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(Securities Code: 1942)

June 10, 2022

To our shareholders:

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

## Notice of the 108th Annual General Meeting of Shareholders

We are pleased to announce the 108th Annual General Meeting of Shareholders of Kandenko Co., Ltd. (the “Company”) to be held as described below.

If you exercise your voting rights prior to the meeting, please refer to the “Guide to Exercise Voting Rights” (Japanese only) on page 3 and page 4 and exercise your voting rights in writing or via the Internet, after examining the Reference Documents for the General Meeting of Shareholders as stated hereafter.

**1. Date and Time:** Wednesday, June 29, 2022, 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 108th fiscal year (from April 1, 2021 to March 31, 2022), 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 13 Directors
- Proposal No. 4:**      Payment of Bonuses to Directors

1. If you are attending the meeting in person, please submit the enclosed voting form to the reception.
2. “Systems to ensure that Directors perform their duties in compliance with relevant laws and regulations and the Articles of Incorporation, other systems to ensure properness of operations of the Company, and the overview of the operation status of these systems” in the Business Report, Notes to the Consolidated Financial Statements and Notes to the Non-consolidated Financial Statements are posted on the Company’s website (<https://www.kandenko.co.jp/>) pursuant to the applicable laws and regulations and the Company’s Articles of Incorporation. Accordingly, the documents attached hereto 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. If any modifications are made to items in the documents attached hereto or the Reference Documents for General Meeting of Shareholders will be posted on the Company’s website (<https://www.kandenko.co.jp/>).

## 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 ¥14 per share, totaling ¥2,860,270,448, 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, 2022.

- (1) Type of dividend property  
Cash
- (2) Allotment of dividend property and their aggregate amount  
¥14 per share  
Total dividends: ¥2,860,270,448
- (3) Effective Date  
June 30, 2022

**Proposal No. 2** Partial Amendment to the Articles of Incorporation

(1) Reasons for the Amendment

In line with the effective date of the electronic provision of materials for the General Meeting of Shareholders provided for in the proviso of Article 1 of the Supplementary Provision of the Act to Partially Amending the Companies Act (Act No. 70 of 2019) to be enforced on September 1, 2022, the Company will establish that it will take measures to provide information that is the content of reference documents for the General Meeting of Shareholders, etc. in electronic format and establish that it may limit the scope of matters to be included in the document to be delivered to shareholders who have made a request for delivery of the document.

The current provisions on the Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc. will not be necessary, and therefore, these provisions will be deleted, and Supplementary Provisions concerning the Effective Date, etc. associated with these changes will be added.

(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><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u> <u>Article 16</u> <u>When the Company convenes a General Meeting of Shareholders, if it discloses information that is to be stated or presented in the reference documents for the General Meeting of Shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by law, it may be deemed that the Company has provided this information to shareholders.</u></p> <p>(Newly established)</p> <p>(Newly established)</p>	<p>(Deleted)</p> <p><u>(Measures to Provide Information in Electronic Format)</u> <u>Article 16</u> <u>The Company shall electronically provide information contained in the reference documents for the General Meeting of Shareholders, etc. in convening the General Meeting of Shareholders.</u> <u>Of items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by Law from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p><u>Supplementary Provisions</u></p> <ol style="list-style-type: none"> <li><u>1. The deletion and new establishment of Article 16 of the Articles of Incorporation shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the "Date of Enforcement").</u></li> <li><u>2. Notwithstanding the provision of the preceding paragraph, Article 16 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain effective regarding any General Meeting of Shareholders held on a date within six months from the Date of Enforcement.</u></li> </ol>

Current Articles of Incorporation	Planned Amendments
	<p><u>3. These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the General Meeting of Shareholders in the preceding paragraph, whichever is later.</u></p>

**Proposal No. 3** Election of 13 Directors

At the conclusion of this meeting, the terms of office of all 14 Directors will expire. Therefore, the Company proposes the election of 13 Directors.

The candidates for Director are as follows:

Candidate no.	Name		Current Position at the Company	Board of Directors' Meeting Attendance
1	Hiroshi Yamaguchi	Reelected	Chairman and Director	12/12 (100.0%)
2	Toshio Nakama	Reelected	President and Executive Officer	17/17 (100.0%)
3	Shoichiro Kashiwabara	Reelected	Executive Vice President and Executive Officer	17/17 (100.0%)
4	Yuji Ueda	Reelected	Executive Vice President and Executive Officer	17/17 (100.0%)
5	Shinichi Miyauchi	Reelected	Senior Managing Director and Executive Officer	17/17 (100.0%)
6	Nobuhiro Iida	Reelected	Managing Director and Executive Officer	17/17 (100.0%)
7	Mitsuru Fujii	Reelected	Managing Director and Executive Officer	12/12 (100.0%)
8	Shinji Takahashi	Reelected	Managing Director and Executive Officer	12/12 (100.0%)
9	Koichi Nakahito	Reelected	Managing Director and Executive Officer	12/12 (100.0%)
10	Takashi Uchino	Reelected Outside Independent	Director	17/17 (100.0%)
11	Hajime Saito	Reelected Outside Independent	Director	17/17 (100.0%)
12	Miwako Ando	Reelected Outside Independent	Director	12/12 (100.0%)
13	Koji Tanaka	New election 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>Hiroshi Yamaguchi (February 15, 1951)</p>  <p>Reelected</p> <p>Tenure as Director (as of the conclusion of this meeting) 1 year</p>	<p>Apr. 2016 Representative Executive Vice President and Chief Engineer, Safety Management of Tokyo Electric Power Company Holdings, Inc.</p> <p>June 2017 Chairman of Kanto Electrical Safety Services Foundation (until June 2021)</p> <p>May 2018 President of The Institute of Electrical Engineers of Japan (IEEJ) (until May 2019)</p> <p>June 2018 Director, Audit &amp; Supervisory Committee Member of Chiyoda Corporation</p> <p>June 2019 Director of Chiyoda Corporation (until June 2021)</p> <p>June 2021 Chairman and Director of the Company (current position)</p> <p>Oct. 2021 President of General incorporated association Japan Electrical Construction Association (current position)</p> <p>&lt;Significant Concurrent Positions outside the Company&gt; President of General incorporated association Japan Electrical Construction Association</p>	12,864
<p>Reasons for nomination as candidate for Director</p> <p>Hiroshi Yamaguchi has knowledge of business activities related to corporate management, ESG and compliance, operation and management, purchasing, new business, technology development/ DX/ICT, and overseas business. The Company has judged that his experience and insight, etc. gained as Chairman and Director will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.</p>			
2	<p>Toshio Nakama (February 25, 1960)</p>  <p>Reelected</p> <p>Tenure as Director (as of the conclusion of this meeting) 7 years</p>	<p>Apr. 1982 Joined the Company</p> <p>Oct. 2014 Senior Executive Officer, Division Manager of Kitakanto &amp; 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>	31,664
<p>Reasons for nomination as candidate for Director</p> <p>Toshio Nakama has knowledge of business activities related to corporate management, ESG and compliance, human resources and labor, 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	Shoichiro Kashiwabara (December 14, 1958)  Reelected  Tenure as Director (as of the conclusion of this meeting) 7 years	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, Executive Officer, and Division Manager of Corporate Division in charge of Overall Operations and Internal Control Division (current position)	34,723
Reasons for nomination as candidate for Director Shoichiro Kashiwabara has knowledge of business activities related to corporate management, ESG and compliance, finance and accounting, human resources and labor, sales and marketing, 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 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) 4 years	Apr. 2016    Managing Director of TEPCO Energy Partner, Inc. July 2017    Joined the Company as Executive Managing Officer and Deputy Executive General Manager of Sales Division and in charge of Group Business June 2018    Managing Director and Executive Officer June 2021    Executive Vice President and Executive Officer July 2021    Executive Vice President and Executive Officer, in charge of Overall Operations, Group Business Department and International Business Division (current position)	15,805
Reasons for nomination as candidate for Director Yuji Ueda has knowledge of business activities related to corporate management, sales and marketing, new business, technology development/DX/IT, 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.			

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
5	<p>Shinichi Miyauchi (January 8, 1960)</p>  <p>Reelected</p> <p>Tenure as Director (as of the conclusion of this meeting) 3 years</p>	<p>Apr. 1982      Joined the Company</p> <p>Oct. 2018      Senior Executive Managing Officer and Division Manager of Cost Management Division</p> <p>June 2019      Managing Director and Executive Officer</p> <p>June 2020      Senior Managing Director and Executive Officer</p> <p>July 2021      Senior Managing Director, Executive Officer, Division Manager of Social Infrastructure Division (current position)</p>	14,918
<p>Reasons for nomination as candidate for Director</p> <p>Shinichi Miyauchi has knowledge of business activities related to sales and marketing, and purchasing. The Company has judged that his experience and insight, etc. gained as Senior 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>			
6	<p>Nobuhiro Iida (November 30, 1961)</p>  <p>Reelected</p> <p>Tenure as Director (as of the conclusion of this meeting) 2 years</p>	<p>Apr. 1985      Joined the Company</p> <p>Oct. 2018      Executive Managing Officer, Division Manager of Minamikanto &amp; Tokai Sales Division, and Branch Manager of Kanagawa Branch</p> <p>June 2020      Managing Director and Executive Officer</p> <p>July 2021      Managing Director, Executive Officer and in charge of Cost Management Division (current position)</p>	14,132
<p>Reasons for nomination as candidate for Director</p> <p>Nobuhiro Iida has knowledge of business activities related to sales and marketing, purchasing, and overseas business. 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>			
7	<p>Mitsuru Fujii (October 31, 1962)</p>  <p>Reelected</p> <p>Tenure as Director (as of the conclusion of this meeting) 1 year</p>	<p>Apr. 1985      Joined the Company</p> <p>Oct. 2018      Executive Managing Officer and Head of Power Distribution Unit, Social Infrastructure Division</p> <p>June 2021      Managing Director and Executive Officer</p> <p>July 2021      Managing Director, Executive Officer and Acting Division Manager of Social Infrastructure Division (in charge of Safety &amp; Environment Division) (current position)</p>	11,432
<p>Reasons for nomination as candidate for Director</p> <p>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 Head of Power Distribution Unit, Social Infrastructure Division and 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>Shinji Takahashi (September 10, 1962)</p>  <p>Reelected</p> <p>Tenure as Director (as of the conclusion of this meeting) 1 year</p>	<p>Apr. 1985      Joined the Company</p> <p>June 2020      Executive Managing Officer, Division Manager of Minamikanto &amp; Tokai Sales Division, and Branch Manager of Kanagawa Branch</p> <p>June 2021      Managing Director and Executive Officer</p> <p>July 2021      Managing Director and Executive Officer, Division Manager of Minamikanto &amp; Tokai Sales Division, and Branch Manager of Kanagawa Branch (current position)</p>	8,808
<p>Reasons for nomination as candidate for Director</p> <p>Shinji Takahashi has knowledge of business activities related to sales and marketing, and operation and management. The Company has judged that his experience and insight, etc. gained as Division Manager of Minamikanto &amp; Tokai Sales Division, and Branch Manager of Kanagawa Branch and Managing Director and Executive Officer will contribute to the Company's sustainable growth and enhancement of our corporate value over the medium to long term.</p>			
9	<p>Koichi Nakahito (November 6, 1963)</p>  <p>Reelected</p> <p>Tenure as Director (as of the conclusion of this meeting) 1 year</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 &amp; 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 &amp; Technology Development Division) (current position)</p>	5,956
<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 Deputy Executive General Manager of the Social Infrastructure Division and 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
10	<p>Takashi Uchino (November 17, 1951)</p>  <p>Reelected Outside Independent</p> <p>Tenure as Director (as of the conclusion of this meeting) 9 years</p>	<p>Apr. 1990 Professor of Department of Management, Gakushuin University Faculty of Economics (until March 2019)</p> <p>June 2013 Director of the Company (current position)</p> <p>Oct. 2013 Representative Director of Institute Of Management Studies, Japan (current position)</p> <p>&lt;Significant Concurrent Positions outside the Company&gt; Representative Director of Institute Of Management Studies, Japan</p>	0
<p>Reasons for nomination as an outside Director and overview of expected role</p> <p>Although Takashi Uchino has not been involved in corporate management, the Company believes that his knowledge of ESG and compliance, finance and accounting, human resources and labor, sales and marketing, and new business and technology development/DX/IT as well as experience and insight gained as a university professor and business management studies expert, 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 him to provide advice and supervise management from an independent and objective standpoint based on his above-mentioned experience, expertise, etc.</p>			
11	<p>Hajime Saito (July 7, 1956)</p>  <p>Reelected Outside Independent</p> <p>Tenure as Director (as of the conclusion of this meeting) 3 years</p>	<p>June 2009 Executive Managing Director of Mizuho Financial Group, Inc.</p> <p>Apr. 2011 Deputy President &amp; Executive Officer of Mizuho Securities Co., Ltd.</p> <p>June 2011 Deputy President and Deputy President &amp; 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, ESG and compliance, 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 provide 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>Miwako Ando (November 7, 1957)</p>  <p>Reelected Outside Independent</p> <p>Tenure as Director (as of the conclusion of this meeting) 1 year</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 (current position)</p> <p>June 2019 Registered as Attorney-at-Law (current position)</p> <p>June 2021 Director of the Company (current position)</p> <p>&lt;Significant Concurrent Positions outside the Company&gt; Professor of Graduate School of Law of Hosei University 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 provide 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
13	<p style="text-align: center;">Koji Tanaka (January 22, 1952)</p>  <p style="text-align: center;">New election Outside Independent</p>	<p>Apr. 1974      Joined Hitachi, Ltd.</p> <p>May 2006      General Manager, Hitachi Works, Power Systems Group, Hitachi, Ltd.</p> <p>Apr. 2007      Vice President and Executive Officer, General Manager, Hitachi Works and Vice President of Power Systems Group, Hitachi, Ltd.</p> <p>Apr. 2009      Vice President and Executive Officer, President of Power Systems Group, General Manager of Renewable Energy &amp; 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>	0
<p>Reasons for nomination as an outside Director and overview of expected role</p> <p>Koji Tanaka has knowledge related to corporate management, ESG and compliance, sales and marketing, operation and 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. 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>			

- Notes:
1. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Takashi Uchino, Hajime Saito, and Miwako Ando 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 Koji Tanaka 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 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, if new candidates for Director assume office as Director, they will be included as insured persons in this policy.

**Proposal 4:** Payment of Bonuses to Directors

The Company proposes to pay bonuses to 14 Directors (including three outside Directors) in office at the end of the current fiscal year, at the total amount of ¥110,000,000, 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 is 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	Hiroshi Yamaguchi	●	●				●	●	●	●	●
	Toshio Nakama	●	●		●	●	●				
	Shoichiro Kashiwabara	●	●	●	●	●		●			
	Yuji Ueda	●				●			●	●	●
	Shinichi Miyauchi					●		●			
	Nobuhiro Iida					●		●			●
	Mitsuru Fujii		●			●	●				
	Shinji Takahashi					●	●				
	Koichi Nakahito						●		●	●	
	Takashi Uchino		●	●	●	●			●	●	
	Hajime Saito	●	●	●	●				●		
	Miwako Ando		●		●						
Koji Tanaka	●	●				●	●		●	●	●
Auditor	Toru Yukimura	●		●	●	●		●		●	
	Hidekazu Tanaka					●	●		●	●	
	Sumihito Okawa	●	●	●	●				●		●
	Takashi Suetsuna		●	●	●						●
	Shoichi Muto		●				●			●	

[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