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Securities Code: 6254

May 31, 2023

To Our Shareholders:

Makoto Uchida Representative Director  
**Nomura Micro Science Co., Ltd.**  
2-9-10 Okada, Atsugi-shi, Kanagawa

## Notice of the 54th Annual General Meeting of Shareholders

We are pleased to announce the 54th annual general meeting of shareholders of Nomura Micro Science Co., Ltd. (the “Company”), which will be held as indicated below.

In convening this General Meeting of Shareholders, the Company has taken 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 has posted the information on each of the following websites. Please access either of the websites to view the information.

The Company’s website:

<https://www.nomura-nms.co.jp/ir/stock/generalmeeting.html> (in Japanese)

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

<https://d.sokai.jp/6254/teiji/> (in Japanese)

TSE website (Listed Company Search):

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

(Access the TSE website by using the internet address shown above, enter “Nomura Micro Science” in “Issue name (company name)” or the Company’s securities code “6254” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

In addition, voting rights can be exercised by one of the following methods instead of attendance on the day of the event, so please exercise your voting rights after reviewing the reference documents for the general meeting of shareholders below.

[In the case of exercising voting rights in writing (mail)]

Please indicate your approval or disapproval of the proposals on the enclosed Voting Rights Exercise Form and send it so that it arrives no later than 5:40 p.m. (JST) on Wednesday, June 21, 2023.

[In the case of exercising voting rights via the Internet]

Please access the voting website designated by the Company (<https://evote.tr.mufg.jp/>) and follow the on-screen instructions to enter your approval or disapproval of the proposals by Wednesday, June 21, 2023 at 5:40 p.m. (JST).

**1. Date and Time:** Thursday, June 22, 2023 at 10:00 a.m. (JST)

**2. Venue:** Rembrandt Hotel Atsugi Third Floor Banquet Halls Sagami  
2-13-1 Nakamachi, Atsugi-shi, Kanagawa

### 3. Agenda

#### Matters to be Reported

1. The business report for the 54th period (from April 1, 2022 to March 31, 2023), contents of consolidated financial statements, and report on the results of audits of consolidated financial statements by the financial auditor and the Audit and Supervisory Committee

2. Report on the contents of financial statements for the 54th period (from April 1, 2022 to March 31, 2023)

**Matters to be resolved:**

- |                       |   |
|-----------------------|---|
| <b>Proposal No. 1</b> | Appropriation of Surplus  |
| <b>Proposal No. 2</b> | Election of Four Directors (excluding Directors Who Are Audit and Supervisory Committee Members)  |
| <b>Proposal No. 3</b> | Election of Three Directors Who Are Audit and Supervisory Committee Members   |
| <b>Proposal No. 4</b> | Revision of Remuneration Amount for Granting Restricted Shares to Directors (excluding Outside Directors and Directors Who Are Audit and Supervisory Committee Members) |
| <b>Proposal No. 5</b> | Revision of Remuneration Amount for Directors Who Are Audit and Supervisory Committee Members   |
| <b>Proposal No. 6</b> | Payment of Retirement Benefits for Retiring Directors   |

**4. Matters to be Decided upon Convocation (Information on the Exercise of Voting Rights)**

- (1) If there is no indication of approval or disapproval on Exercise Voting Rights Form, it will be deemed that approval has been indicated for the relevant proposal.
- (2) If voting rights are exercised multiple times via the Internet, the last exercise of voting rights will be treated as valid.
- (3) In the event that voting rights are exercised both by mail and via the Internet, the vote cast via the Internet will be deemed valid, regardless of the date and time of arrival.
- (4) If voting rights are exercised by a proxy, one other shareholder with voting rights may attend the general meeting of shareholders as a proxy. However, please note that it is necessary to submit a document proving the right of representation.
- (5) When voting rights are exercised without unifying them (limited to shareholders who hold shares for others, such as stock trusts), please notify the Company in writing or by electromagnetic means to that effect and reason at least three days before the general meeting of shareholders.

- Notes:
1. When attending on the day of the event, please submit the enclosed voting exercise form at the reception desk. Please note that persons other than shareholders who are entitled to exercise their voting rights, such as proxies who are not shareholders and persons accompanying them, will not be admitted.
  2. The reception is scheduled to start at 9:30 a.m. (JST) on the day of the event.
  3. Following the revision of the Companies Act, in principle shareholders are to access the websites listed on page 1 to check the items subject to measures for electronic provision, and it was decided to deliver paper-based documents stating the items only to shareholders who request the delivery of paper-based documents by the record date. However, for this General Meeting of Shareholders, we will deliver paper-based documents stating the items subject to measures for electronic provision to all shareholders, regardless of whether or not their delivery has been requested. Furthermore, among the items subject to measures for electronic provision, the following are omitted from the paper-based documents delivered to shareholders, in accordance with the provisions of laws and regulations and Article 16 of the Company's Articles of Incorporation.
    - (i) Notes to Consolidated Financial Statements
    - (ii) Notes to Non-Consolidated Financial StatementsAccordingly, the Business Report, the Consolidated Financial Statements, and the Non-Consolidated Financial Statements included in those documents are part of the documents audited by the financial auditor and the Audit and Supervisory Committee in preparing the financial auditor's Audit Report and the Audit Report, respectively.
  4. If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on each of the websites on page 1.

“Measures to prevent the COVID-19 infection”

Shareholders who wish to attend this General Meeting of Shareholders are kindly asked to check the current infection status and their own health condition as of the date of the General Meeting of Shareholders, and wear a mask and take other precautions to prevent infection before coming to the venue.

Our staff at the venue will check their own health conditions including temperature and wear a mask. In addition, our staff may talk to shareholders at the venue who appear to be feeling unwell and ask them to refrain from entering. As we will take other measures to prevent infection, we ask for your understanding and cooperation. If there is any major change in the operation of the General Meeting of Shareholders due to future infection status, we will post it on the Company’s website (<https://www.nomura-nms.co.jp/>) on the Internet.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1 Appropriation of Surplus

The Company's basic policy is to make internal reserves necessary for future business development and strengthening the Company's management structure, and to continue stable dividends from a shareholder-oriented perspective.

The Company has given comprehensive consideration to matters including the business performance of the fiscal year ended March 31, 2023 and future business development, and it proposes year-end dividends for the 54th fiscal year as follows.

As a result, the annual dividend for the fiscal year under review will be ¥150 per share, combined with an interim dividend of ¥40.

#### Year-end dividends

- (1) Type of dividend property  
To be paid in cash.
- (2) Allotment of dividend property and their aggregate amount  
The Company proposes to pay a dividend of ¥110 per common share of the Company.  
In this event, the total dividends will be ¥1,023,561,990.
- (3) Effective date of the dividends of surplus (starting date of dividend payments)  
The effective date of dividends will be June 23, 2023.

**Proposal No. 2** Election of Four Directors (excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all Directors (five) (excluding Directors who are members of the Audit and Supervisory Committee. The same shall apply hereinafter in this proposal) will expire at the conclusion of this General Meeting of Shareholders.

Therefore, the Company proposes the election of four Directors.

This proposal has been under consultation with the Nominating Committee and discussed by the Audit and Supervisory Committee.

Matters related to each Director candidate are as described on pages 6 to 7.

List of the candidates for Directors

Candidate No.	Name		Position and responsibility in the Company	Attendance at the Board of Directors
1	Toyosaku Senda	Reelection	Chairman	13/13
2	Makoto Uchida	Reelection	President, Executive Officer	13/13
3	Katsuji Nishie	Reelection	Managing Executive Officer General Manager of Sales Head Office (in charge of Overseas) and General Manager of Design Head Office	13/13
4	Shiro Nishimura	New election	Executive Officer General Manager of Management Head Office and in charge of Procurement Div.	-/-

Candidate No.	Name (Date of birth)	Career summary, position in and responsibility the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Toyosaku Senda (February 22, 1940)	<p>Apr. 1958      Joined HOKKO CHEMICAL INDUSTRY CO., LTD.</p> <p>Nov. 1973      Joined the Company</p> <p>June 1986      Director</p> <p>June 1990      Managing Director</p> <p>June 1992      Senior Managing Director</p> <p>June 1996      Vice President</p> <p>June 2000      President</p> <p>Apr. 2014      Chairman and President</p> <p>June 2016      Chief Executive Officer (CEO)</p> <p>June 2020      Chairman (current position)</p> <p>(Significant concurrent positions outside the Company) President of Nomura Micro Science Korea Co., Ltd.</p>	290,400
<p>[Reasons for nomination as candidate for Director]</p> <p>Toyosaku Senda has been in charge of the business and management of the Company and the Group for many years as president of the Company. Based on his extensive experience and broad knowledge of corporate management, the Company have determined that he can contribute to the performance of the Company and the Group, also to the enhancement of corporate value, and the Company continue to nominate him as a candidate for Director.</p>			
2	Makoto Uchida (February 20, 1958)	<p>Apr. 1983      Joined Mitsubishi Rayon Co., Ltd. (currently Mitsubishi Chemical Corporation)</p> <p>Apr. 2010      General Manager of Membrane Dept.</p> <p>Apr. 2012      Aqua Division Manager</p> <p>July 2014      Representative water environment business in China General Manager, Wuxi Rayon Membrane Technology Co., Ltd.</p> <p>Apr. 2017      Manager, China Business Promotion Group, Mitsubishi Chemical Corporation</p> <p>Oct. 2018      Joined to the Company, In charge of Special Mission Representative to the chairman and president of the Company</p> <p>June 2019      Managing Director and General Manager of Sales Head Office</p> <p>June 2020      Senior Managing Director</p> <p>Oct. 2020      Senior Managing Director and Representative Director</p> <p>June 2021      Vice President</p> <p>Apr. 2022      Representative Director, Executive Vice President</p> <p>Apr. 2023      President, Executive Officer (current position)</p>	17,100
<p>[Reasons for nomination as candidate for Director]</p> <p>Makoto Uchida has been involved in the membrane and water treatment business for many years, and the company believe that his wealth of knowledge and broad experience in corporate management will contribute to improving the performance and corporate value of the Company and the Group, and therefore the company continue to nominate him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position in and responsibility the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Katsuji Nishie (June 1, 1972)	<p>Apr. 1996      Joined to Aqua System Co., Ltd.  May 1999      Joined to Tachibana Industry Co., Ltd.  Oct. 2000      Joined the Company  Apr. 2014      Division Manager of Overseas Sales Div.  Apr. 2018      Senior General Manager, Division Manager of Korea Sales Div.  June 2019      Director, Deputy General Manager of Sales Head Office and Division Manager of Korea Sales Div.  June 2020      Deputy General Manager of Sales Head Office (Overseas) and Division Manager of Korea Sales Div.  Apr. 2022      Executive Officer  Apr. 2023      Managing Executive Officer (current position), General Manager of Sales Head Office (in charge of Overseas) and General Manager of Design Head Office (current position)</p> <p>(Significant concurrent positions outside the Company)  President of Nomura Micro Science USA Ltd., Co</p>	8,700
<p>[Reasons for nomination as candidate for Director]  Katsuji Nishie has gained work experience in domestic and overseas sales division, and the Company determined that he can contribute to the performance and corporate value improvement of the Company and the Group by utilizing the experience and knowledge he has cultivated so far, and the Company continues to nominate him as candidate of Director.</p>			
4	* Shiro Nishimura (August 22, 1964)	<p>Apr. 1985      Joined HIROSHIMA TOYOPET CO. LTD.  Aug. 1991      Joined the Company  Apr. 2015      Division Manager of Procurement Div.  Apr. 2021      Senior General Manager  Apr. 2022      Executive Officer (current position), in charge of Procurement Div. (current position)  Apr. 2023      General Manager of Management Head Office (current position)</p>	6,551
<p>[Reasons for nomination as candidate for Director]  Shiro Nishimura has been involved in domestic sales, maintenance, material procurement, etc. in the Company for many years, and since he has extensive experience and broad knowledge as a contact between customers and the supply chain, the Company believes that he will contribute to improving the performance and corporate value of the Company and the Group, and therefore the company nominates him as a candidate for Director.</p>			

- Notes:
1. New candidates are indicated by an asterisk (\*)
  2. Toyosaku Senda is the president of Nomura Micro Science Korea Co., Ltd., and the Company outsources parts sales and research and development of the ultrapure water system to them.
  3. Katsuji Nishie is the president of Nomura Micro Science USA Ltd., Co and the Company sell parts for the ultrapure water system to the said company.
  4. There are no special interests between any other candidates for director and the Company.
  5. The Company has concluded a directors and officers liability insurance policy with insurance companies stipulated in Article 430-3, paragraph (1) of the Companies Act, in which the insured person is the director of the Company, and the insurance premiums are borne by the Company. The insurance policy will cover damages and litigation expenses incurred by the insured in the event of a claims for damages during the insurance period due to acts committed by the insured in his/her capacity as an insured during the insurance period. However, damages, etc. resulting from criminal acts or acts performed while recognizing violations of laws and regulations are not covered by compensation. If each candidate is elected and appointed as a director, he/she will be insured under the policy concerned. In addition, the insurance policy is scheduled to be renewed with the same contents at the next renewal.

**Proposal No. 3** Election of Three Directors Who Are Audit and Supervisory Committee Members

A Director who is an Audit and Supervisory Committee member Masahiko Koshiba will resign, and the terms of office of Directors who are Audit and Supervisory Committee members Shinsuke Tanaka and Yumiko Nijima will expire, at the conclusion of this General Meeting of Shareholders. Therefore, the Company proposes the election of three Directors who are Audit and Supervisory Committee members.

In addition, the consent of Audit and Supervisory Committee has been obtained for this proposal.

Matters relating to candidates for Directors who are Audit and Supervisory Committee members are described on pages 9 to 10.

List of candidates for Directors who are Audit and Supervisory Committee Members

Candidate No.	Name		Position and responsibility in the Company	Candidate Attributes
1	Shinobu Seshimo	New election	Executive Officer, Deputy General Manager of Management Head Office In charge of General Affairs Div.	
2	Shinsuke Tanaka	Reelection	—	Outside Director Independent officer
3	Yumiko Nijima	Reelection	—	Outside Director Independent officer

Candidate No.	Name (Date of birth)	Career summary, position in and responsibility the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	* Shinobu Seshimo (August 10, 1956)	<p>Apr. 1979      Joined Yamaichi Securities Investment Trust Sales Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)</p> <p>Apr. 1998      Joined Olympic Corporation (currently Olympic Group Corporation)</p> <p>June 2007      Joined the Company</p> <p>Apr. 2011      Division Manager of the President's Office</p> <p>Apr. 2014      Division Manager of General Affairs Div.</p> <p>Apr. 2017      Senior General Manager</p> <p>June 2019      Senior General Manager, Division Manager of General Affairs Div.</p> <p>Apr. 2023      Executive Officer (current position) Deputy General Manager of Management Head Office and in charge of General Affairs Div. (current position)</p>	2,331
<p>[Reason for nomination as candidate for Director and Audit and Supervisory Committee member]</p> <p>Shinobu Seshimo has served as Division Manager of the President's Office, Division Manager of General Affairs Div., etc. in the Company, and played a role in the internal control system from an administrative position for many years. While committing to strengthen and enhance the corporate governance of the Company, he has also been involved in IR and strived to reflect shareholders' perspectives on the management through conversations with shareholders and institutional investors.</p> <p>The Company determined that his extensive business experience and broad insight regarding internal control and corporate governance will be necessary to contribute to the management oversight from shareholders' perspectives at the Board of Directors and to the sustainable enhancement of shareholder value and corporate value of the Company. Therefore, the Company nominates him as a candidate for Director who is an Audit and Supervisory Committee member.</p>			
2	Shinsuke Tanaka (August 8, 1956)	<p>Apr. 1980      Joined Mitsubishi Heavy Industries, Ltd.</p> <p>Apr. 2010      Division Manager of Sales Div., Thermal Business Head Office</p> <p>Oct. 2013      Director, General Manager of Heat Pump Sales Office, Mitsubishi Heavy Industries Air-Conditioning &amp; Refrigeration Corporation</p> <p>Apr. 2014      Director, General Manager of North Japan Branch</p> <p>June 2015      Executive Officer, General Manager of Hokkaido Branch</p> <p>May 2021      Retired from Mitsubishi Heavy Industries Air-Conditioning &amp; Refrigeration Corporation</p> <p>June 2021      Outside Director (Audit and Supervisory Committee member) of the Company (current position)</p>	-
<p>[Reason for nomination as candidate for Director and Audit and Supervisory Committee member, and Outline of Expected Roles]</p> <p>Shinsuke Tanaka has extensive experience and broad insight cultivated through years of business and corporate management. In the Company, he actively makes statements in the Board of Directors and Audit and Supervisory Committee meetings based on his extensive experience and broad insight as a manager from the standpoint of ensuring adequateness and appropriateness of the management. He also contributes to the enhancement of supervisory functions of the Nominating Committee and the Remuneration Committee; in the Nominating Committee, he supervises the development of objective discussions from an independent position as a chairperson, and as a Remuneration Committee member, he develops discussions with an awareness of ensuring objectivity and transparency from a management standpoint.</p> <p>Based on such contributions to the Company, the Company determined that his extensive experience and broad insight as a manager will be necessary to contribute to the sustainable enhancement of shareholder value and corporate value of the Company. Therefore, the Company continues to nominate him as a candidate for Director who is an Audit and Supervisory Committee member.</p>			

Candidate No.	Name (Date of birth)	Career summary, position in and responsibility the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
	Yumiko Nijjima (February 12, 1981)	Dec. 2009 Registered as an attorney at law (Tokyo Bar Association) Jan. 2010 Joined Yamada Law and Patent Firm (current position) Apr. 2018 Outside Director (Audit and Supervisory Committee member) of TANSEISHA Co., Ltd. (current position) June 2021 Outside Director (Audit and Supervisory Committee member) of the Company (current position) Sept. 2021 Registered as a Certified Fraud Examiner (Significant concurrent positions outside the Company) Outside Director (Audit and Supervisory Committee member) of TANSEISHA Co., Ltd.	-
3	<p>[Reason for nomination as candidate for Director and Audit and Supervisory Committee member, and Outline of Expected Roles]</p> <p>Yumiko Nijjima has extensive experience and broad insight regarding corporate legal affairs as an attorney at law. In the Company, she actively makes statements in the Board of Directors and Audit and Supervisory Committee meetings based on her expertise as an attorney at law from the standpoint of ensuring adequateness and appropriateness of the management and compliance. She also contributes to the enhancement of supervisory functions of the Nominating Committee and the Remuneration Committee; as a member of the Nominating Committee and the Remuneration Committee, she develops discussions with an awareness of ensuring objectivity and transparency from an independent standpoint.</p> <p>Based on such contributions to the Company, the Company determined that her expertise as an attorney at law and her extensive experience and broad insight regarding corporate legal affairs will be necessary to contribute to the sustainable enhancement of shareholder value and corporate value of the Company. Although she has never been involved in corporate management in the past except as an outside officer, for the above reasons, the Company determined that she will be able to appropriately perform her duties as an outside Director who is an Audit and Supervisory Committee Member, and therefore continues to nominate her as a candidate for Director who is an Audit and Supervisory Committee member.</p>		

- Notes:
1. New candidates are indicated by an asterisk (\*)
  2. Shinsuke Tanaka and Yumiko Nijjima are candidates for outside Director as defined in Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.
  3. There are no special interests between Shinsuke Tanaka and Yumiko Nijjima, and the Company.
  4. Shinsuke Tanaka and Yumiko Nijjima are currently outside Directors who are Audit and Supervisory Committee members of the Company, and their tenure will have been two years at the conclusion of this meeting.
  5. If Shinsuke Tanaka and Yumiko Nijjima's election is approved, the Company plans to enter into a limited liability agreement with them pursuant to the provisions of Article 427, paragraph (1) of the Companies Act and the Articles of Incorporation, limiting their liability under Article 423, paragraph (1) of the Companies Act to the amount stipulated by law.
  6. The Company has concluded a directors and officers liability insurance policy with insurance companies stipulated in Article 430-3, paragraph (1) of the Companies Act, in which the insured person is the director of the Company, and the insurance premiums is borne by the Company. The insurance policy will cover damages and litigation expenses incurred by the insured in the event of a claims for damages during the insurance period due to acts committed by the insured in his/her capacity as an insured during the insurance period. However, damages, etc. resulting from criminal acts or acts performed while recognizing violations of laws and regulations are not covered by compensation. If each candidate is elected and assumes office as a director who is an Audit and Supervisory Committee member, he/she will be insured under the relevant insurance policy. In addition, the insurance policy is scheduled to be renewed with the same contents at the next renewal.
  7. Shinsuke Tanaka and Yumiko Nijjima have been designated as independent officers as stipulated by the Tokyo Stock Exchange and notified to the aforementioned exchange. If their reelection is approved, the Company plans to continue their appointment as independent officers.

Reference: Skills Matrix of Directors

The composition of the Board of Directors and the expertise of each Director if Proposal No. 2 and Proposal No. 3 are approved are as follows.

No.	Directors Name	Nominating Committee Remuneration Committee	Independent Outside Director	Corporate management Business operations Corporate planning/ Strategy	Technology/ Development Engineering	Sales Marketing	Global Overseas business	Finance/Acc ounting Human resources	Legal Compliance Risk management	ESG Sustainability
1	Toyosaku Senda	Nominating Committee member		●	●	●	●			
2	Makoto Uchida	Remuneration Committee member		●	●	●	●		●	●
3	Katsuji Nishie				●	●	●			
4	Shiro Nishimura				●	●	●	●		●
5	Shinobu Seshimo (Audit and Supervisory Committee member)	Nominating Committee member Remuneration Committee member						●	●	●
6	Shinsuke Tanaka (Audit and Supervisory Committee member)	Nominating Committee member Remuneration Committee member	●	●		●	●		●	
7	Yumiko Nijjima (Audit and Supervisory Committee member)	Nominating Committee member Remuneration Committee member	●						●	
8	Hisayori Kataoka (Audit and Supervisory Committee member)	Nominating Committee member Remuneration Committee member	●				●	●		

**Proposal No. 4** Revision of Remuneration Amount for Granting Restricted Shares to Directors (excluding Outside Directors and Directors Who Are Audit and Supervisory Committee Members)

At the 50th Annual General Meeting of Shareholders held on June 20, 2019, it was approved that the Company introduced a compensation system (hereinafter referred to as “the System”) for granting restricted shares to Directors (excluding outside Directors and Directors who are Audit and Supervisory Committee Members, hereinafter referred to as “Subject Directors”), and approved that the amount of compensation for monetary compensation claims to be paid to Subject Directors under the System shall be no more than ¥30,000 thousand per year (excluding the salary for employees of Directors who concurrently serve as employees), and that the total number of shares of the Company to be granted to Subject Directors shall be no more than 50,000 shares per year. In addition, at the 52nd Annual General Meeting of Shareholders held on June 23, 2021, the amount of remuneration for monetary remuneration claims to be paid to Subject Directors was revised to no more than ¥50,000 thousand per year (however, the salary for employees of directors who concurrently serve as employees is not included), and at the 53rd Annual General Meeting of Shareholders held on June 23, 2022, to no more than ¥70,000 thousand per year (however, the salary for employees of directors who concurrently serve as employees is not included), respectively. However, considering various factors including a rise in the Company’s stock price as a result of the growth of the Company’s business performance and an increase in the value of the Company’s shares, as well as increasing roles and responsibilities of Directors along with the recent changes in the management environment, the Company proposes to revise the amount of remuneration for monetary remuneration claims to be paid to Subject Directors to no more than ¥200,000 thousand per year (however, the salary for employees of directors who concurrently serve as employees is not included) as an incentive to further strengthen initiatives for increasing the company’s corporate value over the medium to long term and to further share value with shareholders.

In addition, there are currently five Subject Directors, but if Proposal No. 2 “Election of Four Directors (excluding Directors Who Are Audit and Supervisory Committee Members)” is approved as originally proposed, the Subject Director will be four.

This proposal has been under consultation with the Remuneration Committee and discussed by the Audit and Supervisory Committee.

#### Summary of Remuneration for Granting Restricted Shares

Under the System, in principle, each fiscal year, in accordance with a resolution of the Board of Directors of the Company, monetary compensation claims are granted to Subject Directors in order to allocate Restricted Stock to them, and by having the Company make a capital contribution in kind with the monetary compensation claims, common shares of the Company are issued or disposed. The total number of common shares of the Company to be issued or disposed of under the System shall not exceed 50,000 shares per year.

However, if the total number of shares issued by the Company increases or decreases due to a consolidation of shares, a split of shares, or a free allotment of shares, etc., the maximum number of shares shall be adjusted within a reasonable range according to the ratio.

The amount to be paid per share of the restricted stock under this system shall be determined by the Board of Directors based on the closing price of the Company’s common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each Board of Directors resolution (or the closing price of the immediately preceding trading day if no trading was effected on that date), to the extent that the amount paid per share is not particularly favorable to the Subject Director who subscribes to the common stock.

In addition, when issuing or disposing of common shares of the Company under this system, the Company and the Subject Directors shall enter into a restricted share allotment agreement with transfer restrictions (hereinafter referred to as the “Allotment Agreement”) that includes following details.

#### Outline of Allotment Agreement

##### (1) Transfer restriction period

Subject Directors shall not transfer, encumber, reserve for encumbrance or otherwise dispose of the Company common shares (hereinafter referred to as “Transfer Restrictions”) allotted under the Allotment Agreement (hereinafter referred to as “Allotted Shares”) for a period of three to five years from the date of allotment of our company’s common shares under the System (hereinafter referred to as “Transfer Restriction Period”) which is predetermined by the Board of Directors of the Company.

##### (2) Lifting of Transfer Restriction Period

The Company may cancel the Transfer Restriction on all of the Allotted Shares upon expiration of the Transfer Restriction Period, provided that the Subject Director has continuously held the position of officer or employee at the Company or its subsidiaries predetermined by the Company's Board of Directors during the Transfer Restriction Period. However, if the Subject Director resigns or retires from the position of officer or employee at the Company or its subsidiaries predetermined by the Company's Board of Directors due to expiration of the term of office, death, or other legitimate reasons, the number of the Allotted Shares to be lifted and the timing for lifting the Transfer Restriction shall be adjusted to a reasonable extent as necessary.

In addition, the Company shall naturally acquire without consideration the Allotted Shares for which the restriction on transfer has not yet been lifted as of the expiration of the restriction period.

(3) Handling in case of retirement, etc.

If the Subject Director resigns or retires from the position of officer or employee at the Company or its subsidiary predetermined by the Company's Board of Directors before the expiration of the Transfer Restriction Period, the Company shall, unless the resignation or retirement is due to the expiration of the term of office, death, or other legitimate reasons, naturally acquire the Allotted Shares without consideration.

(4) Handling of organizational restructuring, etc.

In case that a merger agreement under which the Company will be the dissolving company, a share exchange agreement or share transfer plan under which the Company will become a wholly-owned subsidiary during the Transfer Restriction Period, or other matters related to organizational restructuring, etc. are approved at a general meeting of shareholders of the Company (or at a meeting of the Board of Directors of the Company if such organizational restructuring, etc. does not require approval at a general meeting of shareholders of the Company), in accordance with a resolution of the Board of Directors of the Company during the Transfer Restriction Period, the Transfer Restriction will be lifted for the number of the Allotted Shares reasonably determined based on the period from the start date of the Transfer Restriction Period to the date of approval of such organizational restructuring, etc. prior to the effective date of such organizational restructuring, etc.

However, the Company shall naturally acquire the Allotted Shares for no consideration at the time the Transfer Restriction is lifted, if the Transfer Restriction has not yet been lifted.

(5) Other matters

The Allotted Shares will be managed in a dedicated account established by the Subject Director at Nomura Securities Co., Ltd. during the Transfer Restriction Period so that they cannot be transferred during the Transfer Restriction Period.

Other matters relating to this allotment agreement shall be determined by the Board of Directors of the Company.

**Proposal No. 5**      Revision of Remuneration Amount for Directors Who Are Audit and Supervisory Committee Members

At the 50th Annual General Meeting of Shareholders held on June 20, 2019, it was approved that the amount of remuneration of Directors who are Audit and Supervisory Committee members shall be no more than ¥40,000 thousand per year. Considering various factors including increasing roles and responsibilities of Directors who are Audit and Supervisory Committee members along with the recent changes in the management environment as the Company's business performance grows, the Company proposes to revise the amount of remuneration to no more than ¥50,000 thousand per year.

If Proposal No. 3 "Election of Three Directors Who Are Audit and Supervisory Committee Members" is approved and adopted as originally proposed, the Directors who are Audit and Supervisory Committee members will be four (including three outside Directors).

## Proposal No. 6 Payment of Retirement Benefits for Retiring Directors

The terms of office of Directors (excluding Directors who are Audit and Supervisory Committee members) Yoshitaka Yamaki and Takayuki Haga will expire, and a Director who is an Audit and Supervisory Committee member Masahiko Koshiha will resign, at the conclusion of this General Meeting of Shareholders. In order to reward them for their hard work during their tenure, the Company would like to present retirement benefits within a reasonable range according to the standards prescribed by the Company. In addition, regarding the specific amount, timing, method, etc. of the presentation, we would like to ask the Board of Directors to resolve them for the retiring Directors (excluding Directors who are Audit and Supervisory Committee members), and the deliberation by Directors who are Audit and Supervisory Committee members for the resigning Director who is an Audit and Supervisory Committee member, respectively.

As this proposal was decided by the Board of Directors after consultation with the Remuneration Committee, the majority of which are composed of outside Directors, in accordance with the Company's policy for determining the content of individual compensation of Directors (excluding Directors who are Audit and Supervisory Committee members) and the internal regulations for handling director retirement benefits established in advance by the Board of Directors, and the retirement benefit for the Director who is an Audit and Supervisory Committee member was decided by the deliberation of Directors who are Audit and Supervisory Committee members in accordance with the internal regulations concerning the remuneration of Audit and Supervisory Committee members, the Company believes that this proposal is appropriate.

In addition, the payment of retirement benefits for Directors (excluding Directors who are Audit and Supervisory Committee members) in this proposal has been discussed by the Audit and Supervisory Committee.

The biographies of retiring Directors are as follows.

Name	Career summary
Yoshitaka Yamaki	June 2004 Director of the Company June 2009 Managing Director June 2011 Senior Managing Executive Officer Apr. 2017 President Apr. 2022 President, Executive Officer Apr. 2023 Director (current position)
Takayuki Haga	June 2018 Director of the Company June 2020 Managing Director Apr. 2022 Managing Executive Officer Apr. 2023 Director (current position)
Masahiko Koshiha	June 2018 Director who is an Audit and Supervisory Committee member (full time) of the company (current position)

Note: The amount of retirement benefit paid to Yoshitaka Yamaki shall be determined taking his length of service as the period from June 23, 2010, when the retirement benefit plan was reintroduced, until the conclusion of this General Meeting of Shareholders.