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Securities code: 4218
June 8, 2023

To Shareholders with Voting Rights:

Toshiaki Takatsu
President
Nichiban Co., Ltd.
2-3-3, Sekiguchi, Bunkyo-ku, Tokyo,
Japan

NOTICE OF THE 119th ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

We cordially inform you that the 119th Annual General Meeting of Shareholders of Nichiban Co., Ltd. (the "Company") will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures to provide information in the Reference Documents for the General Meeting of Shareholders (matters for electronic provision) electronically on the Company's website as the "Notice of the 119th Annual General Meeting of Shareholders." Please access the website below to review this information.

The Company's website
<https://www.nichiban.co.jp/corp/ir/event/shareholder/> (Japanese only)

In addition to the above website, the Company has also disclosed the matters for electronic provision on the website of the Tokyo Stock Exchange (TSE). Please access the below TSE website (Listed Company Search), enter and search for the issue name (company name) or securities code, then select "Basic Information" and "Documents for Public Inspection/PR Information."

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

Instead of attending the meeting in person, you can exercise your voting rights in writing (by mail) or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Tuesday, June 27, 2023, Japan time.

- 1. Date and Time:** Wednesday, June 28, 2023 at 10:00 a.m. Japan time
- 2. Place:** KOCHO banquet hall, Banquet Bldg. 1F, Hotel Chinzanso Tokyo, 2-10-8, Sekiguchi, Bunkyo-ku, Tokyo, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report and Consolidated Financial Statements for the Company's 119th Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 119th Fiscal Year (April 1, 2022 - March 31, 2023)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Eight (8) Directors
- Proposal 3:** Election of One (1) Audit & Supervisory Board Member and One (1) Substitute Audit & Supervisory Board Member

- 4. Other matters relating to this Notice:**
- * If you exercise your voting rights both in writing (by mail) and via the Internet, your vote received via the Internet will be deemed valid regardless of the order in which they were received.
 - * If you exercise your voting rights multiple times via the Internet, your last vote exercised will be deemed valid.
 - * If you fail to indicate your approval or disapproval of each proposal on the returned Voting Rights Exercise Form, you will be deemed to have indicated your approval.
 - * You may exercise your voting rights by proxy by delegating your authority to one other shareholder with voting rights in accordance with provisions of the Company's Articles of Incorporation. If your proxy is attending the meeting, the proxy will be asked to hand in a power of attorney in addition to the Voting Rights Exercise Form.

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk of the meeting venue. If any change has been made to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and the Consolidated Financial Statements, both the original version and the revised version will be posted on the Company's website and the TSE website.

Pursuant to the provisions of applicable laws and regulations and Article 14 of the Company's Articles of Incorporation, the matters stated below are excluded from the paper copy sent to shareholders who have requested. However, the matters below have also been audited by Audit & Supervisory Board Members and the Accounting Auditor in preparing their Audit Reports.

- 1) "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
- 2) "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

Guide to Exercising Voting Rights

Voting rights may be exercised by the following three methods. If you attend the meeting in person, you will not be required to follow the procedure of “Exercising voting rights in writing or via the Internet” mentioned below.

(1) Exercising voting rights by attending the General Meeting of Shareholders

Please bring the Voting Rights Exercise Form enclosed herein and submit it at the reception desk of the meeting venue.

Also, please bring this convocation notice to the venue on the day of the meeting.

Date and time: Wednesday, June 28, 2023 at 10:00 a.m. Japan time (Reception starts at 9:00 a.m. Japan time)

Place: KOCHO banquet hall, Banquet Bldg. 1F, Hotel Chinzanso Tokyo, 2-10-8, Sekiguchi, Bunkyo-ku, Tokyo, Japan

(Exercising voting rights in writing or via the Internet)

(2) Exercising voting rights in writing (Voting Rights Exercise Form)

Please exercise your voting rights by indicating whether you approve or disapprove of the proposals on the Voting Rights Exercise Form enclosed herein and mailing it so that it is received by the Company no later than 5:30 p.m. on Tuesday, June 27, 2023, Japan time.

Deadline for exercising voting rights: 5:30 p.m. on Tuesday, June 27, 2023, Japan time

(3) Exercising voting rights via the Internet (please see the next page for details)

Please enter your approval or disapproval of the proposals on the voting rights exercise website designated by the Company (<https://soukai.mizuho-tb.co.jp/>).

Deadline for exercising voting rights: Enter your approval or disapproval by 5:30 p.m. on Tuesday, June 27, 2023, Japan time

Exercising voting rights via the Internet

Exercising voting rights by scanning a QR code (Smart Voting)

You can log into the Voting Rights Exercise website without entering the Voting Rights Exercise code and password.

(1) Scan the QR code on the bottom right of the Voting Rights Exercise Form.

* The QR code is a registered trademark of Denso Wave Incorporated.

(2) Follow the screen guidance to approve or disapprove of the proposals.

You can exercise your voting rights only once via "Smart Voting".

If you wish to change your vote after exercising your voting rights, please access the PC site, enter the "Voting Right Exercise Code" and "Password" indicated on the Voting Form, log in, and exercise your voting rights again. If you read the QR code again, you will be transferred to the PC site.

To Institutional Investors

You may also exercise your voting rights via the "Electronic Voting Platform" operated by ICJ, Inc.

Exercising voting rights by entering the Voting Rights Exercise code and password

Voting Rights Exercise website (<https://soukai.mizuho-tb.co.jp/>) (Japanese only)

(1) Access the Voting Rights Exercise website.

Scan the QR code to access the Voting Rights Exercise website.

Click "Next" [Click]

(2) Log in.

Enter the Voting Rights Exercise code then click "Next." [Enter] [Click]

(3) Change password

Enter the password then click [Register]. [Enter] [Click]

Follow the screen instructions to approve or disapprove of the proposals.

Note: The Voting Rights Exercise code and password are provided on the enclosed Voting Rights Exercise Form. Please contact on the number provided to the right if you are unsure of how to exercise your voting right via the Internet using a PC, smartphone, mobile phone, etc.

Internet Helpline, Stock Transfer Agency Department Mizuho Trust & Banking Co., Ltd. 0120-768-524 (Operating hours: 9 a.m. to 9 p.m. every day excluding year-end and New Year holidays)

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company proposes to appropriate surplus as described below.

The Company considers return of profits to shareholders as a corporate management priority. Its policy of profit distribution focuses on the performance-linked dividend payment with the consolidated payout ratio aimed at 25%, based on stable dividend payments, while also increasing internal reserves necessary to strengthen the Company's financial standing and to fund capital investment and technology development for higher cost competitiveness, among others. Under this policy and taking consideration for the performance of this fiscal year, the Company proposes to distribute a year-end dividend as described below.

1. Items relating to year-end dividend
 - (1) Type of dividend
Cash
 - (2) Items relating to the appropriation of dividend property and total amount thereof
¥35 per share of common stock of the Company, totaling ¥721,408,065.
 - (3) Effective date of dividend of surplus
June 29, 2023
2. Other matters relating to the appropriation of surplus
 - (1) Item of surplus to be decreased and amount of decrease thereof
Retained earnings brought forward ¥1,000,000,000
 - (2) Item of surplus to be increased and amount of increase thereof
General reserve ¥1,000,000,000

Proposal 2: Election of Eight (8) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes to elect eight (8) Directors, including four (4) Outside Directors.

The candidates for Director are as follows:

No.	Name			Current position at the Company	Attendance at the Board of Directors meetings
1	Reappointment	Toshiaki Takatsu		President	100% (15/15)
2	Reappointment	Hironori Sakai		Executive Director	100% (15/15)
3	Reappointment	Hideaki Hara		Director, Managing Officer	100% (15/15)
4	Reappointment	Yasuhiko Takahashi		Director, Managing Officer	100% (15/15)
5	Reappointment	Yoji Shimizu	Outside Independent	Director	100% (15/15)
6	Reappointment	Tatsuo Ishihara	Outside Independent	Director	100% (15/15)
7	Reappointment	Akihiro Sato	Outside Independent	Director	100% (15/15)
8	Reappointment	Hiroimi Sanada	Outside Independent	Director	100% (11/11)

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Toshiaki Takatsu (November 13, 1966)</p> <p>[Attendance at the Board of Directors meetings] 15/15 (100%)</p> <p>[Assumption of office of Director] June 2019</p> <p>[Reappointment]</p>	<p>April 1990 Joined the Company</p> <p>June 2015 General Manager of Purchase Department, Business Management Division</p> <p>April 2017 General Manager of Middle Japan Sales Department, Industrial Product Sales Management Department</p> <p>April 2018 Operating Officer and General Manager of Medical Specialty Sales Department</p> <p>April 2019 Senior Operating Officer, Assistant to President</p> <p>June 2019 President, responsible for overall corporate management (current position)</p> <hr/> <p>[Reason for nomination as candidate for Director] Since assuming the office of President of the Company in June 2019, Mr. Toshiaki Takatsu has led its business, demonstrated leadership to all officers and employees based on knowledge and experience concerning overall management acquired until now, and has played an important role in making decisions on important matters of the Company and supervising business execution. We have determined that he will be qualified to be responsible for management decision making and supervision of business execution in the future too, and therefore renominated him as a candidate for Director.</p>	17,200 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p>Hironori Sakai (July 6, 1961)</p> <p>[Attendance at the Board of Directors meetings] 15/15 (100%)</p> <p>[Assumption of office of Director] June 2009</p> <p>[Reappointment]</p>	<p>April 1985 Joined the Company</p> <p>April 2008 Operating Officer and General Manager of Administration Department</p> <p>June 2009 Director, Operating Officer, and General Manager of Administration Department</p> <p>June 2015 Managing Director, responsible for CSR and corporate management</p> <p>June 2019 Executive Director, responsible for Promotion Unit and CSR, and General Manager of Public Relations Department</p> <p>April 2020 Executive Director, responsible for administration and CSR (current position)</p> <hr/> <p>[Reason for nomination as candidate for Director] Mr. Hironori Sakai assumed the office of Director of the Company in June 2009 and has served in positions such as General Manager of Administration Division and has been responsible for CSR and corporate management. He has outstanding management execution ability, in addition to diverse experiences and knowledge. The Company has determined that he will play an important role in the Company's important management decision making and supervision of business execution, and therefore renominated him as a candidate for Director.</p>	29,800 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<p data-bbox="220 456 432 528">Hideaki Hara (January 13, 1962)</p> <p data-bbox="220 568 432 696">[Attendance at the Board of Directors meetings] 15/15 (100%)</p> <p data-bbox="201 741 451 846">[Assumption of office of Director] June 2012</p> <p data-bbox="229 898 422 927">[Reappointment]</p>	<p data-bbox="480 277 608 306">April 1984</p> <p data-bbox="699 277 932 306">Joined the Company</p> <p data-bbox="480 315 608 344">April 2011</p> <p data-bbox="699 315 1270 378">Operating Officer and General Manager of Management Department, Tape Business Division</p> <p data-bbox="480 383 608 412">April 2012</p> <p data-bbox="699 383 1246 445">Operating Officer and General Manager of Tape Business Division</p> <p data-bbox="480 450 608 479">June 2012</p> <p data-bbox="699 450 1270 512">Director, Operating Officer, and General Manager of Tape Business Division</p> <p data-bbox="480 517 608 546">April 2020</p> <p data-bbox="699 517 1262 602">Director, Managing Officer, responsible for sales, and General Manager of Business Management Division</p> <p data-bbox="480 607 608 636">April 2022</p> <p data-bbox="699 607 1254 696">Director, Managing Officer, responsible for sales and development, and General Manager of Domestic Business Division (current position)</p>	15,400 shares
		<p data-bbox="480 714 1043 743">[Reason for nomination as candidate for Director]</p> <p data-bbox="480 752 1270 1088">Mr. Hideaki Hara assumed the office of Director of the Company in June 2012 and has a wide range of knowledge and experience in the Tape Business segment. The Company has determined that he is qualified to be responsible for not only promoting business overall, especially the sales and development segments and supply chain, but also important decision making at the Company's Board of Directors meetings and supervision of business execution based on such wealth of knowledge and experience and broad perspective, and therefore renominated him as a candidate for Director.</p>	

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p data-bbox="204 427 448 495">Yasuhiko Takahashi (January 9, 1963)</p> <p data-bbox="220 539 432 663">[Attendance at the Board of Directors meetings] 15/15 (100%)</p> <p data-bbox="204 707 448 808">[Assumption of office of Director] June 2021</p> <p data-bbox="228 853 424 887">[Reappointment]</p>	<p data-bbox="480 275 1267 640"> April 1986 Joined the Company April 2011 Operating Officer and General Manager of Anjo Factory June 2013 President of Nichiban Techno Co., Ltd. April 2016 Senior Operating Officer and General Manager of Administration Division of the Company April 2020 Managing Officer, General Manager of Corporate Planning Division and Public Relations Department June 2021 Director, Managing Officer, General Manager of Corporate Planning Division (current position) </p> <p data-bbox="480 651 1267 1025"> [Reason for nomination as candidate for Director] Mr. Yasuhiko Takahashi has a wide range of experience in the corporate planning, administration and production segments since joining the Company, and assumed the office of Director of the Company in June 2021. The Company has determined that he is qualified to be responsible for important decision making at the Company's Board of Directors meetings and supervision of business execution based on such wealth of knowledge and experience and broad perspective, and therefore renominated him as a candidate for Director. </p>	10,600 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	<p>Yoji Shimizu (August 24, 1946)</p> <p>[Attendance at the Board of Directors meetings] 15/15 (100%)</p> <p>[Assumption of office of Director] June 2014</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>April 1970 Joined the ASATSU INC.*</p> <p>March 2005 Director, Operating Officer of ASATSU-DK INC.*</p> <p>March 2010 Representative Director, President of ASATSU- DK INC.*</p> <p>March 2013 Director, Advisor of ASATSU-DK INC.*</p> <p>June 2014 Outside Director of the Company (current position)</p> <p>* Current ADK Marketing Solutions Inc.</p> <hr/> <p>[Reason for nomination as candidate for Outside Director and summary of expected roles] Mr. Yoji Shimizu has served as Representative Director, President, and Advisor of ASATSU-DK INC. (current ADK Marketing Solutions Inc.), and has a wealth of experience, accomplishments and knowledge as a corporate manager. He has provided advice and recommendations from a standpoint that is objective and independent from the Company's management in order to ensure the legality and validity of decision making at the Company's Board of Directors meetings. The Company therefore renominated him as a candidate for Outside Director.</p>	0 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	<p>Tatsuo Ishihara (March 1, 1952)</p> <p>[Attendance at the Board of Directors meetings] 15/15 (100%)</p> <p>[Assumption of office of Director] June 2016</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>October 1977 Passed the National Bar Examination</p> <p>April 1980 Appointed as Public Prosecutor of Tokyo District Public Prosecutors Office</p> <p>April 1987 Registered as an attorney-at-law</p> <p>January 1989 Established Okinobu & Ishihara Law Office* (current position)</p> <p>June 2016 Outside Director of the Company (current position)</p> <p>* Currently renamed to Spring Partners</p> <p>[Significant concurrent positions] Representative of Spring Partners</p> <p>[Reason for nomination as candidate for Outside Director and summary of expected roles] After being appointed as Public Prosecutor of Tokyo District Public Prosecutors Office in 1980, Mr. Tatsuo Ishihara was registered as an attorney-at-law in 1987. As Representative of Spring Partners, he is currently dealing with corporate legal cases covering a broad range of industries from a highly professional standpoint, in addition to general civil cases. He has a wealth of legal experience, accomplishment and knowledge, and the Company therefore renominated him as a candidate for Outside Director as it expects him to provide advice and recommendations from a standpoint that is objective and independent from the Company's management in order to ensure the legality and validity of decision making at the Company's Board of Directors meetings.</p>	0 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	<p data-bbox="236 636 416 703">Akihiro Sato (June 25, 1959)</p> <p data-bbox="220 748 432 875">[Attendance at the Board of Directors meetings] 15/15 (100%)</p> <p data-bbox="204 920 448 1025">[Assumption of office of Director] June 2019</p> <p data-bbox="236 1070 416 1176">[Reappointment] [Outside] [Independent]</p>	<p data-bbox="480 277 1246 725"> October 1987 Passed the National Bar Examination April 1990 Registered as an attorney-at-law April 1990 Joined Marunouchi Kyoritsu Law Firm May 1995 Established Akihiro Sato Law Office Representative of Akihiro Sato Law Office December 2016 Outside Audit & Supervisory Board Member of the Company June 2019 Outside Director of the Company (current position) June 2023 Partner at Shinwa Sohgo Law Offices (current position) [Significant concurrent positions] Partner at Shinwa Sohgo Law Offices </p> <p data-bbox="480 748 1278 1536"> [Reason for nomination as candidate for Outside Director and summary of expected roles] After being registered as an attorney-at-law in 1990, Mr. Akihiro Sato has built experience focusing on the business legal field, and, after establishing a law office in 1995, continued to build a successful career dealing mainly with business legal cases from a highly professional standpoint. In addition, he served as Vice President of the Dai-Ichi Tokyo Bar Association and as Executive Governor of the Japan Federation of Bar Associations from April 2015 to March 2016, and he has been serving as a member of the Public Interest Commission of the Cabinet Office since April 2019. Furthermore, he served as an Outside Audit & Supervisory Board Member of the Company for two years and six months from December 2016, and acquired deep insight of the Company. He has a wealth of business legal as well as general legal experience, accomplishments and insight with extensive knowledge about the Company, and the Company therefore renominated him as a candidate for Outside Director as it expects him to provide advice and recommendations from a standpoint that is objective and independent from the Company's management in order to ensure the legality and validity of decision making at the Company's Board of Directors meetings. </p>	0 shares

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
8	<p data-bbox="236 891 416 958">Hiromi Sanada (May 20, 1956)</p> <p data-bbox="220 1010 432 1133">[Attendance at the Board of Directors meetings] 11/11 (100%)</p> <p data-bbox="201 1182 451 1283">[Assumption of office of Director] June 2022</p> <p data-bbox="229 1332 422 1433">[Reappointment] [Outside] [Independent]</p>	<p data-bbox="480 322 1254 383">April 1979 Internal Medicine Ward, St. Luke's International Hospital</p> <p data-bbox="480 389 1225 421">April 1980 Surgical Ward, Kanazawa University Hospital</p> <p data-bbox="480 427 1254 521">April 1981 Assistant and Associate Professor of Department of Nursing, School of Allied Medical Sciences, Kanazawa University</p> <p data-bbox="480 528 1171 622">April 1987 Research Student of Faculty of Medicine, Kanazawa University (March 1997 - Doctor of Medicine)</p> <p data-bbox="480 629 1185 723">April 1988 Graduate School of Nursing, University of Illinois, U.S.A. (Special Training) (- March 1990)</p> <p data-bbox="480 730 1190 790">November 1998 Professor of the School of Health Sciences, Faculty of Medicine, Kanazawa University</p> <p data-bbox="480 797 1254 891">April 2004 Division of Health Sciences and Nursing, Graduate School of Medicine, The University of Tokyo</p> <p data-bbox="480 898 1254 981">April 2017 Director of Global Nursing Research Center, Graduate School of Medicine, The University of Tokyo</p> <p data-bbox="480 987 1174 1048">April 2022 President of Ishikawa Prefectural Nursing University (current position)</p> <p data-bbox="480 1055 1238 1115">June 2022 Professor Emeritus of The University of Tokyo (current position)</p> <p data-bbox="480 1122 1174 1182">June 2022 Outside Director of the Company (current position)</p> <p data-bbox="480 1189 1082 1249">[Significant concurrent positions] President of Ishikawa Prefectural Nursing University</p> <p data-bbox="480 1256 1273 1317">[Reason for nomination as candidate for Outside Director and summary of expected roles]</p> <p data-bbox="480 1323 1273 2002">Dr. Hiromi Sanada was appointed as Professor of the School of Health Sciences, Faculty of Medicine, Kanazawa University in 1998. She was subsequently appointed as the first professor in the fields of Health Sciences, Nursing, and Gerontological Nursing at the Graduate School of Medicine, The University of Tokyo in 2004, where she was actively engaged in a range of research activities for the prevention and early convalescence of pressure ulcer, diabetic foot, and other conditions. In the past, she has also served as the Chairperson of Japanese Society of Pressure Ulcers, the President of the Japanese Society of Wound, Ostomy & Continence Management, the Chairperson of the Society for Nursing Science and Engineering, and the Chairperson of the Japan Academy of Nursing Science. The Company therefore renominated her as a candidate for Outside Director as it expects her to utilize her wealth of experience to provide opinions on improving the quality of life in the wound care field and promoting industry-academia collaboration, as well as provide advice and recommendations from a standpoint that is objective and independent from the Company's management in order to ensure the validity of decision making.</p>	0 shares

- Notes:
1. There is no special interest between the candidates and the Company.
 2. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. This contract covers legal dispute fees and damages, etc. to be borne by the insured arising from company lawsuits, third-party lawsuits, shareholder derivative actions and other lawsuits. Each candidate will be included in the insured of this insurance contract. The Company plans to renew this insurance contract with the same terms and conditions at the time of the next renewal.
 3. Messrs. Yoji Shimizu, Tatsuo Ishihara and Akihiro Sato and Dr. Hiromi Sanada are candidates for Outside Director.
 4. Mr. Yoji Shimizu will have served as Outside Director for nine (9) years at the conclusion of this Annual General Meeting of Shareholders, Mr. Tatsuo Ishihara for seven (7) years, Mr. Akihiro Sato for four (4) years, and Dr. Hiromi Sanada for one (1) year.
 5. The Company has registered Messrs. Yoji Shimizu, Tatsuo Ishihara and Akihiro Sato, and Dr. Hiromi Sanada as Independent Officers as provided for under the rules of the Tokyo Stock Exchange.
 6. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Messrs. Yoji Shimizu, Tatsuo Ishihara and Akihiro Sato, and Dr. Hiromi Sanada which limit their liabilities for damages under Article 423, Paragraph 1 of the same Act. The maximum amount of liabilities under the said agreements shall be the amount set forth in laws and regulations. The limitation of liability specified in these agreements shall be applicable only when Outside Directors perform their duties in good faith and without gross negligence. If this proposal is approved, the Company will continue the said agreements with Messrs. Yoji Shimizu, Tatsuo Ishihara and Akihiro Sato, and Dr. Hiromi Sanada.

Proposal 3: Election of One (1) Audit & Supervisory Board Member and One (1) Substitute Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Mr. Yasushi Kodama will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes to elect one (1) Audit & Supervisory Board Member. The Company also proposes to elect one (1) substitute Audit & Supervisory Board Member, in preparation for the case in which the number of Audit & Supervisory Board Members would fall below the statutory minimum.

The substitute Audit & Supervisory Board Member shall assume his office only when the number of Audit & Supervisory Board Members falls below the required number, and his term of office shall be the remaining period of the term of office of his predecessor. The resolution for this proposal shall be effective until the beginning of the next Annual General Meeting of Shareholders.

The Audit & Supervisory Board has consented to the proposal.

The candidate for Audit & Supervisory Board Member and the candidate for substitute Audit & Supervisory Board Member are as follows:

Candidate for Audit & Supervisory Board Member

No.	Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
1	Yasushi Kodama (May 6, 1958) [Attendance at the Board of Directors meetings] 15/15 (100%) [Attendance at the Audit & Supervisory meetings] 16/16 (100%) [Assumption of office of Audit & Supervisory Board Member] June 2019	October 1988 Passed the National Bar Examination April 1991 Intern at U.S. Naval Hospital Yokosuka May 1991 Passed the National Medical Practitioners Qualifying Examination April 1992 Legal Apprentice at The Legal Training and Research Institute of Japan, Supreme Court of Japan April 1994 Joined T. HASEGAWA & CO., LAW OFFICES September 1995 Joined Sidley Austin LLP (Chicago) August 1996 Joined Barlow Lyde & Gilbert LLP (London) November 1996 Passed the New York State Bar Examination, U.S. June 2004 Specially-appointed Professor at the Graduate School of Medicine of the University of Tokyo April 2012 Established Shinsei Sogo Law Offices, Representative (current position) April 2015 Director of National Cancer Center Japan (- March 2023) December 2018 Regent at Tokyo Medical University (current position) June 2019 Outside Director of the Company (current position) [Significant concurrent positions] Representative of Shinsei Sogo Law Offices Regent at Tokyo Medical University [Reason for nomination as candidate for Audit & Supervisory Board Member]	0 shares

No.	Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
	[Reappointment] [Outside] [Independent]	After passing the National Bar Examination in 1988 and the National Medical Practitioners Qualifying Examination in 1991, Mr. Yasushi Kodama has long served as a lawyer and doctor dealing mainly with medical and labor dispute cases, overseas cases. He has served as a committee member of the Ministry of Health, Labour and Welfare, the Cabinet Office, and other ministries related to medical care, pharmaceutical affairs, personal information protection, etc. He has also served as a board member of academic societies in the fields of medicine and nursing care, and has published many papers. He has practical experience in environmental liability, product liability, reinsurance and derivatives overseas, and has been involved in management as a board member of a university, the National Cancer Center Japan, and a major social welfare corporation. The Company has renominated him as a candidate for Outside Audit & Supervisory Board Member because we expect him to conduct highly effective audits in a wide range of fields from a standpoint that is objective and independent based on his wealth of experience.	

- Notes:
1. There is no special interest between the candidate and the Company.
 2. Mr. Yasushi Kodama is a candidate for Outside Audit & Supervisory Board Member.
 3. Mr. Yasushi Kodama will have served as Outside Audit & Supervisory Board Member for four (4) years at the conclusion of this Annual General Meeting of Shareholders.
 4. The Company has registered Mr. Yasushi Kodama as an Independent Officer as provided for under the rules of the Tokyo Stock Exchange. If his election is approved, the Company plans to continue registering him as Independent Officer as provided for under the rules of the Tokyo Stock Exchange.
 5. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Yasushi Kodama which limits his liability for damages under Article 423, Paragraph 1 of the same Act. The maximum amount of liabilities under the said agreements shall be the amount set forth in laws and regulations. The limitation of liability specified in these agreements shall be applicable only when Mr. Yasushi Kodama performs his duties in good faith and without gross negligence. If this proposal is approved, the Company will continue the said agreement with Mr. Yasushi Kodama.
 6. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. This contract covers legal dispute fees and damages, etc. to be borne by the insured arising from company lawsuits, third-party lawsuits, shareholder derivative actions and other lawsuits. Mr. Yasushi Kodama will be included in the insured of this insurance contract.

Candidate for substitute Audit & Supervisory Board Member

No.	Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
2	<p>Ichiro Ichikawa (May 10, 1958)</p> <p>[Substitute] [Outside] [Independent (plan)]</p>	<p>April 1983 Joined Canon Inc. October 1985 Joined Asahi Shinwa & Co. (current KPMG AZSA LLC) August 1989 Registered as a certified public accountant September 2014 Retired from KPMG AZSA LLC December 2014 Established SWEAT CAPITAL Inc., President of SWEAT CAPITAL Inc. (current position) [Significant concurrent positions] President of SWEAT CAPITAL Inc. Outside Auditor of UNIMEDIA INC. Outside Director of Meiwa Industry Co., Ltd.</p> <hr/> <p>[Reason for nomination as candidate for substitute Outside Audit & Supervisory Board Member] After being registered as a certified public accountant in 1989, Mr. Ichiro Ichikawa worked at an accounting firm for about 25 years and built his career mainly in the area of accounting audit, and serves as President of SWEAT CAPITAL Inc. He also has considerable experience, accomplishments and knowledge not only in the area of accounting audit but also as a corporate manager, and the Company therefore nominated him as a candidate for substitute Outside Audit & Supervisory Board Member as it expects him to provide advice and recommendations from a standpoint that is objective and independent from the Company's management in order to ensure the legality and validity of decision making at the Company's Board of Directors meetings.</p>	0 shares

- Notes:
1. There is no special interest between the candidate and the Company.
 2. Mr. Ichiro Ichikawa is a candidate for substitute Outside Audit & Supervisory Board Member.
 3. If the election of Mr. Ichiro Ichikawa is approved and he assumes the office of Audit & Supervisory Board Member, the Company plans to register him as Independent Officer as provided for under the rules of the Tokyo Stock Exchange.
 4. If the election of Mr. Ichiro Ichikawa is approved and he assumes the office of Audit & Supervisory Board Member, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation, the Company plans to enter into an agreement with him, which limits his liabilities for damages under Article 423, Paragraph 1 of the same Act. The maximum amount of liabilities under the said agreement shall be the amount set forth in laws and regulations. The limitation of liability specified in the agreement shall be applicable only when he performs his duties in good faith and without gross negligence.
 5. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. This contract covers legal dispute fees and damages, etc. to be borne by the insured arising from company lawsuits, third-party lawsuits, shareholder derivative actions and other lawsuits. If Mr. Ichiro Ichikawa assumes office, he will be included in the insured of this insurance contract.

(Reference) Skills Matrix of (prospective) Directors and Audit & Supervisory Board Members after the conclusion of this Annual General Meeting of Shareholders

Name	Positions and responsibilities at the Company	Nomination & Compensation Committee	Skill						
			Corporate Management	Finance/Accounting	Legal/Risk management	R&D	Manufacturing/Technology	Marketing Sales	Internationality
Toshiaki Takatsu	President	•	•		•	•	•	•	
Hironori Sakai	Executive Director	•	•	•	•				
Hideaki Hara	Director, Managing Officer		•			•		•	
Yasuhiko Takahashi	Director, Managing Officer		•	•	•		•		•
Yoji Shimizu	Outside Director	•	•					•	
Tatsuo Ishihara	Outside Director	•			•				
Akihiro Sato	Outside Director	•	•		•				
Hiromi Sanada	Outside Director					•			•
Kazunori Takahashi	Audit & Supervisory Board Member					•	•	•	•
Kazuhiko Tomioka	Audit & Supervisory Board Member			•				•	
Yasushi Kodama	Outside Audit & Supervisory Board Member		•		•	•			•
Atsushi Fukuda	Outside Audit & Supervisory Board Member			•					

* The “•” symbol in the skills matrix are listed based on past knowledge and experience, and do not represent all the knowledge and experience possessed by the subject.