

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 7715

June 4, 2024

Dear shareholders:

Masatsugu Sato
President and Representative Director
NAGANO KEIKI CO., LTD.
1-30-4 Higashimagome, Ohta-ku, Tokyo, Japan

Notice of the 102nd Ordinary General Meeting of Shareholders

We are pleased to announce that the 102nd Ordinary General Meeting of Shareholders of NAGANO KEIKI CO., LTD. (the “Company”) will be held as described below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information as “Notice of the 102nd Ordinary General Meeting of Shareholders” on each of the following websites. Please access either of the websites to view the information.

The Company’s website

Website for posted notices for the general meeting of shareholders:

<https://www.naganokeiki.co.jp/ir/stockholders.html> (in Japanese)

Tokyo Stock Exchange (TSE) website (Listed Company Search):

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

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

<https://d.sokai.jp/7715/teiji/> (in Japanese)

On the TSE website, enter or search for the issue name (company name) “NAGANO KEIKI” or the securities code “7715” and then select “Basic information” and “Documents for public inspection/PR information” to access the materials.

If you are unable to attend the meeting, please exercise your voting rights in advance by using the voting form (by postal mail), which will be sent together with this convocation notice, or via the Internet, etc. (The deadline for exercising your voting rights is 5:25 p.m. on Tuesday, June 25, 2024 (JST).)

1. Date and Time: Wednesday, June 26, 2024 at 10:00 a.m. (JST)

2. Venue Nagano Keiki Technical Solutions Center
2150 Ikuta, Ueda-city, Nagano, Japan

3. Purpose of the Meeting

Matters to be reported

1. The Business Report and the Consolidated Financial Statements for the 102nd fiscal year (from April 1, 2023 to March 31, 2024), and the results of audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 102nd fiscal year (from April 1, 2023 to March 31, 2024)

Matters to be resolved

Proposal No. 1: Appropriation of Retained Earnings

Proposal No. 2: Election of Five (5) Directors

Proposal No. 3: Partial Amendment and Continuation of Share-based Remuneration, etc. for Directors

4. Information About Exercising Your Voting Rights, Etc.

Please refer to “Information About Exercising Your Voting Rights, Etc.” on pages 4 and 5 (pages 3 and 4 of this translation).

5. Matters to be Decided Upon Convocation

Items partially excluded from the paper-based documents delivered

The documents being delivered also serve as a document stating items for which measures for providing information in electronic format are to be taken based on requests for delivery of such documents. Of documents to be attached to this notice, items to be presented as the “Consolidated Statement of Changes in Equity” and “Notes to the Consolidated Financial Statements” in the Consolidated Financial Statements and “Non-consolidated Statement of Changes in Equity” and “Notes to Non-consolidated Financial Statements” in the Non-consolidated Financial Statements are posted on each website (in Japanese only) as provided for by the provisions of laws and regulations and Article 16 of the Articles of Incorporation of the Company. They are therefore not included in the attachments to this notice.

The Consolidated Financial Statements and the Non-consolidated Financial Statements that were audited by the Audit & Supervisory Board Members and the Accounting Auditors in preparing the audit reports include, in addition to the attached documents to this notice, items to be presented as the “Consolidated Statement of Changes in Equity” and “Notes to the Consolidated Financial Statements” in the Consolidated Financial Statements and “Non-consolidated Statement of Changes in Equity” and “Notes to Non-consolidated Financial Statements” in the Non-consolidated Financial Statements.

For those attending the meeting on the day, please submit the voting form that will be sent together with this convocation notice at the reception desk.

If revisions to the items for which measures for providing information in electronic format are to be taken arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company’s aforementioned website, TSE website, and website for posted informational materials for the general meeting of shareholders.

Information About Exercising Your Voting Rights, Etc.

Exercise of voting rights at the Company's General Meeting of Shareholders is shareholders' important right. Please kindly exercise your voting rights after examining the Reference Documents for the General Meeting of Shareholders.

There are three methods to exercise your voting rights as indicated below.

<p>A. Attend the Meeting</p>	<p>Please present the voting form to the receptionist when you attend the Meeting.</p> <p>Date and Time: Wednesday, June 26, 2024 at 10:00 a.m. (JST) (Reception starts at 9:00 a.m.)</p>
<p>B. Exercise the voting rights in writing (by postal mail)</p>	<p>Please indicate, on the voting form, your approval or disapproval of the proposals and return the completed form.</p> <p>Exercise due date: To be received by the Company no later than 5:25 p.m., on Tuesday, June 25, 2024</p>
<p>C. Exercise the voting rights via the Internet, etc.</p>	<p>Please indicate your approval or disapproval of the proposals following the instructions on the next page.</p> <p>Exercise due date: All data entry to be completed no later than 5:25 p.m., on Tuesday, June 25, 2024</p>

Guide to filling in the voting form

Please indicate your approval or disapproval of each proposal.

Proposal No. 1 and No. 3

- If you approve
Put a circle in the box marked 賛 [Approve].
- If you disapprove
Put a circle in the box marked 否 [Disapprove].

Proposal No. 2

- If you approve of all candidates
Put a circle in the box marked 賛 [Approve].
- If you disapprove of all candidates
Put a circle in the box marked 否 [Disapprove].
- If you disapprove of certain candidates
Put a circle in the box marked 賛 [Approve] and write the number(s) designated to each candidate(s) you wish to disapprove.

If no indication is made in the voting form with regard to your approval or disapproval of each proposal, the vote shall be deemed as a manifestation of intention of approval.

Handling of votes exercised in duplicate

If you exercise your voting right in duplicate both by the voting form (by postal mail) and via the Internet, etc., the Company will only deem your exercise via the Internet, etc. valid. If you exercise your voting rights more than once via the Internet, etc., or by using both a personal computer and a mobile phone, only the last vote shall be deemed effective.

Exercise of Voting Rights via the Internet, Etc.

Scanning the QR Code “Smart Vote”

You can simply log in to the website for exercising voting rights without entering your voting code and password.

1. Please scan QR Code provided at the bottom right of the voting form.
* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Please indicate your approval or disapproval by following the instructions on the screen.

Please note that exercising voting rights by using “Smart Vote” method is available only once.

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and log in by entering your voting code and password printed on the voting form, and exercise your voting rights again.

Note: You can access the website for personal computer by scanning the QR Code again.

Entering the voting code and password

The website for the exercise of voting rights: <https://www.e-sokai.jp> (in Japanese)

1. Please access the website for exercise of voting rights.
2. Please enter the voting code given on the voting form.
3. Please enter the password given on the voting form.
4. Please indicate your approval or disapproval by following the instructions on the screen.

In case you need instructions for how to operate your personal computer, smartphone or mobile phone in order to exercise your voting rights via the Internet, please contact:

JAPAN SECURITIES AGENTS, LTD.,
Transfer Agent Department
Web Support Hotline
Phone: 0120-707-743
Business hours: 9:00 a.m. – 9:00 p.m. (JST)
(including Saturdays, Sundays and holidays)

Electronic Voting Platform for institutional investors

Provided that an application to use the platform has been submitted to ICJ, Inc., beforehand institutional investors may use the Electronic Voting Platform for institutional investors operated by ICJ, Inc.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Retained Earnings

The Company proposes the appropriation of retained earnings as follows:

Year-end dividends

The Company regards the return of profit to its shareholders as one of the management priorities, and its basic policy is to comprehensively consider maintaining stable dividends and other facts while enhancing internal reserves to strengthen the management base.

The Company wishes to maintain this basic policy, and as a result of the Company's solid earnings performance for the fiscal year under review, proposes to pay year-end dividends for the fiscal year under review of ¥22 per share, consisting of an ordinary dividend of ¥18 per share and a special dividend of ¥4 per share.

As the Company has already paid an interim dividend of ¥18 per ordinary share of the Company, the annual dividend for the fiscal year will total ¥40 per ordinary share of the Company.

- Type of dividend property
Cash
- Allotment of dividend property and their aggregate amount
¥22 per ordinary share of the Company
Total dividends: ¥422,488,044
- Effective date of dividends of retained earnings
June 27, 2024

Proposal No. 2: Election of Five (5) Directors

At the conclusion of this meeting, the terms of office of three (3) Directors, namely Norio Kakuryu, Toyoshige Kobayashi, and Masanori Suzuki, will expire. Accordingly, in consideration of the purpose of the corporate governance code (diversity of the Board of Directors), the Company wishes to increase the number of Directors by two (2) and proposes the election of five (5) Directors.

The candidates for Director are as follows:

Candidate No.	Name	Current position and responsibility in the Company	Gender	
1	Norio Kakuryu	Managing Director Chairperson of Operating Officer Committee and in charge of Administrative Headquarters	Male	<input type="checkbox"/> Reelection
2	Toyoshige Kobayashi	Director In charge of Sales Headquarters, Technology Headquarters, and Manufacturing Headquarters	Male	<input type="checkbox"/> Reelection
3	Masanori Suzuki	Director	Male	<input type="checkbox"/> Reelection
4	Akihisa Suwa	Senior Operating Officer General Manager of Manufacturing Headquarters	Male	<input type="checkbox"/> New election
5	Yoshiko Umezawa	—	Female	<input type="checkbox"/> New election

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	Norio Kakuryu (May 10, 1960)	<p>Apr. 1979 Joined the Company;</p> <p>Apr. 2011 Deputy General Manager of Finance Department;</p> <p>June 2014 Operating Officer and Deputy General Manager of Finance Department;</p> <p>July 2014 Operating Officer and General Manager of Finance Department;</p> <p>June 2018 Director in charge of Finance Department;</p> <p>July 2023 Managing Director, Chairperson of Operating Officer Committee, and in charge of Administrative Headquarters (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Director of Ashcroft Inc. Audit & Supervisory Board Member of New-Era Co., Ltd. Audit & Supervisory Board Member of NAGANO KEISO CO., LTD</p>	5,200
<p>[Reasons for nomination as candidate for Director]</p> <p>Norio Kakuryu has been engaged in the finance operations over a long time and has been undertaking practical initiatives that are beneficial to management. In addition, he served as the Director responsible for the Group's accounting and finance. Based on his knowledge and insight, he is engaged in overall management of the Group. As such roles will remain important going forward, the Company continues to nominate him as a candidate for Director.</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
2	Toyoshige Kobayashi (January 22, 1963)	<p>Apr. 1985 Joined The Hachijuni Bank, Ltd.;</p> <p>Feb. 2004 General Manager of Wakamiya Branch;</p> <p>Feb. 2006 General Manager of Kumagaya Branch;</p> <p>June 2008 General Manager of Corporate Banking Department;</p> <p>June 2011 General Manager of Showadori Area Showadori Business Department;</p> <p>June 2014 General Manager of Takada Branch;</p> <p>June 2016 Operating Officer and General Manager of Takada Branch;</p> <p>June 2017 Operating Officer and General Manager of Personnel Department;</p> <p>June 2019 Operating Officer and General Manager of Internal Audit Department;</p> <p>June 2020 Director of the Company;</p> <p>Apr. 2021 Director in charge of General Affairs Department;</p> <p>June 2022 Director in charge of Audit Department, Legal and Compliance Department and General Affairs Department;</p> <p>July 2023 Director in charge of Business Headquarters;</p> <p>Apr. 2024 Director in charge of Sales Headquarters, Technology Headquarters, and Manufacturing Headquarters (current position);</p> <p>Apr. 2024 Audit & Supervisory Board Member of Hitachi Astemo & Nagano, Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Audit & Supervisory Board Member of Hitachi Astemo & Nagano, Ltd.</p>	1,000
<p>[Reasons for nomination as candidate for Director]</p> <p>Toyoshige Kobayashi has been utilizing his wealth of experience and broad insights acquired at a financial institution to improve the collective strength of the Group's management as a whole. In addition, he has led the overall operations of general affairs, and legal and compliance, and worked to strengthen the general affairs and human resources functions, legal and compliance, and management foundation of the Group. He is also engaged in strengthening the functions of the sales, engineering, and manufacturing divisions, and such roles will remain important going forward. The Company therefore continues to nominate him as a candidate for Director.</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	Masanori Suzuki (October 9, 1954)	<p>Apr. 1978 Joined the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry);</p> <p>July 2008 Director-General of Industrial Science and Technology Policy and Environment Bureau, Ministry of Economy, Trade and Industry;</p> <p>July 2010 Director-General of Manufacturing Industries Bureau;</p> <p>Aug. 2011 Commissioner of Small and Medium Enterprise Agency;</p> <p>Oct. 2013 Advisor to JGC JAPAN CORPORATION (currently JGC HOLDINGS CORPORATION);</p> <p>June 2014 Director of the Company;</p> <p>July 2014 Director and Operating Officer of JGC JAPAN CORPORATION;</p> <p>June 2016 Director and Senior Operating Officer;</p> <p>June 2018 Director of the Company (current position);</p> <p>Oct. 2019 Director and Senior Operating Officer of JGC HOLDINGS CORPORATION;</p> <p>Oct. 2020 Director of United Semiconductor Japan Co., Ltd. (current position);</p> <p>May 2021 Director and Chairman of MJS M&A Partners CO., LTD. (current position);</p> <p>June 2021 Board Chairman of International Aircraft Development Fund (current position);</p> <p>June 2021 Chairperson of Association for the Promotion of Electric Vehicles (current position);</p> <p>June 2021 Director of Miroku Jyoho Service Co., Ltd.;</p> <p>Apr. 2023 Vice Chairman of the Board, Officer in Charge of DX Business Strategy Office, and Officer in Charge of Promotion of Compliance;</p> <p>Apr. 2024 Vice Chairman of the Board, Officer in Charge of DX Business Strategy Office, Officer in Charge of Promotion of Compliance, and Manager of Internal Control Office (current position)</p> <p>(Significant concurrent positions outside the Company) Director of United Semiconductor Japan Co., Ltd Director and Chairman of MJS M&A Partners CO., LTD. Board Chairman of International Aircraft Development Fund Chairperson of Association for the Promotion of Electric Vehicles Vice Chairman of the Board of Miroku Jyoho Service Co., Ltd.</p>	7,600
<p>[Reasons for nomination as candidate for outside Director and outline of expected roles] Masanori Suzuki has been using his wealth of experience and broad insights acquired at the Ministry of Economy, Trade and Industry, the Small and Medium Enterprise Agency, and other companies to appropriately ask questions from an independent standpoint and a neutral and objective perspective, while providing advice and recommendations to secure the suitability and appropriateness of decision making of the Board of Directors and also contributing to the further invigoration of the Board of Directors. The Company continues to nominate him as a candidate for outside Director as it expects him to use his wealth of experience and broad insights gained at the Ministry of Economy, Trade and Industry, the Small and Medium Enterprise Agency, and other companies for the management of Company from an independent standpoint, and further invigorate the Board of Directors.</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
4	Akihisa Suwa (March 11, 1972)	<p>Apr. 1995 Joined the Company;</p> <p>Apr. 2012 Deputy General Manager of Production Control Department, Maruko Electronic Instrument Plant, Manufacturing Headquarters;</p> <p>Apr. 2016 General Manager of Production Control Department, Ueda Measuring Instrument Plant, Manufacturing Headquarters;</p> <p>June 2016 Acting General Manager of Ueda Measuring Instrument Plant, Manufacturing Headquarters and General Manager of Production Control Department, Ueda Measuring Instrument Plant, Manufacturing Headquarters;</p> <p>Apr. 2017 General Manager of Ueda Measuring Instrument Plant, Manufacturing Headquarters and General Manager of Production Control Department, Ueda Measuring Instrument Plant, Manufacturing Headquarters;</p> <p>June 2018 Operating Officer and General Manager of Ueda Measuring Instrument Plant, Manufacturing Headquarters and General Manager of Production Control Department, Ueda Measuring Instrument Plant, Manufacturing Headquarters;</p> <p>May 2019 Audit & Supervisory Board Member of Yoshitomi-Mahshin,Co.,Ltd.;</p> <p>July 2020 Operating Officer and Deputy General Manager of Manufacturing Headquarters of the Company;</p> <p>Nov. 2020 Operating Officer, Assistant General Manager of Manufacturing Headquarters of the Company and seconded to JADE Sensortechnik GmbH;</p> <p>Dec. 2020 Operating Officer, Assistant General Manager of Manufacturing Headquarters of the Company and Advisory Board Member of JADE Sensortechnik GmbH;</p> <p>July 2022 Operating Officer, General Manager of Manufacturing Headquarters of the Company and Advisory Board Member of JADE Sensortechnik GmbH;</p> <p>June 2023 Senior Operating Officer and General Manager of Manufacturing Headquarters;</p> <p>July 2023 Senior Operating Officer and General Manager of Manufacturing Headquarters, Business Headquarters;</p> <p>Apr. 2024 Senior Operating Officer and General Manager of Manufacturing Headquarters (current position)</p>	—
<p>[Reasons for nomination as candidate for Director] Akihisa Suwa served as General Manager of Production Control Department and General Manager of Ueda Measuring Instrument Plant, where he worked on improving the Company's production system in the manufacturing division for many years. In addition, as General Manager of Manufacturing Headquarters, who is responsible for the execution of operations of the Manufacturing Headquarters, he has demonstrated leadership for the production system. He will continue to play an important role in strengthening the production system based on his knowledge and insight. The Company therefore newly nominates him as a Director.</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
5	Yoshiko Umezawa (February 28, 1960)	<p>Apr. 1991 Full time Lecturer at Department of International Liberal Arts, Shonan Kokusai Women's College;</p> <p>Apr. 2007 Associate Professor at School of Management and Information Sciences, Tama University;</p> <p>Apr. 2008 Part-time Lecturer at Japanese Red Cross College of Nursing;</p> <p>Apr. 2014 Professor at School of Management and Information Sciences, Tama University (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Professor at School of Management and Information Sciences, Tama University</p>	—
<p>[Reasons for nomination as candidate for outside Director and outline of expected roles]</p> <p>Yoshiko Umezawa has abundant experience and broad insight cultivated as an academic expert. The Company expects her to use such experience and insight to play a role in providing advice and recommendations to secure the diversity, suitability and appropriateness of decision making of the Board of Directors, as well as on sustainability with a neutral and objective stance from a researcher's perspective that differs from that of a businessperson.</p> <p>Although she has no direct experience of corporate management, the Company newly nominates her as a candidate for outside Director, as it expects her to use her abundant experience and broad insight for the management of the Company from an academic expert's perspective different to that of a businessperson, and further invigorate the Board of Directors.</p>			

- Notes:
- There is no special interest between any of the candidates and the Company.
 - Akihisa Suwa and Yoshiko Umezawa are new candidates for Director.
 - Akihisa Suwa is scheduled to be appointed as a Director of Nagano Co., Ltd. by a resolution at the 54th Ordinary General Meeting of Shareholders scheduled to be held on June 10, 2024.
 - The name of Yoshiko Umezawa described here is her professional name, but her name on the family register is Yoshiko Kainuma.
 - Masanori Suzuki and Yoshiko Umezawa are candidates for outside Director.
 - The "reasons for recommending a candidate with no involvement in corporate management other than as an outside director" with regard to candidate for outside Director Yoshiko Umezawa are described in [Reasons for nomination as candidate for outside Director and outline of expected roles] for candidate number 5 and the Company has determined that she is capable of appropriately fulfilling duties as outside Director.
 - Masanori Suzuki is currently an outside Director of the Company, and at the conclusion of this general meeting of shareholders, his tenure as outside Director will have been six years.
 - The Company's Articles of Incorporation stipulate that, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company can conclude contracts with its Directors (excluding executive Directors, etc.) to limit their liability for damages, so that those Directors can adequately fulfill the roles expected of them.
Masanori Suzuki is currently an outside Director of the Company, and the Company has entered into a contract with Mr. Suzuki to limit the amount of his liability for damages under Article 423, paragraph (1) of the Companies Act to the minimum amount stipulated in Article 425, paragraph (1) of the Companies Act, presuming that he performs his duties in good faith and without gross negligence. If Mr. Suzuki's reelection is approved, the Company plans to renew the agreement with him.
Pursuant to the provisions, if candidate for outside Director Yoshiko Umezawa is elected and assumes the office as outside Director, the Company plans to enter into a limited liability agreement that limits her liability for damages under Article 423, paragraph (1) of the Companies Act, if she has acted in good faith and without gross negligence in performing her duties, to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act.
 - The Company has concluded a directors and officers liability insurance policy as provided for in Article 430-3 paragraph (1) of the Companies Act with an insurance company. An overview of the content of this policy is provided on page 31 of the Japanese version of this convocation notice. If the new election and reelection of the candidates are approved, they will become insureds under this insurance policy. Moreover, the Company intends to renew the policy at the next renewal date with the same content.
 - The Company has submitted notification to Tokyo Stock Exchange, Inc. that Masanori Suzuki has been designated as an independent officer as provided for by the aforementioned exchange. If Mr. Suzuki's reelection is approved, the Company plans for his designation as an independent officer to continue.
Yoshiko Umezawa satisfies requirements for independent officers based on the stipulation of the Tokyo Stock Exchange, and the Company plans to submit notification to the aforementioned exchange that she will be designated as an independent officer.

Proposal No. 3: Partial Amendment and Continuation of Share-based Remuneration, etc. for Directors

1. Reason for the proposal and basis for appropriateness of the remuneration

The remuneration of the Company's Directors consists of base remuneration and share-based remuneration. Share-based remuneration was introduced at the at the 97th Ordinary General Meeting of Shareholders held on June 27, 2019, with the approval of the shareholders as a share-based remuneration plan for the Company's Directors (excluding outside Directors and part-time Directors) using a trust (hereinafter referred to as the "Plan"). Based on a review of the remuneration system for Directors, the Company requests approval to amend the Plan to a performance-linked share-based remuneration plan and to continue the Plan after changing the maximum number of points to be granted to Directors.

The Company also requests that the details be left to the discretion of the Board of Directors within the framework of 2. below.

The purpose of the Plan is to enhance the awareness among the Directors towards contributing to improving Company's medium- and long-term performance and to increasing its corporate value by making clearer the link between the remuneration of Directors and the Company's business performance and share value and by also making Directors share with shareholders not only benefits but also risks arising from share price fluctuations. Accordingly, the Company considers the partial amendment and continuation of the Plan justifiable.

This proposal is separate from the limit on remuneration for Directors approved at the 80th Ordinary General Meeting of Shareholders held on June 27, 2002 (the maximum monthly amount of ¥20 million, not including the portion of employee's salary), and provides for the payment of share-based remuneration under the amended Plan to Directors (excluding outside Directors and part-time Directors; the same shall apply hereinafter) in office during the five business years from the business year ending March 31, 2025 to the business year ending March 31, 2029 (hereinafter the "Period Covered").

The purpose of the amendment to the Plan is as described above. The Company has established a policy for determining the content of individual remuneration, etc. for Directors at the Board of Directors meeting held on April 26, 2024, the outline of which is described in the Business Report on page 31 (in Japanese only). The Company has determined that the contents of the Plan are in line with such policy and are appropriate.

At present, the number of Directors subject to the Plan is four (4), and if Proposal No. 2, "Election of Five (5) Directors," is approved as proposed, the number of Directors subject to the Plan shall be five (5).

2. Amount and details of remuneration, etc. under the Plan

The amount and details of remuneration, etc. under the Plan after the amendment are as follows.

(1) Outline of the Plan

The Plan is a share-based remuneration plan under which the Company contributes money to the trust (which was already established when the Plan was introduced in 2019; hereinafter referred to as the "Trust"), which acquires the Company's shares, and delivers to each Director through the Trust a number of Company shares equivalent to the number of points granted by the Company to each Director.

The Directors shall receive the Company's Shares upon their retirement, in principle.

(i) Persons eligible for the Plan	Directors of the Company (excluding outside Directors and part-time Directors)
(ii) Period Covered	From the business year ending March 31, 2025 to the business year ending March 31, 2029
(iii) Maximum amount of money the Company will contribute as funds for the acquisition of its shares necessary to deliver to the persons in (i) during the Period Covered in (ii)	¥340 million total
(iv) Acquisition method of the Company's shares	By way of disposition of treasury shares or by acquiring them from the stock exchange market (including off-floor transactions)
(v) Maximum total number of points to be granted to the persons in (i)	21,000 points per business year
(vi) Criteria for granting points	Points shall be granted based on the degree of achievement expected of their position and performance targets, etc.
(vii) Timing of delivery of the Company's shares to the persons in (i)	In principle, at the time of retirement

(2) Maximum amount of money to be contributed by the Company

The Company will extend the trust period of the Trust already established, and will additionally place an amount of money up to ¥340 million in total in trust as remuneration for Directors in office during the Period Covered by the Plan to fund the acquisition of the Company's shares necessary to be delivered to Directors as share-based remuneration under the Plan. The Trust will acquire shares of the Company using the money held in trust by the Company as the source of funds (including the money remaining in the Trust from before the additional trust, in addition to the money additionally entrusted by the Company as described above), either by disposing of the Company's own shares or by acquiring shares from the stock exchange market (including off-floor transactions).

Note: The amount of money that the Company will actually additionally entrust to the Trust will be the sum of the above-mentioned funds for the acquisition of the Company's shares and the estimated amount of necessary expenses such as trust fees and trust administrator's commissions.

In addition, the Company's Board of Directors may, by its resolution, extend the Period Covered for a period of up to five business years, to be determined each time, and further extend the trust period of the Trust accompanying such extension (including the extension of the Trust period in effect by transferring trust assets of the Trust to a trust established by the Company for the same purpose as the Trust; the same shall apply hereinafter) to continue the Plan. In this case, during the Period Covered by such extension, the Company shall additionally entrust the Trust with an amount of money up to ¥68 million multiplied by the number of business years during the Period Covered by such extension, as funds for additional acquisition of the Company's shares necessary to be delivered to the Directors under the Plan, to continue the granting of points and delivery of the Company's shares as described in (3) below.

In addition, if the Plan is not continued without an extension of the Period Covered as described above, for Directors who have already been granted points but have not yet retired at the expiration of the trust period, the trust period of the Trust may be extended until such Directors retire and the delivery of Company shares is completed.

(3) Calculation method of the number of the Company's shares to be delivered to Directors and the maximum number thereof

(i) Method of granting points to Directors, etc.

In accordance with the Share Delivery Regulations established by the Company's Board of Directors, the Company shall grant points to each Director on the date of grant as set forth in the Regulations during the trust period based on the degree of achievement expected of their position and performance targets, etc.

However, the total number of points to be granted to Directors by the Company shall be limited to 21,000 points per business year.

(ii) Delivery of the Company's shares in proportion to the number of points granted

Directors shall receive the Company's shares in proportion to the number of points granted in (i) above, in accordance with the procedures described in (iii) below.

One point shall be equivalent to one share of the Company. However, if it is deemed reasonable to adjust the number of Company's shares to be delivered, such as in the case of a stock split or reverse stock split, the number of the Company's shares per point shall be adjusted according to the split or reverse stock split ratio.

(iii) Delivery of shares of the Company to Directors

Delivery of shares of the Company to each Director as described in (ii) above shall be done from the Trust, subject to the completion of the predetermined beneficiary verification procedures by each Director at the time, in principle, of his/her retirement from office.

However, a certain portion of shares of the Company to be delivered may be sold/realized in the Trust first for the purpose of the Company to withhold funds to pay taxes such as withholding taxes, and delivered in the form of money in lieu of shares of the Company. In addition, in the event of realization of shares of the Company held in the Trust due to the settlement following the circumstances such as subscription to a tender offer for shares of the Company held in the Trust, the Trust may also effect the delivery in the form of money in lieu of shares of the Company.

(4) Exercise of voting rights

The voting rights of the Company's shares within the Trust shall not be exercised without exception in accordance with the instruction of the trust administrator, who is independent of the Company and its officers.

This is intended to ensure the neutrality in the Company's management in relation to the exercise of voting rights of the Company's shares within the Trust.

(5) Handling of dividends

The dividends of the Company's shares within the Trust shall be received by the Trust and mainly used for the acquisition of the Company's shares or trust fees to the trustee pertaining to the Trust.

Reference Skill Matrix After Approval of Proposal No. 2 (Planned)

List of Directors and Audit & Supervisory Board Members

Title	Name	Corporate management	Development/Technology/Manufacturing	Marketing/Sales	Finance & Accounting	Legal affairs/Risk Management/Governance	Personnel & Labor affairs	Sustainability	IT	Global experience	Public policy
President and Representative Director	Masatsugu Sato	○	○					○	○		
Managing Director	Norio Kakuryu	○			○	○	○				
Director	Toyoshige Kobayashi			○	○	○	○				
Director	Akihiko Ono			○		○		○	○		
Director	Akihisa Suwa		○							○	
Director	Masanori Suzuki	[Outside] [Independent]	○	○						○	○
Director	Yoshiyuki Terashima	[Outside] [Independent]									○
Director	Yoshiko Umezawa	[Outside] [Independent]						○			
Audit & Supervisory Board Member	Toshie Yajima	○		○	○						
Audit & Supervisory Board Member	Mamoru Odanaka				○		○				
Audit & Supervisory Board Member	Hirotohi Mizusawa	[Outside] [Independent]	○	○		○					
Audit & Supervisory Board Member	Tadashi Kanki	[Outside]	○		○	○					

[Outside] Outside Director or outside Audit & Supervisory Board Member

[Independent] Independent officer

Reference Corporate Governance Organization

1. Basic Policy

The Company considers that the role of corporate governance is to enhance management transparency, to realize the Company's creed and corporate philosophy, and to promote the Group's sustainable growth and enhance its corporate value over the medium to long term, and will enhance corporate governance in accordance with the following basic principles.

(1) Relationship with shareholders and stakeholders other than shareholders

(i) Relationship with shareholders

- a. The Company shall establish a system to ensure that the rights of shareholders can be exercised appropriately.
- b. The Company shall give due consideration to ensuring the substantial equality of shareholders.

(ii) Appropriate collaboration with stakeholders other than shareholders

The Company will make its business operations more transparent not only to shareholders but also to stakeholders other than shareholders, and will engage in sound and fair corporate activities based not only on laws and regulations but also on ethics.

(2) Dialogue with shareholders

The Company will promote dialogue with shareholders and investors through explanations by the President and Representative Director and the Directors themselves.

(3) Ensure appropriate information disclosure and transparency

The Company will promote the disclosure of non-financial information, including information related to management strategies, management issues, risks and governance.

(4) Corporate Governance Structure

(i) The Company shall adopt the Company with Audit & Supervisory Board.

(ii) Based on its fiduciary responsibility to shareholders, the Company's Board of Directors shall aim to enhance corporate value over the medium to long term through management decision-making and supervisory functions.

(iii) The Board of Directors shall respect management decisions based on the expertise of Directors, as well as the independent advice and recommendations of Outside Directors, and shall supervise the execution of business by Directors.

(iv) The Audit & Supervisory Board shall strengthen cooperation between internal Audit & Supervisory Board Members and the Internal Audit Department, and audit the execution of business by Directors by utilizing the rich experience and insight of outside Audit & Supervisory Board Members.

2. Corporate Governance Structure Chart

The corporate governance structure schematic as of March 31, 2024 is as follows:

