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(Securities Code: 1942)

June 9, 2023

To our shareholders:

Hiroshi Yamaguchi, Chairman and Director
Kandenko Co., Ltd.
4-8-33 Shibaura, Minato-ku, Tokyo

Notice of the 109th Annual General Meeting of Shareholders

We are pleased to announce the 109th Annual General Meeting of Shareholders of Kandenko Co., Ltd. (the “Company”) to be held as described below.

When convening this general meeting of shareholders, the Company takes measures for providing in electronic format the information that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format are to be taken). So please access either of the following websites to confirm the information.

The Company’s website:

<https://www.kandenko.co.jp/ir/stockholders-meeting>

Website for posted informational materials for the general meeting of shareholders:

<https://d.sokai.jp/1942/teiji/>

TSE website (Listed Company Search):

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

(Access the TSE website by using the internet address shown above, enter “Kandenko” in “Issue name (company name)” or the Company’s securities code “1942” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you exercise your voting rights prior to the meeting, please refer to the “Guide to Exercise Voting Rights” (Japanese only) on page 4 and page 5 and exercise your voting rights via the Internet or in writing, after examining the Reference Documents for the General Meeting of Shareholders.

1. Date and Time: Thursday, June 29, 2023, at 10 a.m. (JST)

2. Venue: Head Office of the Company
4-8-33 Shibaura, Minato-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported:

Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the 109th fiscal year (from April 1, 2022 to March 31, 2023), and the results of the audits of the Consolidated Financial Statements by the Independent Accounting Auditor and the Board of Auditors

Matters to be resolved:

- | | |
|------------------------|--|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Partial Amendment to the Articles of Incorporation |
| Proposal No. 3 | Election of 12 Directors |
| Proposal No. 4: | Election of One Auditor |
| Proposal No. 5: | Payment of Bonuses to Directors |

1. If you are attending the meeting in person, please submit the enclosed voting form to the reception.
2. The documents sent to the shareholder also acts as measures for providing information in electronic format under the request for issuance of documentation, and the following matters are omitted based on laws and regulations and the provisions of the Company's articles of incorporation.
 - "Accounting Auditor status," "System to secure Director's exercise of the functions conform with laws and regulations and Articles of Incorporation as well as system to secure the properness of business activities of stock company as well as business activities of such business group comprised of stock companies and subsidiaries as well as outline of operational status of such system" of the Business Report
 - "Consolidated Statements of Changes in Net Assets" and "Consolidated Notes" in the Consolidated Financial Statements
 - "Statements of Changes in Net Assets" and "Notes to Specific Items" in the Non-consolidated Financial StatementsAccordingly, the relevant documents are a part of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements which the Auditors audited in preparing their audit reports, as well as a part of the Consolidated Financial Statements and Non-consolidated Financial Statements audited by Independent Accounting Auditor in preparing their audit reports.
3. When there are amendments in the measures for providing information in electronic format, it will be notified on each of the above websites.
4. Until now, we had sent a notification of the results of the resolution after the completion of each General Meeting of Shareholders, but taking into consideration the viewpoint of going paperless in regards to environmental loading reduction, we have decided to stop sending the documents from this general meeting. Regarding the resolution results, it will be posted on the Company website as previously posted so would appreciate your understanding.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus by means of a year-end dividend of ¥17 per share, totaling ¥3,473,942,503, based on its dividend policy of adhering to the stable and continuous payment of dividends. It is also proposed that the effective date of the year-end dividend shall be June 30, 2023.

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property and their aggregate amount
¥17 per share
Total dividends: ¥3,473,942,503
- (3) Effective Date
June 30, 2023

Proposal No. 2 Partial Amendment to the Articles of Incorporation

(1) Reasons for the Amendment

This is to make amendments to make it possible to prepare minutes of the General Meeting of Shareholders, Board of Directors' Meeting and Board of Auditors Meeting in electronic records.

(2) Contents of the amendment

Details of the changes are as follows.

(Note) Underlined sections indicate the changes.



Current Articles of Incorporation	Planned Amendments
<p style="text-align: center;">Chapter 3 General Meeting of Shareholders</p> <p>(Minutes) Article 18</p> <p><u>The points of the process of the proceedings and the results of the general meeting will be noted in the minutes,</u> and the chairperson and the Directors in attendance will sign and <u>affix a seal, and this will be stored for 10 years at the headquarters and the transcript kept at branch offices for 5 years.</u></p>	<p style="text-align: center;">Chapter 3 General Meeting of Shareholders</p> <p>(Minutes) Article 18</p> <p><u>The minutes for the general meeting will be created on paper or electronically as determined by laws and regulations,</u> and the chairperson and the Directors in attendance will sign and <u>affix a seal, or electronic signature.</u></p>
<p style="text-align: center;">Chapter 4 Directors and Board of Directors' Meeting</p> <p>(Minutes) Article 32</p> <p><u>The points of the process of the proceedings and the results of the Board of Directors' Meeting will be noted in the minutes,</u> and the Directors and Auditors in attendance will sign and <u>affix a seal, and this will be stored for 10 years at the headquarters.</u></p>	<p style="text-align: center;">Chapter 4 Directors and Board of Directors' Meeting</p> <p>(Minutes) Article 32</p> <p><u>The minutes for the Board of Directors' Meeting will be created on paper or electronically as determined by the ordinances,</u> and the Directors and Auditors in attendance will sign and <u>affix a seal, or electronic signature.</u></p>
<p style="text-align: center;">Chapter 5 Auditors and Board of Auditors' Meeting</p> <p>(Minutes) Article 42</p> <p><u>The points of the process of the proceedings and the results of the Board of Auditors' Meeting will be noted in the minutes,</u> and the Auditors in attendance will sign and <u>affix a seal, and this will be stored for 10 years at the headquarters.</u></p>	<p style="text-align: center;">Chapter 5 Auditors and Board of Auditors' Meeting</p> <p>(Minutes) Article 42</p> <p><u>The minutes for the Board of Auditors' Meeting will be created on paper or electronically as determined by the ordinances,</u> and the Auditors in attendance will sign and <u>affix a seal, or electronic signature.</u></p>




Proposal No. 3 Election of 12 Directors



At the conclusion of this meeting, the terms of office of all 13 Directors will expire. Therefore, the Company proposes the election of 12 Directors.



The candidates for Director are as follows:


Candidate no.	Name		Current Position at the Company	Board of Directors' Meeting Attendance
1	Seiichi Fubasami	Newly elected	Advisor	—
2	Toshio Nakama	Reelected	President and Executive Officer	16/16 (100.0%)
3	Nobuhiro Iida	Reelected	Executive Vice President and Executive Officer	16/16 (100.0%)
4	Yuji Ueda	Reelected	Executive Vice President and Executive Officer	16/16 (100.0%)
5	Mitsuru Fujii	Reelected	Managing Director and Executive Officer	16/16 (100.0%)
6	Hiroyuki Enoki	Newly elected	Executive Managing Officer	—
7	Koichi Nakahito	Reelected	Managing Director and Executive Officer	15/16 (93.7%)
8	Hirofumi Tamogami	Newly elected	Executive Managing Officer	—
9	Hajime Saito	Reelected Outside Independent	Director	16/16 (100.0%)
10	Miwako Ando	Reelected Outside Independent	Director	15/16 (93.7%)
11	Koji Tanaka	Reelected Outside Independent	Director	12/12 (100.0%)
12	Miwa Suto	Newly elected Outside Independent	—	—


Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p style="text-align: center;">Seiichi Fubasami (July 25, 1960)</p>  <p style="text-align: center;">Newly elected</p>	<p>Apr. 1985 Joined Tokyo Electric Power Company, Incorporated</p> <p>June 2013 General Manager, Planning Dept., Business Reform Unit of Tokyo Electric Power Company, Incorporated</p> <p>June 2014 Corporate Officer, Secretary General, Business Planning Division of Tokyo Electric Power Company, Incorporated</p> <p>Apr. 2015 Managing Executive Officer of Tokyo Electric Power Company, Incorporated</p> <p>Apr. 2016 Director of TEPCO Power Grid, Incorporated (until Mar. 2020)</p> <p>Apr. 2016 Director of TEPCO Fuel & Power, Incorporated (until Mar. 2020)</p> <p>Apr. 2016 Director of TEPCO Energy Partner, Incorporated (until Mar. 2020)</p> <p>June 2017 Executive Vice President of the Tokyo Electric Power Company Holdings, Inc. (until June 2022)</p> <p>June 2019 Director of Tokyo Electric Power Company Holdings, Inc. (until June 2022)</p> <p>Apr. 2020 Representative Executive President of TEPCO Renewable Power, Inc. (until Mar. 2022)</p> <p>June 2022 Joined the Company as Advisor (current position)</p>	0
<p>Reasons for nomination as candidate for Director</p> <p>Seiichi Fubasami has knowledge of business activities related to corporate management, ESG and compliance, finance and accounting and has mastery of business related to new businesses. He was also the Executive Vice President of Tokyo Electric Power Company Holdings, Inc. as well as Representative Executive President of TEPCO Renewable Power, Inc. and we have determined that his experience, insight and such that he has gained thru this will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.</p>			
2	<p style="text-align: center;">Toshio Nakama (February 25, 1960)</p>  <p style="text-align: center;">Reelected</p> <p style="text-align: center;">Tenure as Director (as of the conclusion of this meeting) 8 years</p>	<p>Apr. 1982 Joined the Company</p> <p>Oct. 2014 Senior Executive Officer, Division Manager of Kitakanto & Hokushinetsu Sales Division, and General Manager of Saitama Branch</p> <p>June 2015 Managing Director and Executive Officer</p> <p>June 2017 Executive Vice President and Executive Officer</p> <p>June 2020 President and Executive Officer (current position)</p>	41,689
<p>Reasons for nomination as candidate for Director</p> <p>Toshio Nakama has knowledge of business activities related to corporate management, ESG and compliance, sales and marketing, and operation and management. The Company has judged that his experience and insight, etc. gained as President and Executive Officer will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.</p>			


Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
3	Nobuhiro Iida (November 30, 1961)  Reelected Tenure as Director (as of the conclusion of this meeting) 3 years	Apr. 1985 Oct. 2018 June 2020 June 2022 July 2022	Joined the Company Executive Managing Officer, Division Manager of Minamikanto & Tokai Sales Division, and Branch Manager of Kanagawa Branch Managing Director and Executive Officer Executive Vice President and Executive Officer Executive Vice President and Executive Officer, and Division Manager of Sales Division in charge of Overall Operations and Cost Management Division (current position)	19,120
	Reasons for nomination as candidate for Director Nobuhiro Iida has knowledge of business activities related to corporate management, sales and marketing, purchasing, and overseas business. The Company has judged that his experience and insight, etc. gained as Executive Vice President and Executive Officer, etc. will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.			
4	Yuji Ueda (January 26, 1960)  Reelected Tenure as Director (as of the conclusion of this meeting) 5 years	Apr. 2016 July 2017 June 2018 June 2021 July 2021	Managing Director of TEPCO Energy Partner, Inc. Joined the Company as Executive Managing Officer and Deputy Executive General Manager of Sales Division and in charge of Group Business Managing Director and Executive Officer Executive Vice President and Executive Officer Executive Vice President and Executive Officer, in charge of Overall Operations, Group Business Department and International Business Division (current position)	20,793
	Reasons for nomination as candidate for Director Yuji Ueda has knowledge of business activities related to corporate management, sales and marketing, new business, and overseas business. The Company has judged that his experience and insight, etc. gained as a Managing Director of TEPCO Energy Partner, Inc. and as Executive Vice President and Executive Officer, etc. of the Company will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.			
5	Mitsuru Fujii (October 31, 1962)  Reelected Tenure as Director (as of the conclusion of this meeting) 2 years	Apr. 1985 Oct. 2018 June 2021 July 2021	Joined the Company Executive Managing Officer and Head of Power Distribution Unit, Social Infrastructure Division Managing Director and Executive Officer Managing Director, Executive Officer and Acting Division Manager of Social Infrastructure Division (in charge of Safety & Environment Division) (current position)	15,894
	Reasons for nomination as candidate for Director Mitsuru Fujii has knowledge of business activities related to ESG and compliance, sales and marketing, and operation and management. The Company has judged that his experience and insight, etc. gained as Managing Director and Executive Officer, etc. will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	<p>Hiroyuki Enoki (January 9, 1963)</p>  <p>Newly elected</p>	<p>Apr. 1986 Joined the Company</p> <p>July 2012 General Manager of the Secretarial Division</p> <p>July 2016 Executive Officer, General Manager of Labor Division, as well as in-charge of Human Resource Development</p> <p>Oct. 2018 Executive Officer and Head of Management Planning Unit, Corporate Division, General Manager of Labor and Human Resources Division</p> <p>July 2019 Executive Managing Officer and Head of Management Planning Unit, Corporate Division, General Manager of Labor and Human Resources Division</p> <p>July 2020 Executive Managing Officer and Head of Corporate Division</p> <p>Apr. 2023 Executive Managing Officer and Division Manager of Social Infrastructure Division (current position)</p>	6,800
<p>Reasons for nomination as candidate for Director</p> <p>Hiroyuki Enoki has mastery of business activities related to corporate management, ESG and compliance, and human resources and labor. The Company has judged that his experience and insight, etc. gained as Head of Corporate Division etc. will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.</p>			
7	<p>Koichi Nakahito (November 6, 1963)</p>  <p>Reelected</p> <p>Tenure as Director (as of the conclusion of this meeting) 2 years</p>	<p>Apr. 2018 Executive General Manager of Tokyo Branch of TEPCO Power Grid, Incorporated</p> <p>Oct. 2020 Joined the Company as Executive Managing Officer, Deputy Executive General Manager of Social Infrastructure Division and Deputy Executive General Manager of Strategy & Technology Development Division</p> <p>June 2021 Managing Director and Executive Officer</p> <p>July 2021 Managing Director, Executive Officer, Deputy Executive General Manager of Social Infrastructure Division (in charge of Strategy & Technology Development Division) (current position)</p>	10,118
<p>Reasons for nomination as candidate for Director</p> <p>Koichi Nakahito has knowledge of business activities related to operation and management, new business, and technology development/DX/IT. The Company has judged that his experience and insight, etc. gained as Managing Director and Executive Officer, etc. will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	<p>Hirofumi Tamogami (December 13, 1963)</p>  <p>Newly elected</p>	<p>Apr. 1986 Joined the Company</p> <p>July 2013 General Manager of Management Planning Division</p> <p>June 2015 Executive Officer, Deputy Executive General Manager of Higashikanto Sales Division, and Branch Manager of Ibaraki Branch (in charge of Ibaraki Power Distribution Branch)</p> <p>Oct. 2018 Executive Officer and Head of Corporate Unit, Sales Division</p> <p>July 2020 Executive Managing Officer, Division Manager of Higashikanto Sales Division and Branch Manager of Chiba Branch (current position)</p>	11,800
<p>Reasons for nomination as candidate for Director</p> <p>Hirofumi Tamogami has mastery of business activities related to corporate management, human resources and labor, sales and marketing, technology development/DX/IT. The Company has judged that his experience and insight, etc. gained as Division Manager of Higashikanto Sales Division and Branch Manager of Chiba Branch and such will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.</p>			
9	<p>Hajime Saito (July 7, 1956)</p>  <p>Reelected Outside Independent</p> <p>Tenure as Director (as of the conclusion of this meeting) 4 years</p>	<p>June 2009 Executive Managing Director of Mizuho Financial Group, Inc.</p> <p>Apr. 2011 Deputy President & Executive Officer of Mizuho Securities Co., Ltd.</p> <p>June 2011 Deputy President and Deputy President & Executive Officer of Mizuho Securities Co., Ltd.</p> <p>Apr. 2015 Advisor of Mizuho Capital Co., Ltd.</p> <p>May 2015 Deputy President of Mizuho Capital Co., Ltd.</p> <p>Apr. 2016 President of Mizuho Capital Co., Ltd. (until April 2019)</p> <p>June 2019 Director of the Company (current position)</p>	0
<p>Reasons for nomination as an outside Director and overview of expected role</p> <p>The Company has judged that Hajime Saito, with his expertise in corporate management, finance and accounting, human resources and labor, and new business, as well as his experience and insight gained as a director of Mizuho Financial Group, Inc. and Mizuho Securities Co. Ltd., will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.</p> <p>Furthermore, the Company expects him to give advice and supervise management from an independent and objective standpoint based on his above-mentioned experience, expertise, etc.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
10	<p>Miwako Ando (November 7, 1957)</p>  <p>Reelected Outside Independent</p> <p>Tenure as Director (as of the conclusion of this meeting) 2 years</p>	<p>July 2016 Public Prosecutor of Supreme Public Prosecutors Office</p> <p>Mar. 2017 Retired from Public Prosecutor</p> <p>Apr. 2017 Professor of Graduate School of Law of Hosei University (until Mar. 2023)</p> <p>June 2019 Registered as Attorney-at-Law (current position)</p> <p>June 2021 Director of the Company (current position)</p> <p>Apr. 2023 Part-time lecturer, Faculty of Law, Hosei University (current position)</p> <p><Significant Concurrent Positions outside the Company> Attorney-at-law</p>	0
<p>Reasons for nomination as an outside Director and overview of expected role</p> <p>Although Miwako Ando has not been involved in corporate management, the Company believes her knowledge of ESG and compliance, and human resources and labor, as well as her experience and insight gained as a prosecutor and lawyer, will contribute to the sustainable growth of the Company and the enhancement of its corporate value over the medium to long term.</p> <p>Furthermore, the Company expects her to give advice and supervise management from an independent and objective standpoint based on her above-mentioned experience, expertise, etc.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
11	<p style="text-align: center;">Koji Tanaka (January 22, 1952)</p>  <p style="text-align: center;">Reelected Outside Independent</p> <p style="text-align: center;">Tenure as Director (as of the conclusion of this meeting) 1 year</p>	<p>Apr. 2007 Executive Officer, General Manager, Hitachi Works and Vice President of Power Systems Group, Hitachi, Ltd.</p> <p>Apr. 2009 Executive Officer, President of Power Systems Group, General Manager of Renewable Energy & Smart Grid Division, Hitachi, Ltd.</p> <p>Apr. 2011 Representative Executive Officer, Executive Vice President and Executive Officer, Hitachi, Ltd.</p> <p>Jan. 2014 Chairman and Outside Director, Mitsubishi Hitachi Power Systems, Ltd. (until March 2018)</p> <p>June 2014 Outside Director, Hitachi Metals, Ltd. (until June 2015)</p> <p>May 2016 President, The Institute of Electrical Engineers of Japan (IEEJ) (until May 2017)</p> <p>June 2016 Director, Hitachi Chemical Company, Ltd. (until June 2017)</p> <p>Apr. 2017 Representative Executive Officer, Executive Vice President and Executive Officer, CEO, Nuclear Energy Business Unit, Hitachi, Ltd.</p> <p>Apr. 2018 Advisor, Hitachi, Ltd. (until April 2020)</p> <p>June 2018 Director, Hitachi Chemical Company, Ltd. (until June 2019)</p> <p>June 2018 Director, Hitachi Construction Machinery Co., Ltd. (until June 2019)</p> <p>June 2018 Chairman of the Board, Outside Director, Hitachi Transport System, Ltd. (until June 2020)</p> <p>June 2022 Director of the Company (current position)</p>	0
<p>Reasons for nomination as an outside Director and overview of expected role</p> <p>Koji Tanaka has knowledge related to corporate management, new business, technology development/DX/IT, and overseas business as his experience and insight gained as Representative Executive Officer and Executive Vice President of Hitachi, Ltd. The Company has judged that he will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.</p> <p>Furthermore, the Company expects him to give advice and supervise management from an independent and objective standpoint based on his above-mentioned experience, expertise, etc.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
12	<p style="text-align: center;">Miwa Suto (August 17, 1963)</p>  <p style="text-align: center;">Newly elected Outside Independent</p>	<p>Apr. 1988 Joined HAKUHODO Inc. (until Apr. 1990)</p> <p>Oct. 1991 Joined Arthur Anderson (currently KPMG AZSA LLC) (until Aug. 1996)</p> <p>Apr. 1995 Registered as certified public accountant (current position)</p> <p>Oct. 1996 Joined Schroders PTV Partners KK (until Oct. 1997)</p> <p>Nov. 1997 Joined Bain & Company Inc.</p> <p>Jan. 2001 Partner of Bain & Company Inc. (until Mar. 2006)</p> <p>Apr. 2006 Representative Director of PLANET PLAN & CO. (current position)</p> <p>Apr. 2008 Specially-appointed professor, Graduate School of Media and Governance, Keio University (until Mar 2018)</p> <p>May 2012 Outside Director, ZIGExN Co., Ltd. (until June 2021)</p> <p>June 2016 Director of Consumer Product Safety Association (current position)</p> <p>June 2016 Outside Director (Audit and Supervisory Committee), A.D.Works Group Co., Ltd. (until June 2020)</p> <p>June 2017 Director of the Japan Volleyball Association (current position)</p> <p>Mar. 2018 Outside auditor of ASICS Corporation (until Mar. 2020)</p> <p>Apr. 2019 Specially-appointed professor, Graduate School of Media and Governance, Keio University (current position)</p> <p>Mar. 2020 Outside director (Audit and Supervisory Committee) of Asics Corporation (current position)</p> <p>June 2021 Outside Director of Katitas Co., Ltd. (current position)</p> <p>June 2021 Director of the Japanese Olympic Committee (current position)</p> <p>Mar. 2023 Outside Director of KOSÉ Corporation (current position)</p> <p><Significant Concurrent Positions outside the Company> Certified public accountant Representative Director of PLANET PLAN & CO. Outside director (Audit and Supervisory Committee) of Asics Corporation Outside Director of KOSÉ Corporation Outside Director of Katitas Co., Ltd.</p>	0
<p>Reasons for nomination as an outside Director and overview of expected role</p> <p>Miwa Suto has accumulated a vast experience and insight with her expertise in corporate management, finance and accounting, technology development/DX/IT, and as a certified public accountant. She also has vast experience and insight and such being a Representative Director of PLANET PLAN & CO., as well as Outside Director at Asics Corporation, KOSÉ Corporation, Katitas Co., Ltd. and others, and will contribute to the sustainable growth of the Company and the enhancement of its corporate value over the medium to long term.</p> <p>Furthermore, the Company expects her to give advice and supervise management from an independent and objective standpoint based on her above-mentioned experience, expertise, etc.</p>			

Notes: 1. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Hajime Saito, Miwako Ando, and Koji Tanaka to limit their liability for damages under Article 423, paragraph (1) of the Companies Act to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act. Further,

pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company also plans to enter into an agreement with Miwa Suto to limit her liability for damages under Article 423, paragraph (1) of the Companies Act to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act.


2. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, paragraph (1) of the Companies Act. The policy covers losses, etc. incurred by a Director, who is an insured person, due to claims for damages or shareholders' derivative suits from a third party. Furthermore, new candidates for Director assume office as Director, they will be included as insured persons in this policy.

Proposal No. 4: Election of One Auditor

At the conclusion of this meeting, Toru Yukimura will resign as Auditor. Therefore, the Company proposes the election of 1 Auditor.

The Board of Auditors has given its approval to this proposal.

The candidate for Auditor is as follows:

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the company	Number of the Company's shares owned
<p>Shoichiro Kashiwabara (December 14, 1958)</p>  <p>Newly elected</p>	<p>Apr. 1981 Joined the Company Oct. 2014 Senior Executive Officer (management planning, general affairs and human resources & welfare) June 2015 Managing Director and Executive Officer June 2016 Senior Managing Director and Executive Officer June 2017 Executive Vice President Oct. 2018 Executive Vice President and Executive Officer Apr. 2023 Executive Vice President and Executive Officer, Division Manager of Corporate Division, Head of Management Planning Unit, and in charge of Overall Operations and Internal Control Division (current position)</p>	<p>39,711</p>
<p>Reasons for nomination as candidate for Auditor Shoichiro Kashiwabara has knowledge of business activities related to corporate management, ESG and compliance, finance and accounting, and purchasing. The Company has judged that his experience and insight, etc. gained as Executive Vice President and Executive Officer, etc. will contribute to the auditing of the Company.</p>		

- Notes:
1. If Shoichiro Kashiwabara assumes the office of Auditor, the Company plans to enter into an agreement with him to limit his liability for damages under Article 423, paragraph 1 of the Companies Act to the minimum liability amount provided for by Article 425, paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, paragraph 1 of the same Act.
 2. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, paragraph (1) of the Companies Act. The policy covers losses, etc. incurred by an Auditor, who is an insured person, due to claims for damages or shareholders' derivative suits from a third party. Furthermore, if new candidates for Auditor assume office as Auditor, they will be included as insured persons in this policy.

Proposal No. 5: Payment of Bonuses to Directors

The Company proposes to pay bonuses to 13 Directors (including four outside Directors) in office at the end of the current fiscal year, at the total amount of ¥112,000,000, taking into consideration the business results for the fiscal year under review, among others.

The amounts of the bonuses to Directors are deemed to be appropriate, since the Nomination and Remuneration Committee has conducted a review and inspection of the consistency of the Policy for the Determination of the Details of Remuneration for each Director, the Board of Directors has passed its resolution based on the results of that review and inspection.

[Reference (1)] The Company's policy on the nomination of candidates for Directors and Auditors

The Company has determined the diversity and size of its Board of Directors in consideration of its business characteristics and the need to ensure the effectiveness of its governance function.

The Company's policy in nominating candidates for director and candidates for auditor, regardless of their gender, nationality, etc., is to select individuals with extensive experience, insight, etc., that will contribute to the sustainable growth of the Company and the enhancement of its corporate value over the medium to long term. These individuals shall be determined by the Meeting of the Board of Directors after deliberation and review by the Nomination and Remuneration Committee.

Furthermore, for outside Directors and outside Auditors, the Company will nominate one or more persons for each with management experience at other companies, provided that such persons contribute to the supervision and auditing of the directors' business execution from an independent and objective standpoint.

If Proposal 3 and Proposal 4 are approved, the following skills matrix indicates the knowledge, experience, and abilities of Directors and Auditors.

Name		Corporate management	ESG / Compliance	Finance/ Accounting	Human resources and labor	Sales / Marketing	Operation and management	Purchasing	New Business	Technology development / DX / IT	Overseas Business
Director	Seiichi Fubasami	•	•	•					•		
	Toshio Nakama	•	•			•	•				
	Nobuhiro Iida	•				•		•			•
	Yuji Ueda	•				•			•		•
	Mitsuru Fujii		•			•	•	•			
	Hiroyuki Enoki	•	•		•						
	Koichi Nakahito						•		•	•	
	Hirofumi Tamogami	•			•	•				•	
	Hajime Saito	•		•	•				•		
	Miwako Ando		•		•						
	Koji Tanaka	•							•	•	•
Miwa Suto	•		•						•		
Auditor	Shoichiro Kashiwabara	•	•	•				•			
	Hidekazu Tanaka					•	•	•		•	
	Sumihito Okawa	•	•	•	•						
	Takashi Suetsuna		•	•	•						•
	Shoichi Muto		•				•			•	

Notes: The above matrix is marked with • for up to four of the particularly specialized skills each person possesses and the skills expected of them as Directors and Auditors.

[Reference (ii)] Independence Criteria for Outside Directors and Outside Auditors of the Company

The Company determines an outside Director or an outside Auditor is independent if none of the criteria below is satisfied.

- (1) A person who executes business of the Company or its subsidiaries or a person who was someone who executed that business
- (2) A person who executes business of a major shareholder of the Company (shareholder who has 10% or more voting rights, including indirectly held voting rights) or a person who executes business of a company where the Company is a major shareholder
- (3) A person who executes business of a major lender of the Company (lender of the borrowings that exceed 1% of the total consolidated assets of the most recent fiscal year)
- (4) A person who executes business of a major business partner of the Company (dealings with an amount that exceeds 1% of consolidated revenue of the most recent fiscal year) or a person who executes business for a company whose major partner is the Company
- (5) A representative partner or employee of an independent accounting auditor of the Company
- (6) A person who has received substantial economic benefits or donations from the Company (more than ¥10 million, excluding director's remuneration) or a person who belongs to an association that has received such benefits or donations from the Company
- (7) A person who executes business for a company which has a relationship involving cross-assumption of office of outside officers
- (8) A person who has a relative (guardian or relatives by a collateral line up to the second degree) that fits the criteria in (1) through (6) (limited to officers and vital employees)
- (9) A person who satisfies (2) through (8) in the past five years