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Stock Exchange Code 5393

June 1, 2026

(Start date of measures for electronic provision: May 28, 2026)

To Shareholders with Voting Rights:

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

NOTICE OF
THE 210TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

You are cordially notified that the 210th Annual General Meeting of Shareholders of NICHIAS Corporation (the “Company”) will be held for the purposes as described below.

When convening this General Meeting of Shareholders, we are taking measures for electronic provision, and we have posted the matters concerning measures for electronic provision as “Notice of the 210th Annual General Meeting of Shareholders” on the following website on the Internet.

(i) The Company’s website:
<https://www.nichias.co.jp/en/ir/news/index.html>

(ii) Tokyo Stock Exchange (TSE) Website (Listed Company Search)
<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

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

(iii) Soukai-portal® (Sumitomo Mitsui Trust Bank, Limited)
<https://www.soukai-portal.net>

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

You can exercise your voting rights in writing, or via electromagnetic means (the Internet). Please review the “Reference Documents for the General Meeting of Shareholders,” described in the matters concerning measures for electronic provision and exercise your voting rights by 5:30 p.m. on Thursday, June 25, 2026, Japan time.

1. **Date and Time:** Friday, June 26, 2026 at 10:00 a.m. Japan time
2. **Place:** Banquet room “Ariake” on the second floor of The Royal Park Hotel located at 1-1, Kakigara-cho 2-chome, Nihonbashi, Chuo-ku, Tokyo, Japan
3. **Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements for the Company’s 210th Fiscal Year (April 1, 2025 - March 31, 2026) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 210th Fiscal Year (April 1, 2025 - March 31, 2026)
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of 7 Directors
 - Proposal 3:** Revision of Remuneration for Directors

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

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

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

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

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

Note that the Company conducted a three for-one stock split of its common stock effective April 1, 2026. As the record date for the year-end dividend for the fiscal year under review is March 31, 2026, the Company will pay dividends based on the number of shares before the stock split.

- (1) Type of dividend property
Cash
- (2) Matters concerning the allotment of dividend property to shareholders and the total amount thereof
88 yen per share of common stock of the Company, for a total amount of 5,546,607,792 yen
- (3) Effective date of distribution of surplus
June 29, 2026

* The annual dividends for the fiscal year under review will be 164 yen per share including the interim dividends of 76 yen per share already paid.

Proposal 2: Election of 7 Directors

The terms of office of all 8 Directors elected at the Annual General Meeting of Shareholders last year will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 7 Directors is proposed.


The candidates are as follows. The matters concerning each candidate for Director are as stated in the pages 8 through 14.

No.	Name		Current positions and responsibilities at the Company	Attending status to Board of Directors' meetings
1	Katsumi Kametsu	Reelection	President and Chief Executive Officer	100% (14 meetings out of 14 meetings)
2	Tsukasa Yamamoto	Reelection	Representative Director & Senior Managing Executive Officer In charge of Internal Control, Compliance, Sustainability & Accounting	100% (14 meetings out of 14 meetings)
3	Kiyoshi Sato	Reelection	Director & Managing Executive Officer In charge of Research & Development & Digitalization Promotion	100% (14 meetings out of 14 meetings)
4	Yukinori Ryuko	Reelection	Director & Managing Executive Officer In charge of Sales Department	100% (14 meetings out of 14 meetings)
5	Yoko Wachi	Reelection Outside Independent	Outside Director	100% (14 meetings out of 14 meetings)
6	Yasushi Manabe	Reelection Outside Independent	Outside Director	100% (14 meetings out of 14 meetings)
7	Reiko Iwasaki	Reelection Outside Independent	Outside Director	100% (10 meetings out of 10 meetings)

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

2. The Company has entered into a directors and officers liability insurance contract with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The outline of the contract is as stated in “(3) Outline of the directors and officers liability insurance contract” on page 35 of the Business Report (Japanese version only). The insurance contract will be renewed in June 2026. If the candidates are reappointed or appointed as Director, each of them will be insured under the insurance contract.

Reelection candidate for reelected Director New election candidate for newly elected Director
Outside candidate for Outside Director Independent candidate for Independent Director

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
1	 Katsumi Kametsu (July 28, 1962) Reelection	March 1985 Joined the Company April 2007 General Manager of Tokyo Sales Group, Advanced Polymer Products Department, Industrial Products Division of the Company March 2008 General Manager of East Japan Sales Group 3, Industrial Products Department, Industrial Products Division of the Company April 2009 General Manager of International Marketing and Sales Group, Industrial Products Department, Industrial Products Division of the Company March 2010 General Manager of International Marketing and Sales Group, Industrial Products Division of the Company April 2011 Executive Manager of Sales Group, Industrial Products Division, and General Manager of International Marketing and Sales Group, Industrial Products Division of the Company April 2013 Deputy Division Director of Industrial Products Division, and General Manager of International Marketing and Sales Group of the Company June 2013 Executive Officer of the Company March 2014 President of INOCRETE CO., LTD. April 2016 Division Director of Energy and Industrial Plants Division of the Company June 2016 Director & Executive Officer of the Company June 2019 Director & Managing Executive Officer of the Company April 2022 In charge of Corporate Strategic Planning of the Company June 2022 President and Chief Executive Officer of the Company (current position)	145,944
[Reason for nomination as candidate for Director] Mr. Katsumi Kametsu has primarily engaged in business fields including the industrial products and advanced products, and served as President of one of the Company's subsidiaries. Having been involved in business operations as Head of Energy and Industrial Plants Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.			

(Note) The Company conducted a three for-one stock split of its common stock effective April 1, 2026. Therefore, the number of shares of the Company held reflects the number of shares after the stock split.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
2	 Tsukasa Yamamoto (September 23, 1961) Reelection	March 1986 Joined the Company July 2011 President of Nippon Rockwool Corporation January 2014 Executive Manager of Building Materials Division (in charge of Sales and Production) and General Manager of Renovation Measures Department of the Company January 2014 President of NICHIAS Cemcrete Corporation April 2017 General Manager of Corporate Strategic Planning Department of the Company April 2018 Deputy Division Director of Corporate Administration Division and General Manager of General Affairs Department of the Company June 2018 Executive Officer of the Company June 2020 Division Director of Corporate Administration Division of the Company June 2021 Director & Executive Officer of the Company June 2022 Representative Director & Senior Managing Executive Officer of the Company (current position) June 2022 In charge of Internal Control, Compliance, CSR and Accounting of the Company October 2023 In charge of Internal Control, Compliance, Sustainability and Accounting of the Company (current position)	67,926
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Tsukasa Yamamoto has primarily engaged in the building materials business, and has served as President of the Company's subsidiaries and General Manager of Corporate Strategic Planning Department of the Company. Having also been involved in overall administration in the capacity as Division Director of Corporate Administration Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>			


(Note) The Company conducted a three for-one stock split of its common stock effective April 1, 2026. Therefore, the number of shares of the Company held reflects the number of shares after the stock split.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
3	 Kiyoshi Sato (September 3, 1962) Reelection	June 2003 Joined the Company April 2008 General Manager of Research & Development Department, Hamamatsu Research Laboratory of the Company August 2014 Director of Hamamatsu Research Laboratory, Research & Development Division of the Company June 2016 Executive Officer of the Company June 2016 Deputy Division Director of Research & Development Division and Director of Hamamatsu Research Laboratory of the Company April 2018 Division Director of Research & Development Division of the Company June 2021 Director & Executive Officer of the Company October 2023 In charge of Research & Development & Digitalization Promotion of the Company (current position) April 2024 Director & Senior Executive Officer of the Company June 2024 Director & Managing Executive Officer of the Company (current position)	44,718
[Reason for nomination as candidate for Director] Mr. Kiyoshi Sato has primarily engaged in research and development. Having been involved in organizational management of research and development as Director of Hamamatsu Research Laboratory and Division Director of Research & Development Division, he has acquired high-level insight into broad aspects of research and development. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.			

(Note) The Company conducted a three for-one stock split of its common stock effective April 1, 2026. Therefore, the number of shares of the Company held reflects the number of shares after the stock split.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
4	 Yukinori Ryuko (January 28, 1965) Reelection	September 1988 Joined the Company October 2009 General Manager of East Japan Sales Group, Advanced Products Department, Industrial Products Division of the Company March 2010 General Manager of East Japan Sales Group, Advanced Products Division of the Company April 2014 Executive Manager of Advanced Products Division and General Manager of East Japan Sales Group of the Company April 2016 Executive Manager of Sales Group, Advanced Products Division of the Company June 2017 Executive Officer of the Company June 2017 Deputy Division Director of Advanced Products Division of the Company April 2021 Deputy Division Director of Advanced Products Division and General Manager of Planning and Control Group of the Company June 2021 Division Director of Advanced Products Division of the Company June 2022 Director & Executive Officer of the Company October 2023 In charge of Sales Department of the Company (current position) April 2024 Director & Senior Executive Officer of the Company June 2025 Director & Managing Executive Officer of the Company (current position)	57,867
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Yukinori Ryuko has primarily engaged in the advanced products business. Having been involved in organizational management of the Advanced Products Division as Division Director of Advanced Products Division, he has acquired high-level insight into management and overall business operations. The Company has judged that by utilizing his extensive knowledge and wealth of experience in the Company's management, he will contribute to the continuous improvement of the Company's corporate value, and requests his continued election as Director.</p>			

(Note) The Company conducted a three for-one stock split of its common stock effective April 1, 2026. Therefore, the number of shares of the Company held reflects the number of shares after the stock split.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
5	 Yoko Wachi (April 29, 1960) Reelection Outside Independent	April 1989 Registered as lawyer (current position) April 1989 Joined Kajitani Law Offices (current position) June 2015 Outside Audit & Supervisory Board Member of the Company March 2016 Outside Audit & Supervisory Board Member of Otsuka Holdings Co., Ltd. June 2019 Outside Director of the Company (current position) June 2023 Outside Director of S.T. CORPORATION (current position) March 2025 Outside Audit & Supervisory Board Member of Kyowa Kirin Co., Ltd. March 2026 Outside Director (Audit and Supervisory Committee Member) of Kyowa Kirin Co., Ltd. (current position)	0
<p>[Reason for nomination as candidate for Outside Director and outline of expected roles]</p> <p>Ms. Yoko Wachi has an extensive insight and broad knowledge as well as abundant experience as a lawyer. The Company requests her continued election as Outside Director with the expectation of supervision on the overall management and valuable advice.</p> <p>Although she has no direct experience in corporate management, she has broad knowledge and experiences in corporate legal affairs as well as broad insight into corporate management. Therefore, the Company believes that she will execute her duties as Outside Director appropriately.</p>			


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

- (1) The Company has designated her as an independent director pursuant to the rules stipulated by the Tokyo Stock Exchange and has reported to the Exchange. Subject to the approval of her reappointment, she will be continuously designated as an independent director.
- (2) She is currently serving as Outside Director of the Company and will have served for a period of seven years as of the conclusion of this Annual General Meeting of Shareholders. She also used to serve as Outside Audit & Supervisory Board Member of the Company.
- (3) The Company has concluded a liability limitation agreement with her pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 35 of the Business Report (Japanese version only). Subject to the approval of her reappointment, the Company plans to continue such liability limitation agreement with her.
- (4) S.T. CORPORATION, where she serves as an outside director, received a measure order from the Consumer Affairs Agency on April 25, 2024 based on the provisions of Article 7, Paragraph 1 of Act against Unjustifiable Premiums and Misleading Representations. Although she was not aware of the fact of this violation until it was discovered, she has been regularly reviewing the establishment and operation of the internal control system at the Board of Directors meetings and other meetings, and has been alerting the Board of Directors to the importance of compliance with laws and regulations. After confirming the fact of this violation, she has fulfilled her responsibilities by making recommendations on efforts to ensure legal compliance and prevent recurrence.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
6	 Yasushi Manabe (December 15, 1956) Reelection Outside Independent	April 1979 Joined Hitachi, Ltd. April 2000 General Manager, Public Sales 2nd Department, Public Sales Division, Hitachi, Ltd. April 2002 General Manager, Heavy Industries Plant Department, Plant Sales Division, Electric System Sales Headquarters, Hitachi, Ltd. April 2008 General Manager, New Business Development Division, Hitachi, Ltd. April 2011 General Manager, Social Infrastructure & Industrial Systems Sales Division, Hitachi, Ltd. April 2012 General Manager, Sales Division Infra System Group Infra System, Hitachi, Ltd. April 2013 Executive Officer, General Manager Kansai Area Operation, Hitachi, Ltd. June 2013 Outside Audit & Supervisory Board Member, ShinMaywa Industries, Ltd. April 2016 Executive General Manager, Deputy Director General Corporate Sales & Marketing Group, CMO of Industry & Distribution, Water & Urban Business Unit, Hitachi, Ltd. April 2017 Vice President and Executive Officer, Deputy Director General Corporate Sales & Marketing Group, CMO of Industry & Distribution Business, Water & Urban Business, Hitachi, Ltd. April 2021 Executive Advisor, Yashima Denki Co., Ltd. June 2021 Outside Director, MGC (current position) June 2024 Outside Director of the Company (current position)	0
[Reason for nomination as candidate for Outside Director and outline of expected roles] Mr. Yasushi Manabe has a wealth of experience and broad knowledge in overall management as a cooperate manager with global operations. The Company requests his continued election as Outside Director with the expectation of supervision on the overall management and valuable advice.			

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

- (1) The Company has designated him as an independent director pursuant to the rules stipulated by the Tokyo Stock Exchange and has reported to the Exchange. Subject to the approval of his reappointment, he will be continuously designated as an independent director.
- (2) He is currently serving as Outside Director of the Company and will have served for a period of two years as of the conclusion of this Annual General Meeting of Shareholders.
- (3) The Company has concluded a liability limitation agreement with him pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 35 of the Business Report (Japanese version only). Subject to the approval of his reappointment, the Company plans to continue such liability limitation agreement with him.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent position	Number of shares of the Company held
7	 Reiko Iwasaki (October 25, 1965) Reelection Outside Independent	April 1989 Joined Toppan Printing CO., LTD. (currently TOPPAN Holdings Inc.) April 2002 Managing Director of Toppan Mind Wellness Co., Ltd. (currently TOPPAN Inc.) January 2014 Representative Director of Toppan Mind Wellness Co., Ltd. April 2022 Started human resources development consulting business as a sole proprietor June 2023 Outside Director of Advanex Inc. May 2024 Outside Director (Audit and Supervisory Committee Member) of ARCLANDS CORPORATION (current position) August 2024 Established For SDGs Inc. Representative Director of For SDGs Inc. (current position) June 2025 Outside Director (Audit and Supervisory Committee Member) of NISHIKAWA RUBBER CO., LTD. (current position) June 2025 Outside Director of the Company (current position)	0
[Reason for nomination as candidate for Outside Director and outline of expected roles] Ms. Reiko Iwasaki has a wealth of experience and broad knowledge in overall management as a cooperate manager who specializes in human resources and diversity and provides consultation services for organizational revitalization and next-generation leader development. The Company requests her election as Outside Director with the expectation of supervision on the overall management and valuable advice.			

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

- (1) The Company has designated her as an independent director pursuant to the rules stipulated by the Tokyo Stock Exchange and has reported to the Exchange. Subject to the approval of her reappointment, she will be continuously designated as an independent director.
- (2) She is currently serving as Outside Director of the Company and will have served for a period of one year as of the conclusion of this Annual General Meeting of Shareholders.
- (3) The Company has concluded a liability limitation agreement with her pursuant to the provisions in its Articles of Incorporation. The outline of the agreement is as stated in “(2) Outline of liability limitation agreement” on page 35 of the Business Report (Japanese version only). Subject to the approval of her reappointment, the Company plans to continue such liability limitation agreement with her.

(Reference) Skill Matrix of the Company's Directors and Audit & Supervisory Board Members (planned after the Annual General Meeting of Shareholders to be held on June 26, 2026)

Leveraging technological capacity with the keywords of “Insulation and Protection,” the Company will support the development of various industries and provide essential products and services, thereby contributing to the “Earth’s brighter future.”

To that end, the Company works to further improve the governance system and is conducting the sustainability-oriented management. The proposed Directors who will constitute the Board of Directors have skills necessary to realize these efforts.

	Name	Corporate management & strategy	Finance & accounting	Legal affairs & risk management	Sales & marketing	Manufacture, development & IT	Global	Environment	Human capital
Director	Katsumi Kametsu	●	●	●	●		●		●
	Tsukasa Yamamoto	●	●	●	●				●
	Kiyoshi Sato	●		●		●			
	Yukinori Ryuko	●			●	●	●		
	Yoko Wachi	●	●	●				●	
	Yasushi Manabe	●			●	●	●		
	Reiko Iwasaki	●							●
Audit & Supervisory Board Member	Mitsuru Nose			●					●
	Kazuyuki Motohashi		●	●					●
	Sachiko Murase	●	●	●				●	●
	Nobuhiko Takano		●						●
	Masatoshi Deguchi	●	●	●		●	●		●

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

Skills expected of Directors and Audit & Supervisory Board Members and outline thereof

Corporate management & strategy	Knowledge and experience regarding the Company's business environment and business content, as well as the formulation of medium - to long-term corporate strategies
Finance & accounting	Knowledge and experience regarding financial statements, budget management, fund procurement, corporate analysis, investment decisions, etc.
Legal affairs & risk management	Knowledge and experience regarding laws and regulations in Japan and overseas, compliance, corporate governance, risk management, etc.
Sales & marketing	Knowledge and experience regarding identifying customer needs, sales strategies, market analysis, and developing new customers and markets, etc.
Manufacture, development & IT	Knowledge and experience regarding product management, production method efficiency, technological innovation, etc.
Global	Knowledge and experience regarding overseas business development and management, international affairs, economics, culture, commercial practices, etc.
Environment	Knowledge and experience regarding manufacturing and development of products aimed at reducing environmental impacts, nature-related issues, environment-related laws and regulations, etc.
Human capital	Knowledge and experience regarding personnel systems, organizational development, human resources development, work-style reform, etc.

(Reference) Independence Standards for Independent Outside Officers

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

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

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

Proposal 3: Revision of Remuneration for Directors

At the 181st Annual General Meeting of Shareholders held on June 27, 1997, it was approved that the maximum amount of remuneration for the Company's Directors is 32 million yen per month (excluding the portion of employee's salary paid to those serving concurrently as employees), and this amount remains in effect to this date.

As the roles and responsibilities of the Directors have increased due to changes in the management environment and the strengthening of the governance structure, and following a review of the officers' remuneration system to further clarify incentives for the enhancement of corporate value, we wish to change the provisions for Directors' remuneration from a monthly amount to an annual amount, and also to revise the maximum amount of remuneration to 500 million yen per year (including a maximum of 60 million yen for Outside Directors).

As previously, the amount of Directors' remuneration will not include the portion of employee's salary paid to those serving concurrently as employees.

Within in the scope of the remuneration amount in this proposal, we will introduce a new performance-linked remuneration system (monetary remuneration) for executive directors, in addition to the existing fixed remuneration, based on the degree of achievement of single-year performance targets and other factors. This performance-linked remuneration would be paid based on objective and measurable performance indicators and in accordance with performance and other results for each fiscal year. Remuneration for Outside Directors will consist solely of fixed remuneration in light of the independent nature of their role.

In addition, separately from the remuneration under this proposal, the Company has received approval for restricted share remuneration for Directors (excluding Outside Directors). After the approval of this proposal, we will transfer to a remuneration structure that appropriately combines fixed remuneration, performance-linked remuneration, and restricted share remuneration.

The details of this proposal have been determined by the Board of Directors, taking into account the deliberations and recommendations of the Remuneration Committee from the perspective of alignment with shareholder interests, while comprehensively considering the scale of the Company's business, the current number of Directors, and future developments. Further, this proposal is consistent with the Policy for Determining the Details of Directors' Remuneration, etc. decided by the Board of Directors (an overview of this policy is provided in the Business Report in this Notice of Convocation, and further details will be disclosed in the Annual Securities Report to be filed), and has been determined to be appropriate.

Note: The Company currently has 8 Directors (including 3 Outside Directors). If Proposal 2: "Election of 7 Directors" is approved as originally proposed, the number of Directors will be 7 (including 3 Outside Directors).