.”
  2. “A person for which the Group is a major client” refers to “a person who receives from the Company the payment of 2% or more of their consolidated annual sales.”
  3. “A major client which places orders with the Group” refers to “a person who pays the Group 2% or more of its consolidated annual sales” or “a person who lends the Group 2% or more of its consolidated total assets at the end of the fiscal year.”
  4. “A major shareholder of the Company” refers to “a person who holds directly or indirectly 10% or more of its total voting rights.”
  5. “A company in which the Group is a major shareholder” refers to “a person of which the Group directly or indirectly holds 10% or more of total voting rights.”
  6. “Monetary or other property benefits over a certain amount” refers to “¥10 million or more in a fiscal year” in cases where the recipient is an individual. In cases where the recipient is an organization, it refers to “¥100 million or more, or 2% or more of consolidated annual sales of the said organization, whichever is larger.”
  7. “Donations or assistance over a certain amount” refers to “¥10 million or more per year.”