

*This document has been translated from the Japanese original for the convenience of non-Japanese shareholders.
In the event of any discrepancy between this translation and the Japanese original, the original shall prevail.*

Securities identification code: 5480

June 7, 2024

Start date of measures for electronic provision: May 31, 2024

To our shareholders:

Hisashi Kubota

President and Representative Director

Nippon Yakin Kogyo Co., Ltd.

5-8, Kyobashi 1-chome, Chuo-ku, Tokyo

Notice of the 142nd Annual General Meeting of Shareholders

You are cordially invited to attend the 142nd Annual General Meeting of Shareholders of Nippon Yakin Kogyo Co., Ltd. (the “Company”), which will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision and posted the matters subject to measures for electronic provision in the “Notice of the 142nd Annual General Meeting of Shareholders” on the following websites on the Internet.

The Company’s website:

<https://www.nyk.co.jp/investors/stock/meeting.html> (in Japanese)

Website of Tokyo Stock Exchange, Inc.:

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

* Please access the above website, enter the Company’s name “Nippon Yakin Kogyo” or the Company’s securities code “5480” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information” to review the information.

Website for materials for the General Meeting of Shareholders:

<https://d.sokai.jp/5480/teiji/> (in Japanese)

*The website above will be available from June 5, 2024 to September 26, 2024.

If you are unable to attend the meeting on the day, please exercise your voting rights by voting form or by electromagnetic means (e.g. the Internet) after examining the Reference Documents for the General Meeting of Shareholders given below.

Please see page 4 for information on how to exercise your voting rights.

Meeting Details

- 1. Date and time:** Wednesday, June 26, 2024 at 10:00 a.m. (Japan Standard Time)
(Start of reception: 9:00 a.m.)
- 2. Venue:** 1st Floor of Kawasaki Sorinso
8-14, 2-chome, Egawa, Kawasaki-ku, Kawasaki-shi, Kanagawa

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 142nd Term (from April 1, 2023 to March 31, 2024), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 142nd Term (from April 1, 2023 to March 31, 2024)

Items to be resolved:

- Proposal 1:** Appropriation of surplus
- Proposal 2:** Election of seven (7) Directors
- Proposal 3:** Election of one (1) Audit & Supervisory Board Member
- Proposal 4:** Election of one (1) substitute Audit & Supervisory Board Member

- Please submit the enclosed voting form at the reception of the venue if you attend the General Meeting of Shareholders. Please bring this convocation notice to save resources.
- For this General Meeting of Shareholders, physical documents stating the matters subject to measures for electronic provision are being sent to all shareholders regardless of whether they requested provision of physical documents. Among the matters subject to measures for electronic provision, however, pursuant to laws and regulations and Article 17, Paragraph 2 of the Articles of Incorporation, the following matters are excluded from the physical documents. The Audit & Supervisory Board Members and the Accounting Auditor have audited the documents subject to audit, including the following items.
 - (1) “System to Ensure the Appropriateness of the Company’s Operations and Operational Status of the System” in the business report
 - (2) “Consolidated Statements of Changes in Shareholders’ Equity” and “Notes to Consolidated Financial Statements” in the consolidated financial statements
 - (3) “Statements of Changes in Shareholders’ Equity” and “Notes to Non-consolidated Financial Statements” in the non-consolidated financial statements
- Please note in advance that the matters subject to measures for electronic provision posted on the websites are the full text of the materials for the General Meeting of Shareholders, and therefore, the page and item numbers do not match those printed on the sent documents.
- If revisions to the matters subject to measures for electronic provision arise, the details of the revisions will be posted on each of the websites listed on the previous page.
- In exercising your voting rights, if you do not indicate your approval or disapproval of each proposal, we will treat the vote as an approval.

- Exercising of voting rights in duplicate:
 - (1) If you exercise your voting rights in duplicate by voting form and by electromagnetic means (e.g. the Internet), we will treat the voting rights exercised by electromagnetic means as being valid.
 - (2) If you exercise your voting rights multiple times by electromagnetic means (e.g. the Internet), we will treat the voting rights exercised the last time as being valid.

- If you have any questions regarding the information contained in this convocation notice, please send such inquiries by e-mail to the address below. Answers to questions with shareholder interest will be posted on the Company's website on the Internet (<https://www.nyk.co.jp/>) at a later date. Please note that we cannot respond to individual questions. E-mail address:
yakin.soukai@nyk.jp
Deadline: Tuesday, June 25, 2024 at 5:30 p.m. (Japan Standard Time)

- Additionally, information for shareholders will be posted on the Company's website on the Internet (<https://www.nyk.co.jp/> (in Japanese)).

Information on How to Exercise Your Voting Rights

The following methods are available for the exercise of voting rights.

Voting by Attending the General Meeting of Shareholders

Please submit your voting form at the reception of the venue. (You do not need to affix your seal.)

Date and Time: Wednesday, June 26, 2024 at 10:00 a.m. (Start of reception: 9:00 a.m.) (Japan Standard Time)

Venue: 1st Floor of Kawasaki Sorinso

Voting by Mail

Please indicate your approval or disapproval of the proposals on the enclosed voting form and then post it without affixing a postage stamp. If there is no indication of approval or disapproval for each proposal on your voting form, we will treat the vote as an approval.

Deadline: It must arrive by Tuesday, June 25, 2024 at 5:30 p.m.

Voting via the Internet (only in Japanese)

Please access our voting website (<https://evote.tr.mufig.jp/>) on a PC or smartphone and then enter your “login ID” and “temporary password” written on the enclosed voting form. Next, please enter your approval or disapproval according to the instructions on the screen.

Deadline: Tuesday, June 25, 2024 at 5:30 p.m.

Note: Electronic Voting Platform – For Institutional Investors

The Company participates in the Electronic Voting Platform operated by ICJ, Inc. The platform may be used if a management trust bank or other nominal shareholder applies in advance for its use.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of surplus

The basic policy of the Company is to operate stably while further strengthening our financial structure taking into consideration investment necessary to develop our business foundations and our earnings forecast. We propose to pay a dividend as below in accordance with this policy.

Matters related to year-end dividends

- (1) Type of dividend property
Cash
- (2) Allocation of dividend property and total amount thereof
100 yen per common share of the Company
Total amount of dividends: 1,447,382,000 yen
- (3) Effective date of distribution of dividends of surplus
June 27, 2024

Proposal 2: Election of seven (7) Directors

The terms of office of six (6) Directors (Hisashi Kubota, Shigemi Urata, Hiroshi Toyoda, Hisashi Yamada, Takashi Michibayashi, and Naomi Eto) will expire at the conclusion of this meeting. Therefore, the Company proposes that seven (7) Directors be elected, increasing the number of Directors by one (1), to enhance management-supervisory functions.

The candidates for Directors are as follows:

Candidate No.	Name	Current position and responsibilities at the Company	Attendance at Board of Directors meetings during the fiscal year under review
1	<input type="text" value="Reappointment"/> <input type="text" value="Male"/>	Hisashi Kubota President and Representative Director	14/14 (100%)
2	<input type="text" value="Reappointment"/> <input type="text" value="Male"/>	Shigemi Urata Director, Senior Managing Executive Officer, Executive General Manager of Corporate Marketing Division	14/14 (100%)
3	<input type="text" value="Reappointment"/> <input type="text" value="Male"/>	Hiroshi Toyoda Director and Senior Managing Executive Officer	14/14 (100%)
4	<input type="text" value="Reappointment"/> <input type="text" value="Male"/>	Hisashi Yamada Director and Senior Managing Executive Officer	13/14 (93%)
5	<input type="text" value="New appointment"/> <input type="text" value="Male"/>	Akira Akimoto Executive Officer, Deputy Executive General Manager of Corporate Marketing Division	—
6	<input type="text" value="Reappointment"/> <input type="text" value="Outside"/> <input type="text" value="Independent"/> <input type="text" value="Female"/>	Naomi Eto Outside Director	14/14 (100%)
7	<input type="text" value="New appointment"/> <input type="text" value="Outside"/> <input type="text" value="Independent"/> <input type="text" value="Female"/>	Mariko Ogawa —	—

1 Hisashi Kubota

(March 16, 1955)

Reappointment

Male

Career summary, position and responsibilities (significant concurrent positions outside the Company)

April 1978	Joined the Company	Tenure as Director
December 2004	General Manager of Finance & Accounting Department of the Company	Sixteen (16) years
June 2008	Director, General Manager of Finance & Accounting Department of the Company	Attendance at Board of Directors meetings
June 2010	Managing Director, General Manager of Finance & Accounting Department of the Company	14/14 (100%)
June 2012	Director, Managing Executive Officer, General Manager of Finance & Accounting Department of the Company	Number of the Company's shares owned
June 2013	Director, Managing Executive Officer of the Company	18,497 shares
June 2016	Representative Director, Senior Managing Executive Officer, Executive General Manager of Corporate Marketing Division of the Company	
April 2018	Executive Vice President and Representative Director, Executive General Manager of Corporate Marketing Division of the Company	
April 2019	President and Representative Director, President and Executive Officer of the Company (present position)	

Reasons for nomination as a candidate for Director

Hisashi Kubota has experience as an officer responsible for the Corporate Planning Department, the Finance & Accounting Department and the General Affairs Department as well as Executive General Manager of Corporate Marketing Division, and has a wealth of experience and knowledge relating to the Company's corporate management. Currently, as President and Representative Director, he is strongly promoting the initiatives of the Medium-Term Management Plan 2023. The Company again nominated him as a candidate for Director with the expectation that these rich experiences and achievements will be instrumental in the decision-making of the Board of Directors while contributing to improving the corporate value of the Company.

2 Shigemi Urata

(July 7, 1960)

Reappointment

Male

Career summary, position and responsibilities (significant concurrent positions outside the Company)

April 1984	Joined the Company	Tenure as Director
June 2013	General Manager of Overseas Sales Department of the Company	Two (2) years
June 2016	Deputy Executive General Manager of Corporate Marketing Division, General Manager of Overseas Sales Department of the Company	Attendance at Board of Directors meetings
April 2017	Executive Officer, Deputy Executive General Manager of Corporate Marketing Division, General Manager of Overseas Sales Department of the Company	14/14 (100%)
April 2019	Managing Executive Officer, Deputy Executive General Manager of Corporate Marketing Division, General Manager of Overseas Sales Department of the Company	Number of the Company's shares owned 7,347 shares
April 2021	Managing Executive Officer, Deputy Executive General Manager of Corporate Marketing Division of the Company	
April 2022	Managing Executive Officer, Executive General Manager of Corporate Marketing Division of the Company	
June 2022	Director, Managing Executive Officer, Executive General Manager of Corporate Marketing Division of the Company	
April 2023	Director, Senior Managing Executive Officer, Executive General Manager of Corporate Marketing Division of the Company (present position)	

Reasons for nomination as a candidate for Director

Shigemi Urata has experience as General Manager of Overseas Sales Department and Deputy Executive General Manager of Corporate Marketing Division, leads the Company's global development, and has a wealth of experience and knowledge in the Company's corporate management as well. Currently, as Executive General Manager of Corporate Marketing Division, he is working to promote sales expansion of high-performance alloys which is our strategic field, and to strengthen the customer base for general stainless steel materials, and is leading important sales strategies. The Company again nominated him as a candidate for Director with the expectation that these rich experiences and achievements will be instrumental in the decision-making of the Board of Directors while contributing to improving the corporate value of the Company.

3 Hiroshi Toyoda

(September 5, 1961)

Reappointment

Male

Career summary, position and responsibilities (significant concurrent positions outside the Company)

April 1984	Joined The Industrial Bank of Japan, Ltd. (currently Mizuho Bank, Ltd.)	Tenure as Director
April 2010	General Manager of Corporate Research Division of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)	Two (2) years
April 2013	Executive Officer, General Manager of Corporate Banking Division No. 6 of Mizuho Corporate Bank, Ltd.	Attendance at Board of Directors meetings 14/14 (100%)
July 2013	Executive Officer, General Manager of Corporate Banking Division No. 6 of Mizuho Bank, Ltd.	Number of the Company's shares owned 6,428 shares
April 2016	Advisor of Mizuho Bank, Ltd.	
April 2016	Advisor of Japan Management Systems, Inc.	
May 2016	Representative Director and President of Japan Management Systems, Inc.	
June 2019	Executive Advisor of the Company	
June 2019	Managing Executive Officer, General Manager of Corporate Planning Department of the Company	
June 2022	Director, Managing Executive Officer, General Manager of Corporate Planning Department of the Company	
April 2024	Director, Senior Managing Executive Officer of the Company (present position)	

Reasons for nomination as a candidate for Director

Hiroshi Toyoda has held positions at financial institutions and a management consulting company, has an extensive network, and has a wealth of experience and knowledge of corporate management. Currently, he is an officer responsible for the Corporate Planning Department and the Investor Relations and Public Relations Department, where he addresses important issues, and he supervises the Group's management and sustainability initiatives as the main person leading such promotion. The Company again nominated him as a candidate for Director with the expectation that these rich experiences and achievements will be instrumental in the decision-making of the Board of Directors while contributing to improving the corporate value of the Company.

4 Hisashi Yamada

(August 24, 1961)

Reappointment

Male

Career summary, position and responsibilities (significant concurrent positions outside the Company)

April 1985	Joined the Company	Tenure as Director
April 2009	General Manager of Production Management Office of Yakin Kawasaki Co., Ltd. (currently Kawasaki Plant of the Company)	Two (2) years
April 2014	Deputy General Plant Manager of Kawasaki Plant, General Manager of Production Department of the Company	Attendance at Board of Directors meetings 13/14 (93%)
April 2017	Executive Officer, Deputy Executive General Plant Manager of Kawasaki Plant, Process Innovation Project Team Leader of Kawasaki Plant of the Company	Number of the Company's shares owned 7,146 shares
April 2018	Executive Officer, General Manager of Facilities Planning Department, MPI Project Leader of the Company	
April 2019	Executive Officer, MPI Project Leader of the Company	
April 2020	Managing Executive Officer, Executive General Plant Manager of Kawasaki Plant of the Company	
June 2022	Director, Managing Executive Officer, Executive General Plant Manager of Kawasaki Plant of the Company	
April 2024	Director, Senior Managing Executive Officer of the Company (present position)	

Reasons for nomination as a candidate for Director

Hisashi Yamada has experience as General Manager of the Facilities Planning Department and Executive General Plant Manager of the Kawasaki Plant, and has a wealth of experience and knowledge relating to the Company's manufacturing and facilities. Currently, he is an officer responsible for the IT Systems Department and Group Environment & IP Department where he addresses important issues, and he is leading the Company's DX promotion. The Company again nominated him as a candidate for Director with the expectation that these rich experiences and achievements will be instrumental in the decision-making of the Board of Directors while contributing to improving the corporate value of the Company.

5 Akira Akimoto

(February 22, 1964)

New appointment

Male

Career summary, position and responsibilities (significant concurrent positions outside the Company)

April 1986	Joined the Company	Tenure as Director
June 2008	Branch Manager of Niigata Branch of the Company	—
June 2013	General Manager of Sales Planning Department of the Company	Attendance at Board of
April 2018	Branch Manager of Tokyo Branch of the Company	Directors meetings
April 2019	Executive Officer, Branch Manager of Tokyo Branch of the Company	—
April 2022	Executive Officer, Deputy Executive General Manager of Corporate Marketing Division of the Company (present position)	Number of the Company's shares owned
		5,961 shares

Reasons for nomination as a candidate for Director

Akira Akimoto has experience as General Manager of the Sales Planning Department and Branch Manager of the Tokyo Branch, and has a wealth of experience and knowledge in the Company's sales division. Currently, as Deputy Executive General Manager of Corporate Marketing Division, he is working to enhance competitiveness of high-performance alloys which is our strategic field, working to maintain a stable revenue base for general stainless steel materials, and is strengthening the customer base. The Company nominated him as a candidate for Director with the expectation that these rich experiences and achievements will be instrumental in the decision-making of the Board of Directors while contributing to improving the corporate value of the Company.

6 Naomi Eto

(May 2, 1956)

Reappointment

Outside

Independent

Female

Career summary, position and responsibilities (significant concurrent positions outside the Company)

April 1979	Joined Bridgestone Tire Co., Ltd. (currently Bridgestone Corporation)	Tenure as Director
November 2004	General Manager of Public Relations Department of Bridgestone Corporation	Two (2) years
March 2009	Executive Officer responsible for General Affairs and Corporate Communications of Bridgestone Corporation	Attendance at Board of Directors meetings 14/14 (100%)
February 2014	Executive Officer, Senior General Manager of Group CC Division of ZENSHO HOLDINGS CO., LTD.	Number of the Company's shares owned 1,200 shares
June 2014	Director, Senior General Manager of Group CC Division of ZENSHO HOLDINGS CO., LTD.	
January 2015	Director, Senior General Manager of Group Administration Division of ZENSHO HOLDINGS CO., LTD.	
May 2020	Director of ZENSHO HOLDINGS CO., LTD.	
June 2020	Outside Director of MORINAGA&CO., LTD. (present position) (scheduled to retire in June 2024)	
June 2022	Outside Director of The Nisshin OilliO Group, Ltd. (present position)	
June 2022	Outside Director of the Company (present position)	

(Significant concurrent positions outside the Company)

Outside Director of The Nisshin OilliO Group, Ltd.

Reasons for nomination as a candidate for Outside Director and expected roles

Naomi Eto has rich experience and extensive knowledge of corporate management related to corporate communication and ESG through her business experience in the manufacturing industry and having been involved in management in the food service and retail industries, and has provided appropriate advice since her appointment as an Outside Director of the Company. The Company proposes her candidacy for Outside Director so that she can continue to provide valuable opinions and suggestions to the management of the Company based on these achievements. In the event of her election, Eto will participate in deliberations on matters such as nomination and remuneration of officers as a member of the Nomination & Remuneration Committee, a voluntary consultative body under the Board of Directors.

7 Mariko Ogawa

(August 23, 1966)

New appointment

Outside

Independent

Female

Career summary, position and responsibilities (significant concurrent positions outside the Company)

April 1989	Joined The Industrial Bank of Japan, Ltd. (currently Mizuho Bank, Ltd.)	Tenure as Director
September 1999	Joined The World Bank	—
May 2005	Joined PwC Advisory Co., Ltd. (currently PwC Advisory LLC)	Attendance at Board of
July 2015	Director of PPP and Infrastructure of PricewaterhouseCoopers Co., Ltd. (currently PwC Advisory LLC)	Directors meetings
February 2023	Principal of Dream Incubator Inc.	—
April 2024	Fellow of Dream Incubator Inc. (present position)	Number of the Company's shares owned
		0 shares

(Significant concurrent positions outside the Company)
Fellow of Dream Incubator Inc.

Reasons for nomination as a candidate for Outside Director and expected roles

Mariko Ogawa has business experience at an international organization and consulting companies, and has a wealth of experience and extensive knowledge in corporate management based on a global perspective. The Company proposes her candidacy for Outside Director so that she can provide valuable opinions and suggestions to the management of the Company by utilizing this knowledge and experience. In the event of her election, Ogawa will participate in deliberations on matters such as nomination and remuneration of officers as a member of the Nomination & Remuneration Committee, a voluntary consultative body under the Board of Directors.

Notes:

1. There is no special interest between any of the candidates and the Company.
2. Naomi Eto and Mariko Ogawa are candidates for Outside Director. They meet the requirements of Independent Officer as stipulated by the Tokyo Stock Exchange, Inc. Therefore, if their election is approved, we will register them as Independent Officers.
3. Pursuant to the provisions of Article 427, paragraph (1) of Companies Act, the Company has entered into an agreement with Naomi Eto limiting her liability for damages as stipulated in Article 423, paragraph (1) of the same Act. The amount of liability pursuant to the agreement is limited to the minimum liability amount provided for in Article 425, paragraph (1) of the same Act. If she is reappointed, the Company will continue such agreement. If the election of Mariko Ogawa is approved, the Company will enter into a similar agreement with her limiting her liability for damages.
4. The Company has concluded a liability insurance agreement with an insurance company to cover directors and officers, as provided in Article 430-3, paragraph (1) of the Companies Act. The insurance covers damages that may arise should the insured assume liability for the execution of his or her duties or be subject to a claim related to the pursuit of such liability. In the event of their election, each candidate will be included among those covered by the Company's insurance policy. When the liability insurance is renewed, moreover, policy terms are expected to remain the same.
5. Naomi Eto has been assuming the position of Outside Director of The Nisshin OilliO Group, Ltd. There is no special relationship between The Nisshin OilliO Group, Ltd. and the Company. Mariko Ogawa has been assuming the position of Fellow of Dream Incubator Inc. There is no special relationship between Dream Incubator Inc. and the Company.

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

The term of office of Audit & Supervisory Board Member Yasuji Kawabata will expire at the conclusion of this General Meeting of Shareholders. Therefore, the Company proposes that one (1) Audit & Supervisory Board Member be elected.

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

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

Soichi Wakamatsu

(October 31, 1957)

New appointment

Outside

Independent

Male

Career summary, position and responsibilities (significant concurrent positions outside the Company)

April 1980	Joined Nippon Seisen Co., Ltd.	Tenure as Audit &
June 2007	General Manager of Finance & Accounting Department	Supervisory Board Member
October 2011	General Manager of Planning and Management Department	—
April 2013	General Manager of General Affairs Department and General Manager of Planning and Management Department	Attendance at Board of Directors meetings
April 2015	General Manager of General Affairs Department	—
April 2016	Deputy Factory Manager of Hirakata Factory	Attendance at Audit & Supervisory Board meetings
June 2018	Full-time Audit & Supervisory Board Member (present position) (scheduled to retire in June 2024)	—
		Number of the Company's shares owned
		0 shares

Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member and expected roles

Soichi Wakamatsu has a wealth of experience and knowledge relating to finance and accounting, in addition to serving mainly in the finance & accounting division of the manufacturing industry for many years in positions such as General Manager. The Company nominated him as a candidate for Outside Audit & Supervisory Board Member to seek appropriate advice and audits to the Company by utilizing this experience and knowledge.

Notes:

1. There is no special interest between the candidate and the Company.
2. Soichi Wakamatsu is a candidate for Outside Audit & Supervisory Board Member. He meets the requirements of Independent Officer as stipulated by the Tokyo Stock Exchange, Inc. Therefore, if his election is approved, we will register Soichi Wakamatsu as Independent Officer.
3. Pursuant to the provisions of Article 427, paragraph (1) of Companies Act, if Soichi Wakamatsu is elected, the Company will enter into an agreement with him limiting his liability for damages as stipulated in Article 423, paragraph (1) of the same Act. The amount of liability pursuant to the agreement is limited to the minimum liability amount provided for in Article 425, paragraph (1) of the same Act.
4. The Company has concluded a liability insurance agreement with an insurance company to cover directors and officers, as provided in Article 430-3, paragraph (1) of the Companies Act. The insurance covers damages that may arise should the insured assume liability for the execution of his or her duties or be subject to a claim related to the pursuit of such liability. In the event of his election, the candidate will be included among those covered by the Company's insurance policy. When the liability insurance is renewed, moreover, policy terms are expected to remain the same.

Proposal 4: Election of one (1) substitute Audit & Supervisory Board Member

The Company proposes that one (1) substitute Audit & Supervisory Board Member be elected to prepare for a case where the number of Audit & Supervisory Board Members falls below the number stipulated by laws and regulations.

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

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

Nobuyuki Hoshikawa

(August 15, 1970)

Career summary (significant concurrent positions outside the Company)

April 2002	Legal Apprentice, the Legal Training & Research Institute, the Supreme Court of Japan	Number of the Company's shares owned
October 2003	Registered as an Attorney at Law Joined LPC Hoshikawa Law Office	0 shares
June 2015	Senior Partner of LPC Hoshikawa Law Office (present position)	

Reasons for nomination as a candidate for substitute Outside Audit & Supervisory Board Member and expected roles

Nobuyuki Hoshikawa is well-versed in corporate legal affairs, including corporate governance, as a lawyer and has sufficient insight. He is the substitute Outside Audit & Supervisory Board Member candidate as the Company can expect him to implement the Company's audit operations from an independent standpoint and from an objective viewpoint on overall corporate society including laws and regulations.

Notes:

1. There is no special interest between Nobuyuki Hoshikawa and the Company.
2. Pursuant to the provisions of Article 427, paragraph (1) of Companies Act, if Nobuyuki Hoshikawa is elected, the Company will enter into an agreement with him limiting his liability for damages as stipulated in Article 423, paragraph (1) of the same Act. The amount of liability pursuant to the agreement is limited to the minimum liability amount provided for in Article 425, paragraph (1) of the same Act.
3. The Company has concluded a liability insurance agreement with an insurance company to cover directors and officers, as provided in Article 430-3, paragraph (1) of the Companies Act. The insurance covers damages that may arise should the insured assume liability for the execution of his or her duties or be subject to a claim related to the pursuit of such liability. In the event of his election, Nobuyuki Hoshikawa will be included among those covered by the Company's insurance policy.
4. Nobuyuki Hoshikawa is a candidate for substitute Outside Audit & Supervisory Board Member. He meets the requirements of Independent Officer as stipulated by the Tokyo Stock Exchange, Inc. Therefore, if he is elected as Audit & Supervisory Board Member, we will register Nobuyuki Hoshikawa as Independent Officer.

(Reference)

Policies and procedures for election of Directors

For the election of Directors, the Nomination & Remuneration Committee, the majority of whose members are independent Outside Directors, deliberates in a fair and transparent manner and reports appropriately to the Board of Directors. After comprehensively considering their knowledge, ability, experience, and achievements to appropriately fulfill the required roles, the Board of Directors will decide on the election of Directors.

Skills matrix of the Board of Directors

The Company has identified the following skill items that the Board of Directors should possess: (1) Corporate management, (2) Sales (Japan and overseas) / Marketing, (3) Manufacturing / Facilities / R&D, (4) Finance / Accounting / HR, (5) Global, and (6) IT / Risk management.

If Proposal 2 and Proposal 3 are approved as originally proposed, the Board of Directors will consist of members with the following skills:

Name	Position at the Company	Skill items					
		Corporate management	Sales (Japan and overseas) / Marketing	Manufacturing / Facilities / R&D	Finance / Accounting / HR	Global	IT / Risk management
Hisashi Kubota	Chairman of Director	●	●		●		
Shigemi Urata	President and Representative Director, President and Executive Officer	●	●			●	●
Shingo Kobayashi	Executive Vice President and Representative Director	●			●		●
Hiroshi Toyoda	Director and Senior Managing Executive Officer	●			●	●	●
Hisashi Yamada	Director and Senior Managing Executive Officer	●		●			●
Akira Akimoto	Director and Managing Executive Officer	●	●				
Kenji Tani	Outside Director	●	●			●	
Taizo Suga	Outside Director	●			●	●	
Naomi Eto	Outside Director	●			●		●

Name	Position at the Company	Skill items					
		Corporate management	Sales (Japan and overseas) / Marketing	Manufacturing / Facilities / R&D	Finance / Accounting / HR	Global	IT / Risk management
Mariko Ogawa	Outside Director	●			●	●	
Yasuhiro Kiuchi	Audit & Supervisory Board Member (Full time)	●	●		●	●	●
Toshihiro Onodera	Audit & Supervisory Board Member (Full time)	●			●		●
Tetsuo Hoshiya	Outside Audit & Supervisory Board Member	●			●	●	
Soichi Wakamatsu	Outside Audit & Supervisory Board Member	●		●	●		

Note: Audit & Supervisory Board Members (Full time) will be selected by the Audit & Supervisory Board following this meeting, and Representative Directors, Chairman of Director, and President and Director will be selected by the Board of Directors at a subsequent meeting.