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Securities Code: 6277

December 2, 2024

(Start date of Electronic Provision Measure: November 25, 2024)

To Our Shareholders

1-9, Shodaitajika, Hirakatashi, Osaka

**HOSOKAWA MICRON  
CORPORATION**

Representative Director, President, Chief  
Executive Officer  
Kohei Hosokawa

## **Notice of the 80th Annual General Meeting of Shareholders**

The Company would hereby like to announce the Company's 80th Annual General Meeting of Shareholders as described below.

As the convocation of this annual general meeting adopts the electronic provision measure, the notice Matters on Electronic Provision Measure is published on the following website in the "Notice of the 80th Annual General Meeting of Shareholders" and "Other Matters on Electronic Provision Measure (Matters on Omission of Issued Documents)."

Our website

<https://www.hosokawamicron.co.jp/jp/ir/share/meeting.html>



In addition, the information is also posted on the Internet at the following website.

Please access the following website, enter and search for the Company's name or securities code (6277), select "Basic Information" and then "Public Documents/PR Information" and confirm.

TSE website (Company Announcement Service)

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



**In lieu of attendance at the meeting on the date, you may also exercise your voting rights in writing or via the Internet. We kindly request you to read the Reference Document for the Annual General Meeting of Shareholders included in the Matters on Electronic Provision Measures, exercise your voting rights in accordance with the "Guide on How to Exercise Your Voting Rights" on page 3, and return it no later than the end of business at 5 p.m. on Monday, December 16, 2024.**

Sincerely yours,

1. **Date:** Tuesday, December 17, 2024 at 10 a.m.
2. **Venue:** 1-9, Shodaitajika, Hirakatashi, Osaka  
HOSOKAWA MICRON CORPORATION Headquarters  
Building, 12th floor
3. **Purposes**
  - Items to be reported**
    1. The business report, the consolidated financial statements and the results of consolidated financial statement audits by the Accounting Auditor and the Board of Corporate Auditors for the 80th business period (October 1, 2023, to September 30, 2024)
    2. The non-consolidated financial statements for the 80th business period (October 1, 2023, to September 30, 2024)
  - Items to be resolved**
    - Item No. 1** Appropriation of Retained Earnings
    - Item No. 2** Reduction of Capital Reserve
    - Item No. 3** Election of Eight (8) Directors

End

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- When you attend the meeting, we request that you submit the enclosed voting form to the receptionist at the venue. To conserve resources, please bring the Notice of Annual General Meeting of Shareholders.
  - Regarding this Annual General Meeting of Shareholders, the Company will uniformly send out a document containing the Matters Regarding Electronic Provision Measure, regardless of whether or not a request for delivery of the document has been made. Among the Matters Regarding Electronic Provision Measure, the following items are not included in the document to be sent pursuant to the provisions of laws and regulations and Article 15 of the Articles of Incorporation of the Company.
    - (1) Consolidated financial statements (Consolidated statement of changes in equity and notes to consolidated financial statements)
    - (2) Non-consolidated financial statements (Statement of changes in equity and notes to non-consolidated financial statements)
- Therefore, the consolidated financial statements and non-consolidated financial statements included in this document are part of the subject documents audited by the accounting auditor in preparing the results of the accounting audit and by the corporate auditor in preparing the audit report.
- If any amendments are made to the Matters on Electronic Provision Measures, you will be notified via a notice on the respective websites where the information is posted.

## Guide on How to Exercise Your Voting Rights

Voting rights may be exercised by any of the three methods below.

Please review the Reference Document for the Annual General Meeting of Shareholders included in the Matters on Electronic Provision Measures, and exercise your rights.

### When you attend Annual General Meeting of Shareholders

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Please submit the enclosed voting form to the receptionist at the venue.

In addition, to conserve resources, we request you bring the Notice of Annual General Meeting of Shareholders.

**Date**

Tuesday, December 17, 2024 at 10 a.m. (Reception opens at 8:30 a.m.)

### When you exercise your voting rights using the voting form

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Please indicate “for” or “against” on each agenda item on the voting form enclosed herewith, and post it without affixing a stamp.

When there is no indication of “for” or “against,” it will be considered as “for.”

**Exercise  
period**

No later than 5 p.m. on Monday, December 16, 2024

### When you conduct online voting

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Access “Voting Right Exercise Website” via a smartphone, computer, etc., and indicate “for” or “against” on each agenda item following the guidance on screen.

For more details, please refer to “How to Do Online Voting” on the following page.

**Exercise  
period**

No later than 5 p.m. on Monday, December 16, 2024

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- When voting rights are exercised both by mail and via the Internet, etc., the vote cast via the Internet, etc. will be treated as the valid exercise of voting rights. In addition, if the voting rights are exercised more than once via the Internet, etc., the last exercise of voting rights shall be treated as the valid exercise of voting rights.
  - Expenses related to the Internet (connection fees, communication charges, etc.) shall be borne by the shareholder.
  - It may not be available depending on the Internet environment, the service subscribed to, or the PC model in use.

## **Items for resolution and reference material**

### **Item No. 1 Appropriation of Retained Earnings**

Our basic policy is to strive to increase the amount of dividends per share while reflecting changes in our business performance and stably distributing profits to our shareholders, with a target total return ratio of 50%. As for the year-end dividend for the current fiscal year, based on the basic policy of returning profits to shareholders, we propose a dividend of 70 yen per share, an increase of 20 yen per share over the initial forecast.

#### **Matters related to year-end dividend**

- 1) Type of dividend assets  
It shall be cash.
- 2) Matters related to the allocation of dividend property and total amount  
70 yen per share of the Company's common stock  
The total amount of dividend in this case is 1,038,522,940 yen.
- 3) Effective date of the dividends of surplus  
December 18, 2024

### **Item No. 2 Reduction of Capital Reserve**

1. Reason for Reduction of Capital Reserve  
In order to ensure the agility and flexibility of our future capital policy, we would like to reduce the amount of the Company's capital reserve and transfer it to other capital surplus in accordance with the provisions of Article 448, Paragraph 1 of the Companies Act.
2. Details of Reduction of Capital Reserve
  - (1) Amount of Reduction of Capital Reserve  
The capital reserve of 3,206,917,643 yen will be reduced by 3,000,000,000 yen and the entire amount of the reduction will be transferred to other capital surplus, leaving the amount of the capital reserve after the reduction at 206,917,643 yen.
  - (2) Effective Date of Reduction of Capital Reserve  
February 28, 2025

### Item No. 3 Election of Eight (8) Directors

The term of all ten (10) Directors will expire at the conclusion of the Annual General Meeting of Shareholders. Therefore, the Company proposes the election of eight (8) Directors.

The candidates for Directors are as follows:

Candidate number	Name	Gender	Current position and responsibilities in the Company	Status of attendance at the Board of Directors
1	Kohei Hosokawa Re-elected	Male	Representative Director, President, Chief Executive Officer, in charge of International Business	18/18 (100%)
2	Tetsuya Inoue Re-elected	Male	Director, Vice President, Vice Executive Officer, in charge of Management and Sustainability	18/18 (100%)
3	Masahiro Inoki Re-elected	Male	Director & Managing Executive Officer, in charge of Domestic Powder Business & Head of Powder Technology Research Institute	18/18 (100%)
4	Hiroyuki Tsujimoto Re-elected	Male	Director, Operating Officer, in charge of Material Business, Head of Material Business Division, General Manager of Sales Group, General Manager of Healthcare Department II	18/18 (100%)
5	Tatsuo Fujioka Re-elected Outside Director Independent Director	Male	Director	18/18 (100%)
6	Yukari Sato Re-elected Outside Director Independent Director	Female	Director	18/18 (100%)
7	Atsuko Shimosaka Re-elected Outside Director Independent Director	Female	Director	18/18 (100%)
8	Tetsuo Hoshiya Re-elected Outside Director Independent Director	Male	Director	15/15 (100%)

Note: As Mr. Tetsuo Hoshiya was elected at the 79th Annual General Meeting of Shareholders held on December 14, 2023, his attendance at the meetings of the Board of Directors differs from that of the other Directors.

Candidate number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
1	<p data-bbox="336 958 507 1043">Kohei Hosokawa Born on February 8, 1984 (male)</p> <p data-bbox="368 1081 475 1104">Re-elected</p>	<p data-bbox="544 284 1230 1328"> April 2009      Joined the Company  July 2009      Test Center, Technology Development Department, Sales Division, Osaka Headquarters  October 2011    The Powder Technology Research Institute  March 2014      Completed Doctor's Program of Material Science Course, Division of Materials and Manufacturing Science, Graduate School of Engineering, Osaka University  October 2014    Stationed at Hosokawa Alpine Aktiengesellschaft (Germany)  October 2017    Stationed at Hosokawa Micron International Inc., Vice President (U.S.A.)  October 2018    Operating Officer, Assistant Division Director of Powder Processing System Division, Senior General Manager of Technology  October 2019    Vice President &amp; Operating Officer, Business Management, in charge of Hosokawa Kaizen Team  December 2019   Representative Director, Vice President, Vice Executive Officer, Business Management, in charge of Hosokawa Kaizen Team  October 2020    Representative Director, Vice President, Vice Executive Officer, Business Management, in charge of Hosokawa Kaizen Team, Divisional Manager of International Administration Div.  May 2021       Representative Director, President, Chief Executive Officer, Business Management, in charge of Hosokawa Kaizen Team, Divisional Manager of International Administration Div.  October 2021    Representative Director, President, Chief Executive Officer, Divisional Manager of International Administration Div.  October 2024    Representative Director, President, Chief Executive Officer, in charge of International Business (present) </p> <p data-bbox="544 1339 1230 1778"> <b>Reasons for nominating as candidate for Director</b>  Through his experience in the Research and Development and Technology departments and group companies in Europe and the U.S., he has accumulated knowledge and skills related to general management issues. In addition, he has a wide range of insight in powder technology and a broad perspective and a strong ability to take action as a member of the founder's family. Since his inauguration as Representative Director and President in May 2021, he has been supervising overall management of the Company, and demonstrating leadership in the domains of technology research and development as well as technology development and business improvement in our Group. From the viewpoint of the sustainable growth of the Company and the improvement of mid- and long-term corporate value, the Company has nominated him as a candidate for Director again to effectively strengthen the decision-making and supervision functions of the Board of Directors. </p>	256,310 shares

Candidate number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
2	<p>Tetsuya Inoue Born on December 3, 1963 (male)</p> <p>Re-elected</p>	<p>April 1986      Joined the Company</p> <p>April 2004      Operating Officer, Assistant Division Director of Finance &amp; Accounting Div.</p> <p>October 2010    Managing Executive Officer, Division Director of Finance &amp; Accounting Div.</p> <p>December 2011   Director &amp; Managing Executive Officer, Division Director of Finance &amp; Accounting Div., General Manager of Finance Department</p> <p>October 2014    Director &amp; Managing Executive Officer, General Affairs &amp; Finance Operations, Division Director of Finance &amp; Accounting Div.</p> <p>October 2017    Director &amp; Managing Executive Officer, General Affairs &amp; Finance Operations</p> <p>April 2020      Director, Vice President, Vice Executive Officer, General Affairs &amp; Finance Operations</p> <p>October 2020    Director, Vice President, Vice Executive Officer, Administrative Operations, Division Director of Management Strategy Division</p> <p>October 2021    Director, Vice President, Vice Executive Officer, Administrative Op.</p> <p>October 2024    Director, Vice President, Vice Executive Officer, in charge of Management and Sustainability (present)</p> <p><b>Reasons for nominating as candidate for Director</b> He has been playing an active role mainly in the area of accounting and finance-related matters in administration departments of the Company and overseas group companies. He has a wealth of experience and broad knowledge that enable him to decide the policies for the Company and subsidiaries and execute proper management. From the viewpoint of continuous growth of the Company and the improvement of mid- and long-term corporate value, the Company has nominated him as a candidate for Director again to effectively strengthen the decision-making and supervision functions of the Board of Directors.</p>	16,700 shares

Candidate number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
3	Masahiro Inoki Born on February 25, 1958 (male)  Re-elected	<p>April 1983      Joined The Powder Technology Research Institute</p> <p>September 1986      Joined the Company</p> <p>October 2002      Supervisor, Hosokawa Powder Technology Research Institute</p> <p>October 2008      Senior General Manager, Technology Development Department, Sales Division, Osaka Headquarters</p> <p>October 2011      Operating Officer, Division Director of Powder Technology Research Institute</p> <p>December 2017      Director &amp; Managing Executive Officer, Director of Powder Technology Research Institute</p> <p>October 2019      Director &amp; Managing Executive Officer, Division Director of Powder Technology Research Institute, General Manager of Hosokawa Kaizen Team</p> <p>April 2020      Director &amp; Managing Executive Officer, Division Director of Powder Technology Research Institute, Division Director of Technical Development Department, General Manager of Hosokawa Kaizen Team</p> <p>October 2020      Director &amp; Managing Executive Officer, Manager of Powder Technology Research Institute and Test Center</p> <p>October 2021      Director &amp; Managing Executive Officer, Business Op. &amp; Divisional Manager of Powder Technology Research Institute</p> <p>October 2023      Director &amp; Managing Executive Officer, Business Op. &amp; Division, Manager of Powder Technology Research Institute and Test Center</p> <p>October 2024      Director &amp; Managing Executive Officer, in charge of Domestic Powder Business, Divisional Manager of Powder Technology Research Institute (present)</p> <p><b>Reasons for nominating as candidate for Director</b> As the Director of The Powder Technology Research Institute, he has abundant experience and knowledge in the area of research and development of new products and technologies. In addition, as Chairperson of the International R&amp;D Conference, he has been promoting technological development of the entire group. From the viewpoint of continuous growth in the domain of technological development of the Company and the improvement of mid- and long-term corporate value, the Company has nominated him as a candidate for Director again to effectively strengthen the decision-making and supervision functions of the Board of Directors.</p>	3,200 shares



Candidate number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
4	<p data-bbox="352 815 491 954">Hiroyuki Tsujimoto Born on December 21, 1963 (male)</p> <p data-bbox="368 987 475 1014">Re-elected</p>	<p data-bbox="544 284 1230 1227"> November 1988    Joined the Company  November 1990    The Powder Technology Research Institute, Research &amp; Development Division  July 2004        Manager of Micron Beauty Science Research Institute, Hosokawa Powder Technology Research Institute  October 2010    Manager of Pharmaceutical / Beauty Science Center, Material Business Division  October 2011    Operating Officer, Division Director of Material Business Division, Manager of Pharmaceutical / Beauty Science Center, Material Business Division  October 2018    Operating Officer, Division Director of Material Business Division, Senior General Manager of Material Business Division, General Manager of Sales Group, Manager of Pharmaceutical / Beauty Science Center  October 2020    Operating Officer, Divisional Manager of Material Business Div, General Manager of Sales Group, Manager of Pharmaceutical / Beauty Science Center  December 2021   Director, Operating Officer, Divisional Manager of Material Business Div, General Manager of Sales Group, Manager of Pharmaceutical / Beauty Science Center  October 2023    Director, Operating Officer, Head of Materials Business Division, General Manager of Sales Group  October 2024    Director, Operating Officer, in charge of Material Business, Head of Material Business Division, General Manager of Sales Department, General Manager of Healthcare Department II (present) </p> <p data-bbox="544 1234 1230 1532"> <b>Reasons for nominating as candidate for Director</b>  After being engaged in research and development of powder equipment at the Company, as the Division Director of the Material Business Division, he has abundant experience and knowledge in the development of new materials using powder technology and manufacture of hair growth agents and cosmetics. From the viewpoint of continuous growth of the Company and the improvement of mid- and long-term corporate value through the realization of those material businesses, the Company has nominated him as a candidate for Director again to effectively strengthen the decision-making and supervision functions of the Board of Directors. </p>	10,600 shares

Candidate number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
5	<p>Tatsuo Fujioka Born on January 25, 1952 (male)</p> <p>Re-elected Outside Director Independent Director</p>	<p>April 1975      Joined The Hyakujushi Bank, Ltd. February 2000      Manager, Kuko-guchi Branch, The Hyakujushi Bank, Ltd. January 2002      Manager, Kujo Branch, The Hyakujushi Bank, Ltd. July 2005      Manager, Kobe Branch, The Hyakujushi Bank, Ltd. January 2008      Manager, Imabari Branch, The Hyakujushi Bank, Ltd. July 2008      Assistant Manager, Sales Management Department, The Hyakujushi Bank, Ltd. (resigned from the bank in March 2010) December 2009      Standing Corporate Auditor, Chuo Tatemono Co., Ltd. (dispatched from The Hyakujushi Bank, Ltd.) June 2015      Deputy Manager, Administration Department, Chuo Tatemono Co., Ltd. (resigned from Chuo Tatemono Co., Ltd. in January 2016) December 2015      Director of the Company (present)</p> <p><b>Reasons for nominating as candidate for Outside Director and expected role</b> He has abundant experience and broad knowledge in financial matters. For him to utilize them and give advice and proposals for the management of the Company, the Company has nominated him as a candidate for Outside Director again.</p>	2,000 shares

Candidate number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
6	<p data-bbox="336 696 507 779">Yukari Sato Born on August 19, 1961 (female)</p> <p data-bbox="336 819 507 931">Re-elected Outside Director Independent Director</p>	<p data-bbox="544 284 1230 338">May 1986 Received B.A. in Political Science from Columbia University, U.S.A.</p> <p data-bbox="544 344 1230 398">May 1988 New York Bureau, TV Asahi (Foreign News Desk)</p> <p data-bbox="544 405 1230 488">August 1997 Established R&amp;F Marketing Studio, Inc. (in New York State) and served as President and Representative Director</p> <p data-bbox="544 495 1230 548">May 1998 Received Ph.D. in Economics from New York University (Financial Economics)</p> <p data-bbox="544 555 1230 609">September 2005 Elected to the House of Representatives for the first time (the 44th general election)</p> <p data-bbox="544 616 1230 674">December 2012 Parliamentary Secretary for Economy, Trade and Industry</p> <p data-bbox="544 680 1230 763">October 2018 Senior Vice-Minister for Internal Affairs and Communications, Senior Vice-Minister of Cabinet Office</p> <p data-bbox="544 770 1230 801">September 2019 Senior Vice-Minister for Environment</p> <p data-bbox="544 808 1230 840">December 2021 Director of the Company (present)</p> <p data-bbox="544 846 1230 900">July 2023 Representative Director of Future Analytics Co., Ltd. (present)</p> <p data-bbox="544 907 1230 990">June 2024 Outside Director (Audit and Supervisory Committee Member), SRS HOLDINGS CO., LTD. (present)</p> <p data-bbox="544 996 1230 1028"><b>Important positions held at another company</b></p> <p data-bbox="544 1034 1230 1066">Representative Director of Future Analytics Co., Ltd.</p> <p data-bbox="544 1072 1230 1126">Outside Director (Audit and Supervisory Committee Member), SRS HOLDINGS CO., LTD.</p> <p data-bbox="544 1133 1230 1164"><b>Reasons for nominating as candidate for Outside Director and expected role</b></p> <p data-bbox="544 1171 1230 1344">Ms. Yukari Sato served as Senior Vice-Minister for Internal Affairs and Communications, Senior Vice-Minister for Cabinet Office, and Senior Vice-Minister for Environment, and worked in various other posts. For her to utilize her abundant experience and broad knowledge and give advice and proposals for the management of the Company, the Company has nominated her as a candidate for Outside Director again .</p>	0 shares

Candidate number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
7	<p data-bbox="339 566 504 678">Atsuko Shimosaka Born on May 15, 1953 (female)</p> <p data-bbox="339 719 504 831">Re-elected Outside Director Independent Director</p>	<p data-bbox="544 284 1230 618"> April 1976      Practical Assistant, Faculty of Engineering, Doshisha University  April 1993      Laboratory Lecturer, Faculty of Engineering, Doshisha University (resigned from Doshisha University in March 2019)  March 2005      Received Ph.D. in Engineering from Doshisha University  April 2019      Part-time Lecturer, Faculty of Science and Engineering, Doshisha University (resigned from Doshisha University in March 2024)  December 2021      Director of the Company (present) </p> <p data-bbox="544 763 1230 1104"> <b>Important positions held at another company</b>  Ph.D. in Engineering  <b>Reasons for nominating as candidate for Outside Director and expected role</b>  For her to utilize her academic knowledge in the fields of powder engineering and chemical engineering as a Doctor of Engineering and a university lecturer and give advice and proposals for the management of the Company, the Company has nominated her as a candidate for Outside Director again. Ms. Atsuko Shimosaka has never been directly engaged in company management. However, due to the reasons above, the Company has assessed that she is fully capable of performing the duties of Outside Director. </p>	0 shares

Candidate number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
8	Tetsuo Hoshiya Born on August 16, 1959 (male)  Re-elected Outside Director Independent Director	<p>April 1983      Joined the Industrial Bank of Japan (currently Mizuho Bank, Ltd.)</p> <p>September 2006      Joined Citibank N.A. as Director of Tokyo Branch</p> <p>March 2008      Director, Osaka Branch Manager of Citibank Japan Ltd.</p> <p>March 2009      Concurrently General Manager, Public Corporation Department of Citibank Japan Ltd.</p> <p>June 2011      Joined ING Bank N.V. as Director of Tokyo Branch and Head of Sales Division</p> <p>October 2013      Managing Director, Representative in Japan and Head of Sales Division of ING Bank N.V.</p> <p>April 2019      Deputy Chief Ceremony Officer of the Tokyo Organising Committee of the Olympic and Paralympic Games</p> <p>April 2021      Advisor (Ceremony) to the Organising Committee</p> <p>June 2021      Outside Auditor of Nippon Yakin Kogyo Co., Ltd. (present)</p> <p>June 2021      Outside Director of G. taste Co., Ltd. (current Yakiniku Sakai Holdings Inc) (present)</p> <p>December 2023      Director of the Company (present)</p> <p><b>Important positions held at another company</b> Outside Auditor of Nippon Yakin Kogyo Co., Ltd. Outside Director of Yakiniku Sakai Holdings, Inc.</p> <p><b>Reasons for nominating as candidate for Outside Director and expected role</b> He has held important positions and has abundant experience and broad knowledge in the financial industry. For him to utilize them and give advice and proposals for the management of the Company, the Company has nominated him as a candidate for Outside Director again.</p>	0 shares

Note

1. There are no special relationships between each candidate and the Company.
2. Mr. Tatsuo Fujioka, Ms. Yukari Sato, Ms. Atsuko Shimosaka and Mr. Tetsuo Hoshiya are candidates for Outside Directors.
3. The Company has concluded an agreement with Mr. Tatsuo Fujioka, Ms. Yukari Sato, Ms. Atsuko Shimosaka, and Mr. Tetsuo Hoshiya to limit their liability pursuant to the provisions of Article 423, Paragraph 1 of the Companies Act, in accordance with Article 427, Paragraph 1 of the said law. The amount of liability under the agreement shall be limited to the minimum amount provided for by laws and regulations. The Company will continue the above liability limitation agreement in the event that this proposal is approved.
4. The Company is scheduled to appoint Mr. Tatsuo Fujioka, Ms. Yukari Sato, Ms. Atsuko Shimosaka and Mr. Tetsuo Hoshiya as Independent Directors as set forth by Tokyo Stock Exchange, Inc. and provide a notice to that effect.
5. Mr. Tatsuo Fujioka will have been in office as Outside Director of the Company for nine (9) years at the conclusion of the Annual General Meeting of Shareholders. Ms. Yukari Sato and Ms. Atsuko Shimosaka will have been in office as Outside Director of the Company for three (3) years and Mr. Tetsuo Hoshiya will have been in office as Outside Director of the Company for one (1) year at the conclusion of the Annual General Meeting of Shareholders.
6. The Company has concluded a directors and officers liability insurance policy with an insurance agency, as set forth in Article 430-3, Paragraph 1 of the Companies Act, with Directors as the insured persons. The insurance policy compensates for damages and litigation expenses incurred in shareholder representative lawsuits, corporate lawsuits, and third-party lawsuits to be borne by the insured persons, and the Company bears the full amount of the insurance premiums of the insured persons. If this proposal is approved and each of the candidates assumes office as Director, he or she will be insured under the insurance policy.

Reference: Composition and expertise and experience of the Board of Directors and the Board of Corporate Auditors if Proposal 3 is approved

The following table outlines the specialties and experience of the candidate Directors and Auditors, which the Company expects them to demonstrate.

Name		Independence (Outside Directors only)	Specialties and Experience (Fields Where There Are Expectations)						
			Manufacturing/ Technology/ Research & Development	Sales/ Marketing	International Business	Finance, Accounting, & Human Resources	Legal & Risk Management	ICT/ DX	Sustainability/ ESG
Director	Kohei Hosokawa		●	●	●			●	
	Tetsuya Inoue				●	●	●		●
	Masahiro Inoki		●	●				●	●
	Hiroyuki Tsujimoto		●	●				●	●
	Tatsuo Fujioka	Outside	●			●	●		●
	Yukari Sato	Outside	●		●	●			●
	Atsuko Shimosaka	Outside	●	●				●	
	Tetsuo Hoshiya	Outside	●		●	●	●		
Corporate Auditor	Michiko Hirai				●	●	●		
	Hiroshi Kokubu	Outside	●			●	●		
	Yoshimitsu Katsui	Outside	●			●	●		

In order to realize our Corporate Vision and medium-term three-year management plan, we believe that the expertise and experience required for the Board of Directors are manufacturing, technology, research and development, sales and marketing, and international business, as well as finance, accounting, human resources, legal and risk management from the perspective of maintaining management transparency and soundness, and ICT, digital transformation (DX), and sustainability and ESG from the perspective of exercising the functions of the Board of Directors and ensuring diversity.

(Reference)

**Criteria for Independence of Independent Outside Directors and Corporate Auditors**

The Company deems an Outside Director and Outside Auditor (hereinafter “Outside Officer”) or a candidate for the Outside Officer to have sufficient independence from the Company in the event that the person does not fall under any of the following categories, as determined in the Company’s research to the practically possible and reasonable extent.

1. A person who executes business for the Company or an affiliate company of the Company (hereinafter collectively “the Group Company”)

However, a person who did not execute business at the Company for 10 years prior to the inauguration is excluded.

For the purpose of the criteria, “a person who executes business” means an executive director, executive officer, operating officer, manager and other employees.
2. A party that has transactions principally with the Group Company or a person who executes business for the party

“A party that has transactions principally with the Group Company” means a party that received payment which is 2% or more than the consolidated annual net sales of the party, from the Group Company in the most recent fiscal year or any of the three precedent fiscal years.
3. A Group Company’s major customer or a person who executes business for the party

“A Group Company’s major customer” means a party that provides payment which is 2% or more than the consolidated annual net sales of the Company, to the Group Company in the most recent fiscal year or any of the three precedent fiscal years.
4. A major shareholder of the Company or a person who executes business for a major shareholder

“A major shareholder of the Company” means a person who directly or indirectly holds 10% or more of the total voting rights of the Company.
5. A party in which 10% or more of the total voting rights is directly or indirectly held by the Group Company
6. A consultant, accountant or lawyer who receives a large amount of cash or other financial assets besides officer remuneration from the Group Company (when a party is an organization such as a company and a union, a person who belongs to the party)

“A large amount of cash or other financial assets” means cash or other financial profit which has been on average 10 million yen or more a year in the past three years.
7. A person who executes business for a major creditor of the Group Company

“A major creditor” means a party that financed an amount which is 2% or more of the Group Company’s consolidated total assets in the most recent fiscal year.
8. A person who executes business for the Company that accepts Director or Corporate Auditor from the Group Company
9. A spouse or any relative within the second degree of kinship or living with the person falling under 1 to 8 of the above

End

End