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Securities Code: 4658  
June 8, 2022

To shareholders:

Yoji Tanaka,  
President & Representative Director  
**Nippon Air Conditioning Services Co., Ltd.**  
239-2, Terugaoka, Meito-ku, Nagoya

## Notice of the 59th Annual General Meeting of Shareholders

We are pleased to announce the 59th Annual General Meeting of Shareholders of Nippon Air Conditioning Services Co., Ltd. (the “Company”), which will be held as indicated below.

**Furthermore, at the venue for the General Meeting of Shareholders, measures to prevent the spread of the novel coronavirus disease (COVID-19) will be thoroughly enforced, but we ask that any shareholders attending the General Meeting of Shareholders confirm your own physical health and take precautions to prevent infection when attending.** Additionally, necessary measures to ensure the safety of shareholders and prevent infection may be taken at the venue for the General Meeting of Shareholders, based on the judgment of the Company, so we request your cooperation in this regard.

If exercising your voting rights in advance in writing or via the Internet, please review the attached Reference Documents for the General Meeting of Shareholders, refer to the “Instructions for the Exercise of Voting Rights” (pages 3 and 4) (in Japanese only), and exercise your voting rights by mail or via the website for the exercise of voting rights designated by the Company, to ensure that your votes arrive by no later than 5:45 p.m. on Thursday, June 23, 2022 (JST).

- 1. Date and Time:** Friday, June 24, 2022 at 10:00 a.m. (reception opens at 9:00 a.m.) (JST)
- 2. Venue:** Hilton Nagoya, 5F, Ginsen  
3-3, Sakae 1-chome, Naka-ku, Nagoya  
(Please note that although it is the same hotel as the previous year, the floor and meeting room are different.)

### 3. Meeting Agenda

#### Items to be reported:

1. Report on the content of the Business Report and Consolidated Financial Statements for the 59th Fiscal Year (April 1, 2021 to March 31, 2022), and the audit results of Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Report on the content of the Non-consolidated Financial Statements for the 59th Fiscal Year (April 1, 2021 to March 31, 2022)

#### Items to be resolved:

- |                       |   |
|-----------------------|---|
| <b>Proposal No. 1</b> | Appropriation of Surplus                    |
| <b>Proposal No. 2</b> | Amendments to the Articles of Incorporation |
| <b>Proposal No. 3</b> | Election of Nine Directors                  |
| <b>Proposal No. 4</b> | Payment of Bonuses to Officers              |

### 4. Instructions for the Exercise of Voting Rights:

(Please refer to pages 3 and 4 (in Japanese only).)

- **The “Company Briefing for Shareholders,” which was held separately after the end of the General Meeting of Shareholders in previous years, has been cancelled from the perspective of preventing the spread of COVID-19.**
- If attending on the day of the meeting, please submit the enclosed Voting Rights Exercise Form at the venue reception.
- Of the documents to be submitted with this Notice of Convocation, the “Notes to Consolidated Financial Statements in the Consolidated Financial Statements” and the “Notes to Non-consolidated Financial Statements in the Non-consolidated Financial Statements” are posted on the Company’s website in accordance with the provisions of laws and regulations and Article 15 of the Company’s Articles of Incorporation, and therefore are not provided with this Notice of Convocation. Furthermore, the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members and the Accounting Auditor consist of each document provided with this notice and its appendix, as well as the Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements provided on the Company’s website.
- If any revisions arise to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements, the revised versions will be posted on the Company’s website.
- Officers and employees of the Company will be dressed in light business wear (“Cool Biz” clothing) on the day of the meeting; your understanding is appreciated.

The Company’s website (<https://www.nikku.co.jp/en/ir/stockinfo/meeting.html>)

### **The Company’s Measures to Prevent the Spread of COVID-19**

- We request that shareholders attending the General Meeting of Shareholders wear masks at the venue, without fail.
- We will take temperatures at the entrance to the venue, and those who are found to have fevers or who appear to be unwell may be refused entry.
- On the day of the meeting, the Company’s executives and employees will wear masks, etc.
- Inside the venue, there will be space left between seats, so the number of seats that can be provided will be fewer than in previous years. Therefore, shareholders may be refused entry if there are no seats available.
- If the Company takes new measures to prevent infection and prevent the spread of COVID-19 in accordance with the future status of the spread of COVID-19, information will be posted on the Company’s website. We therefore request that shareholders check the Company’s website before attending the meeting.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1 Appropriation of Surplus

The Company recognizes the return of profits to shareholders as an important management issue, and makes decisions concerning the distribution of profits while taking into consideration the enhancement of internal reserves for strengthening business foundations. Accordingly, the Company's basic policy is to continuously enhance profits, which provide the funds for dividends, and maintain a benchmark consolidated dividend payout ratio of 50%.

In accordance with this policy, the Company proposes to pay a year-end dividend for the current fiscal year of ¥14 per share. Accordingly, including the interim dividend of ¥27.5, the annual dividend will total ¥41.5 per share.

- (1) Type of dividend property  
To be paid in cash.
- (2) Allotment of dividend property to shareholders and their aggregate amount  
¥14 per common share of the Company, with a total amount of ¥481,673,962
- (3) Effective date of dividends of surplus  
June 27, 2022

**Proposal No. 2** Amendments to the Articles of Incorporation

1. Reasons for the proposal

(1) Addition of purpose

In accordance with the current status of the Company’s businesses, a business purpose will be added to Article 2 (Purpose) of the current Articles of Incorporation in response to the increasingly diversified content of the Company’s businesses.

(2) Changes related to the system for providing informational materials for the general meeting of shareholders in electronic format

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- 1) Article 15, paragraph 1 in “Proposed amendments” will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- 2) Article 15, paragraph 2 in “Proposed amendments” will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- 3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 15 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- 4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Details of the amendments

The details of the amendments are as follows:

(Underlined sections indicate changes.)

Current Articles of Incorporation	Proposed amendments
<p>(Purpose)                      Article 2. (Omitted)                      1. Design, installation, maintenance, and management of air conditioning, refrigeration, electrical, and other types of equipment and machinery                      2. – 19. (Omitted)                      Articles 3. – 14. (Omitted)  <u>Article 15. (Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.)</u>  <u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or indicated in the reference documents of the general meeting of shareholders, business report, financial statements and/or consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p>	<p>(Purpose)                      Article 2. (Unchanged)                      1. Design, installation, maintenance, and management of air conditioning, refrigeration, electrical, <u>telecommunications</u>, and other types of equipment and machinery                      2. – 19. (Unchanged)                      Article 3. – 14. (Unchanged)                        (Deleted)</p>

Current Articles of Incorporation	Proposed amendments
<p>(Newly established)</p> <p>Articles 16. – 47. (Omitted)</p> <p>(Newly established)</p>	<p><u>Article 15. (Measures, etc. for Providing Information in Electronic Format)</u></p> <ol style="list-style-type: none"> <li><u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></li> <li><u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></li> </ol> <p>Articles 16. – 47. (Unchanged)</p> <p><u>(Supplementary Provisions)</u></p> <ol style="list-style-type: none"> <li><u>1. The amendment to the Articles of Incorporation pertaining to Article 15 shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></li> <li><u>2. Notwithstanding the provision of the preceding paragraph, Article 15 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></li> <li><u>3. These Supplementary Provisions shall be deleted on the date when six months has elapsed from the Date of Enforcement or three months has elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></li> </ol>

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

The terms of office of all six Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of nine Directors, increasing the number of Directors by three.

The candidates for Director are as follows:

Candidate No.	Name	Current position in the Company	
1	Yoji Tanaka	President & Representative Director	Reelection
2	Koji Kusano	Director, Executive Officer, and General Manager of General Affairs Dept.	Reelection
3	Toshiaki Yorifuji	Executive Officer, General Manager of Corporate Planning Dept., and General Manager of Overseas Dept.	New election
4	Masato Suwa	Executive Officer and General Manager of Human Resources Dept.	New election
5	Kazuhiko Shiraishi	Executive Officer and General Manager of Nagoya Office	New election
6	Toshiaki Murotani	Director	Reelection
7	Toshio Tanaka	Director	Reelection Outside Independent
8	Tsuyoshi Higashimoto	Director	Reelection Outside Independent
9	Hiromi Kitagawa	–	New election Outside Independent

Reelection: Candidate for Director to be reelected

New election: Candidate for Director to be newly elected

Outside: Candidate for outside Director

Independent: Independent officer as defined by the securities exchange

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 by the candidate
1	Yoji Tanaka (August 14, 1956)	<p>June 2004    Joined the Company</p> <p>Apr. 2007    General Manager of Accounting Dept.</p> <p>Jan. 2010    Director of Suzhou Nikku Suntec Electromechanical Technology Co., Ltd. (current position)</p> <p>May 2011    Director of Nippon Air Conditioning Tohoku Co., Ltd.</p> <p>May 2013    Director of Nippon Air Conditioning System Co., Ltd.</p> <p>June 2013    Director of Nippon Air Conditioning Gifu Co., Ltd. Director of Nippon Air Conditioning Hokuriku Co., Ltd. Director of Nippon Air Conditioning Tokai Co., Ltd.</p> <p>Apr. 2014    Executive Officer and General Manager, Accounting Dept. of the Company</p> <p>June 2014    Director, Executive Officer, and General Manager of Accounting Dept.</p> <p>Oct. 2015    Director, Executive Officer, General Manager of Corporate Planning Dept., and General Manager of Accounting Dept.</p> <p>Mar. 2016    Managing Director of NACS Singapore Pte. Ltd.</p> <p>Apr. 2016    Director, Executive Officer, and General Manager of Corporate Planning Dept. of the Company</p> <p>Sept. 2017    Authorized Representative of NACS ENGINEERING VIETNAM CO., LTD.</p> <p>Apr. 2018    President &amp; Representative Director of the Company (current position)</p>	50,700
<p>[Reasons for nomination as candidate for Director] Yoji Tanaka has knowledge and career experience, particularly in finance and accounting, corporate planning, and other administrative departments. Accordingly, the Company has judged that he will be able to continue leveraging his strong leadership to enhance the corporate value of the Company group (the "Group") as a whole, and has therefore nominated him as a candidate for Director.</p>			
2	Koji Kusano (March 20, 1958)	<p>Apr. 1993    Joined the Company</p> <p>Apr. 2011    General Manager of General Affairs Dept., Administration and Education Div.</p> <p>Apr. 2014    Executive Officer and General Manager of General Affairs Dept.</p> <p>June 2014    Director, Executive Officer, and General Manager of General Affairs Dept. (current position)</p> <p>May 2020    Director of Nippon Air Conditioning System Co., Ltd. (current position)</p>	20,200
<p>[Reasons for nomination as candidate for Director] Koji Kusano has knowledge and career experience, particularly in general affairs, public relations, legal affairs, internal controls, and other administrative departments, and he has endeavored to strengthen the development and operation of the Group's governance systems. Accordingly, the Company has judged that he will be able to continue enhancing the governance, etc. of the Group, and has therefore nominated 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 by the candidate
*3	Toshiaki Yorifuji (March 15, 1967)	<p>Apr. 1987      Joined the Company</p> <p>Apr. 2013      General Manager of Yokohama Office, East Japan Div.</p> <p>Apr. 2014      Executive Officer and General Manager of Yokohama Office</p> <p>Apr. 2015      Executive Officer and General Manager of Kyushu Office</p> <p>Apr. 2022      Executive Officer, General Manager of Corporate Planning Dept., and General Manager of Overseas Dept. (current position)</p> <p>May 2022      Director of Nippon Air Conditioning Hokuriku Co., Ltd. (current position)</p>	11,400
<p>[Reasons for nomination as candidate for Director]</p> <p>Toshiaki Yorifuji has abundant knowledge and experience concerning sales and business administration, including having served in important positions such as General Manager of key sites in Japan over many years, and he also has technical knowledge and experience developed over many years of involvement in the building facility construction business. Accordingly, the Company has judged that he will be able to utilize these qualities to enhance the competitiveness and corporate value of the Group, and has therefore nominated him as a candidate for Director.</p>			
*4	Masato Suwa (August 27, 1965)	<p>Apr. 1984      Joined the Company</p> <p>Apr. 2004      General Manager of Chugoku Office (currently Chushikoku Office)</p> <p>Apr. 2007      Toyohashi Group Manager of Mikawa Office (currently Nagoya Office)</p> <p>Apr. 2008      General Manager of Mikawa Office</p> <p>Apr. 2010      General Manager of Kanto Office</p> <p>May 2011      Leader of Human Resources Dept., Administration and Education Div.</p> <p>Apr. 2014      General Manager of Human Resources Dept.</p> <p>Apr. 2019      Executive Officer and General Manager of Human Resources Dept.</p> <p>May 2020      Director of Nippon Air Conditioning Hokuriku Co., Ltd.</p> <p>July 2020      Executive Officer and General Manager of Corporate Planning Dept. of the Company</p> <p>Apr. 2022      Executive Officer and General Manager of Human Resources Dept. (current position)</p> <p>May 2022      Director of Nikku Business Services Co., Ltd. (current position)</p>	14,000
<p>[Reasons for nomination as candidate for Director]</p> <p>Masato Suwa has abundant knowledge and experience concerning sales and business administration, having served in important positions such as General Manager and Director of subsidiaries in Japan. Accordingly, the Company has judged that he will be able to utilize his knowledge and experience developed as General Manager of the Human Resources Dept. to enhance the corporate value of the Group, and has therefore nominated 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 by the candidate
*5	Kazuhiko Shiraishi (March 29, 1968)	<p>Apr. 1986      Joined the Company</p> <p>Apr. 2013      General Manager of Chugoku Office, West Japan Div. (currently Chushikoku Office)</p> <p>July 2015      President &amp; Representative Director of Nippon Air Conditioning Shikoku Co., Ltd.</p> <p>Oct. 2015      Director</p> <p>Apr. 2020      Executive Officer and General Manager of Chushikoku Office of the Company</p> <p>Apr. 2021      Executive Officer and General Manager of Nagoya Office (current position)</p>	7,800
<p>[Reasons for nomination as candidate for Director]</p> <p>Kazuhiko Shiraishi has abundant knowledge and experience concerning sales and business administration, including having served in important positions such as General Manager of key sites in Japan and Representative Director of a subsidiary in Japan over many years, and he also has technical knowledge and experience developed over many years of involvement in the building facility maintenance business. Accordingly, the Company has judged that he will be able to utilize these qualities to enhance the competitiveness and corporate value of the Group, and has therefore nominated him as a candidate for Director.</p>			
6	Toshiaki Murotani (May 5, 1953)	<p>Apr. 1972      Joined the Company</p> <p>Oct. 1977      Transferred to Nippon Air Conditioning Hokuriku Co., Ltd.</p> <p>Apr. 1991      General Manager of Sales Dept. of Nippon Air Conditioning Hokuriku Co., Ltd.</p> <p>Sept. 1992      Director</p> <p>May 2003      Managing Executive Officer</p> <p>May 2005      Director</p> <p>May 2006      President &amp; Representative Director</p> <p>June 2016      Director of the Company (current position)</p> <p>May 2022      Chairman of Nippon Air Conditioning Hokuriku Co., Ltd. (current position)</p>	73,840
<p>[Reasons for nomination as candidate for Director]</p> <p>Toshiaki Murotani has served in important positions in the sales departments of Nippon Air Conditioning Hokuriku Co., Ltd., a subsidiary of the Company, and has experience and achievements as President &amp; Representative Director of Nippon Air Conditioning Hokuriku Co., Ltd. over many years. Accordingly, the Company has judged that he will be able to continue fulfilling a sufficient role in making decisions on important matters for the Group and supervising the execution of business, and has therefore nominated 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 by the candidate
7	Toshio Tanaka (January 22, 1954)	<p>Oct. 1983      Joined Tohmatsu Awoki &amp; Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>Mar. 1987      Registered as certified public accountant</p> <p>June 1987      Resigned from Tohmatsu Awoki &amp; Co.</p> <p>July 1987      Registered as Partner of Crowe Toyo &amp; Co.</p> <p>Dec. 1987      Registered as certified public tax accountant</p> <p>Jan. 2007      Senior Partner of ION Corp. (current position)</p> <p>Sept. 2007      Senior Partner of Crowe Toyo &amp; Co.</p> <p>Aug. 2016      Retired from post of Senior Partner of Crowe Toyo &amp; Co.</p> <p>June 2020      Outside Director of the Company (current position)</p>	1,300
<p>[Reasons for nomination as candidate for outside Director and outline of expected role] Toshio Tanaka does not have past experience in general operating company management other than as an outside officer, but he has played an active role as a Senior Partner of an audit corporation and a tax accountancy corporation over many years. Accordingly, the Company has nominated him as a candidate for outside Director, as a person who can be expected to continue providing appropriate advice and recommendations on occasions when important management decisions are being made within the Company, based on his expert knowledge and experience as a certified public accountant.</p>			
8	Tsuyoshi Higashimoto (August 31, 1962)	<p>Apr. 1989      Joined Mitsubishi Heavy Industries, Ltd.</p> <p>Mar. 2012      Resigned from Mitsubishi Heavy Industries, Ltd.</p> <p>Mar. 2017      Graduated from Graduate School of Management, Kyoto University (acquired MBA)</p> <p>June 2020      Outside Director of the Company (current position)</p>	5,200
<p>[Reasons for nomination as candidate for outside Director and outline of expected role] Tsuyoshi Higashimoto does not have past experience in corporate management other than as an outside officer, but he has knowledge related to management from having acquired an MBA at the Graduate School of Management, Kyoto University. Additionally, he has overseas career experience totaling 10 years or more in many locations, including China and Taiwan, in his previous employment, and he played an active role as an administration manager (manager supervising operation and administration) of major projects in each country. Based on his abundant practical experience, he provides meaningful advice concerning the overseas development of the Group. Accordingly, the Company has nominated him as a candidate for outside Director, as a person who can continue to fulfill a sufficient role in strengthening group business administration in the Company.</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 by the candidate
*9	Hiromi Kitagawa (November 4, 1962)	<p>Apr. 1996 Registered as an attorney at law Joined Nankan Legal Professional Corporation (currently Nankan Kitagawa Kimura Legal Professional Corporation)</p> <p>July 2003 Partner and Attorney at Law of Nankan Kitagawa Legal Professional Corporation (currently Nankan Kitagawa Kimura Legal Professional Corporation) (current position)</p> <p>Apr. 2014 Director of CHUBU Federation of Bar Association</p> <p>July 2016 Deputy Chairman of Aichi Bar Association</p> <p>Apr. 2017 Professor of Nanzan School of Law, Nanzan University (current position)</p>	0
<p>[Reasons for nomination as candidate for outside Director and outline of expected role] Hiromi Kitagawa does not have past experience in general operating company management, but she has abundant career experience as an attorney at law, as well as experience of playing an active role in a wide-ranging manner across the legal field over many years, including serving as Deputy Chairman of the Aichi Bar Association and a university professor. Accordingly, the Company has nominated her as a candidate for outside Director, as a person who can be expected to provide appropriate advice and recommendations on occasions when important management decisions are being made within the Company, based on her abundant experience and expert knowledge in the legal field.</p>			

- Notes:
1. New candidates for Director are indicated by an asterisk (\*).
  2. There is no special interest between any of the candidates and the Company.
  3. The "Number of the Company's shares owned by the candidate" shows the number of shares held as of March 31, 2022.
  4. Toshio Tanaka, Tsuyoshi Higashimoto and Hiromi Kitagawa are candidates for outside Director.
  5. Toshio Tanaka and Tsuyoshi Higashimoto are currently outside Directors of the Company. At the conclusion of this meeting, both candidates' tenure as outside Director of the Company will have been two years.
  6. ION Corp., where Toshio Tanaka serves as Senior Partner, received business consignment remuneration from Nishi Nippon Air Conditioning Management Co., Ltd., Nippon Air Conditioning Gifu Co., Ltd., and Nippon Air Conditioning Tokai Co., Ltd., which were subsidiaries of the Company. However, over the past five fiscal years, the total annual transaction amount averaged ¥0.1 million for Nishi Nippon Air Conditioning Management Co., Ltd., ¥0.2 million for Nippon Air Conditioning Gifu Co., Ltd., and ¥0.4 million for Nippon Air Conditioning Tokai Co., Ltd., and each of these amounts was equivalent to less than 0.01% of average consolidated net sales over the same period. Accordingly, the Company has judged that his independence is not affected. Furthermore, agreements with each company have already ended, and the Company has no plans to enter into new agreements.
  7. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Non-executive Directors Toshiaki Murotani, Toshio Tanaka, and Tsuyoshi Higashimoto to limit their liability for damages as set forth in Article 423, paragraph (1) of the same. The maximum amount of liability for damages pursuant to this agreement will be ¥5 million or the minimum amount of liability set forth in Article 425, paragraph (1) of the Companies Act, whichever is greater. In the event that the reelection of each candidate is approved and passed, the Company intends to continue these agreements with each candidate. If the election of Hiromi Kitagawa is approved and passed, the Company plans to enter into the same limited liability agreement with her.
  8. The Company has entered into a directors and officers liability insurance policy with an insurance company, as provided for in Article 430-3, paragraph (1) of the Companies Act, and an outline of the content of this insurance policy is provided on page 28 of the Business Report (in Japanese only). If the election of each candidate for Director is approved, they will be included in the insured parties under this insurance policy. In addition, the Company intends to renew this insurance policy with the same content at the time of next renewal.
  9. The Company has submitted notification of the designation of Toshio Tanaka and Tsuyoshi Higashimoto as independent officers as provided for by the Tokyo Stock Exchange and the Nagoya Stock Exchange, and if their reelections are approved and passed, the Company plans to submit notification of their continued designation as independent officers to both exchanges.
  10. Hiromi Kitagawa satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange and the Nagoya Stock Exchange, and if her election is approved and passed, the Company plans to submit notification of her designation as an independent officer to both exchanges.

<Reference> Skills Matrix of Director Candidates

Name	Current position in the Company	Attributes	Expertise of the candidate					
			Management and governance	Sales	Finance and accounting	Technology and quality	Human resources development	Overseas business
Yoji Tanaka	President & Representative Director		•		•			•
Koji Kusano	Director, Executive Officer, and General Manager of General Affairs Dept.		•					•
Toshiaki Yorifuji	Executive Officer, General Manager of Corporate Planning Dept., and General Manager of Overseas Dept.	[New election]		•		•	•	
Masato Suwa	Executive Officer and General Manager of Human Resources Dept.	[New election]	•			•	•	
Kazuhiko Shiraishi	Executive Officer and General Manager of Nagoya Office	[New election]		•		•	•	
Toshiaki Murotani	Director		•	•			•	
Toshio Tanaka	Outside Director	[Outside] [Independent]	•		•			
Tsuyoshi Higashimoto	Outside Director	[Outside] [Independent]	•					•
Hiroimi Kitagawa	–	[New election] [Outside] [Independent]	•				•	

\* Up to three of the main areas of expertise of each candidate are noted.

**Proposal No. 4**      Payment of Bonuses to Officers

The Company proposes to pay a total amount of ¥10 million in bonuses to officers for two Directors (two Executive Directors) as of the end of the current fiscal year, in consideration of factors such as business performance in the current fiscal year.

Furthermore, the Company proposes that the specific amount, timing, method, and other details of payment to each recipient be entrusted to the Board of Directors. In addition, the Company's policies concerning the determination of the content of individual remuneration, etc. for Directors are provided on pages 28 through 31 of the Business Report (in Japanese only).

The Company has judged that this proposal is appropriate, after comprehensively considering factors such as the business performance of the Company and results in the departments overseen by said Directors.