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Securities Code: 5331
(Date of mailing) May 31, 2024
(Commencement Date of
Electronic Provision Measures)
May 28, 2024

To Shareholders:

Akira Higashiyama
Representative Director & President
NORITAKE CO., LIMITED
3-1-36, Noritake-shinmachi, Nishi-ku,
Nagoya, Japan

**CONVOCATION NOTICE OF
THE 143RD ANNUAL SHAREHOLDERS' MEETING**

Dear Shareholders:

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

We hereby notify you that the 143rd Annual Shareholders' Meeting of NORITAKE CO., LIMITED (the "Company") will be held as described below.

In convening this Annual Shareholders' Meeting, we have taken measures to electronically provide information ("Matters for Electronic Provision") that constitute the Reference Documents for the Shareholders' Meeting and have posted such information on the websites on the Internet. Therefore, shareholders are asked to review the materials by accessing the websites indicated below.

- The Company's website:
<https://www.noritake.co.jp/eng/company/ir/sokai/>
- *Net de Shoshu* (Online convocation, available in Japanese):
<https://s.srdb.jp/5331/>

In addition to the above websites, the Matters for Electronic Provision have also been posted on the Tokyo Stock Exchange (TSE) website. Shareholders are, therefore, asked to confirm the materials by accessing the TSE website (Listed Company Search) indicated below, entering and searching the issue name (NORITAKE) or securities code (5331), and selecting "Basic information" and "Documents for public inspection/PR information."

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

In the case of not attending the meeting, you may exercise your voting rights via the Internet or in writing. Please review the attached Reference Documents for the Shareholders' Meeting and exercise your voting rights by **5:15 p.m. on Friday, June 21, 2024, Japan time.**

- 1. Date and Time:** Monday, June 24, 2024, at 10:00 a.m., Japan time
- 2. Place:** Head Office of the Company located at 3-1-36, Noritake-shinmachi, Nishi-ku, Nagoya, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 143rd Fiscal Year (April 1, 2023 - March 31, 2024), and results of audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit & Supervisory Board
 2. Non-consolidated Financial Statements for the Company's 143rd Fiscal Year (April 1, 2023 - March 31, 2024)

Proposals to be resolved:

- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Six (6) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal 3:** Determination of the Content of the Annual Delivery-type Performance-linked Stock Compensation Plan for Directors, etc. (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

4. Matters Decided upon the Convocation of the Annual Shareholders' Meeting

- (1) Among the Matters for Electronic Provision, in accordance with laws and regulations and the provisions of the Articles of Incorporation of the Company, the following items are not included in the paper-based documents delivered to shareholders who have requested the delivery of such documents. The Audit & Supervisory Committee and the Accounting Auditors have audited documents subject to auditing including the following items.
1. "Consolidated Statements of Changes in Net Assets" and the "Notes to the Consolidated Financial Statements" of the consolidated financial statements
 2. "Non-consolidated Statements of Changes in Net Assets" and the "Notes to the Non-consolidated Financial Statements" of the non-consolidated financial statements
- (2) If you exercise your voting rights both via the Internet and in writing, the Company will only deem the exercise via the Internet valid.
Also, if you exercise your voting rights several times via the Internet, the Company will only deem the last exercise valid.
- (3) If you do not indicate your vote for or against each proposal on the Voting Rights Exercise Form returned to the Company via postal mail, the Company will deem that you have approved each proposal.
- **When attending the meeting in person, please submit the enclosed Voting Rights Exercise Form at the reception desk. The reception desk is scheduled to open at 9:00 a.m.**
 - **No gifts will be provided to shareholders attending the Annual Shareholders' Meeting.**
 - **If any revisions to the Matters for Electronic Provisions arise, a notice to that effect and both the matters before the revision and after the revision will be posted on the above Company's website, *Net de Shoshu*, and the TSE website on the Internet.**
 - **Please be advised that the resolutions of this Annual Shareholders' Meeting will be posted on the Company's website, after the conclusion of the Annual Shareholders' Meeting, in lieu of paper-based notices of resolutions.**
 - **Any major changes to the convening of the Annual Shareholders' Meeting will be notified through the Company's website.**

Reference Documents for the Shareholders' Meeting

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

In commemorating its 120th anniversary, the Company shall unify its trade name under “Noritake,” the brand name that our customers have long been familiar with, and change its (Japanese) trade name to *Noritake Kabushikikaisha*, to ensure even greater brand recognition both in Japan and overseas and to aim for further business expansion and the enhancement of corporate value, as part of efforts to achieve its long-term vision (ideal target). In conjunction with this change, necessary changes will be made to Article 1 of the current Articles of Incorporation.

The effective date of this change to the Articles of Incorporation shall be July 25, 2024, as provided in a new supplementary provision, which shall be deleted as of the effective date. Additionally, the numbering of the Articles of the supplementary provisions shall be adjusted to accommodate the establishment of the new supplementary provision.

2. Details of amendments

The proposed amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Trade Name)	(Trade Name)
Article 1 The name of the Company shall be “ <i>Kabushikikaisha Noritake Company Limited</i> ,” and the name in English shall be “NORITAKE CO., LIMITED.”	Article 1 The name of the Company shall be “ <i>Noritake Kabushikikaisha</i> ,” and the name in English shall be “NORITAKE CO., LIMITED.”
Article 2 – Article 37 (Provisions omitted)	Article 2 – Article 37 (Same as the current provision)
Supplementary Provisions	Supplementary Provisions
(Transitional Measures regarding the Exemption of Liability of Audit & Supervisory Board Members)	(Transitional Measures regarding the Exemption of Liability of Audit & Supervisory Board Members)
1) The Company may, by resolution of the Board of Directors, exempt Audit & Supervisory Board Members (including persons who were formerly Audit & Supervisory Board Members) from their liability for damages, under Article 423, Paragraph 1 of the Companies Act, regarding acts committed prior to the conclusion of the 142nd Annual Shareholders' Meeting, to the extent permitted by laws and regulations.	<u>Article 1</u> The Company may, by resolution of the Board of Directors, exempt Audit & Supervisory Board Members (including persons who were formerly Audit & Supervisory Board Members) from their liability for damages, under Article 423, Paragraph 1 of the Companies Act, regarding acts committed prior to the conclusion of the 142nd Annual Shareholders' Meeting, to the extent permitted by laws and regulations.
2) (Provision omitted)	2) (Same as the current provisions)
<Newly established>	<u>(Effective Date of the Change in Trade Name)</u>
	<u>Article 2</u> The change in Article 1 of the Articles of Incorporation shall take effect on July 25, 2024.
	<u>2) The provisions of this article shall be deleted as of the effective date of the preceding paragraph.</u>

Proposal 2: Election of Six (6) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

The terms of office of all six (6) Directors (excluding Directors who are Audit & Supervisory Committee Members) will expire at the conclusion of this Annual Shareholders' Meeting. Accordingly, the Company proposes the election of six (6) Directors (excluding Directors who are Audit & Supervisory Committee Members).


In order to strengthen corporate governance and enhance management transparency, two (2) of the six (6) candidates are candidates for Directors (Outside).


The candidates for Directors (excluding Directors who are Audit & Supervisory Committee Members) are as follows:

No.	Name		Position (status) and assigned duties at the Company	Attendance at Board of Directors' meetings
1	Hiroshi Kato	Re-elected	Representative Director & Chairman	14/14 (100%)
2	Akira Higashiyama	Re-elected	Representative Director & President, in charge of Research & Development Center, Intellectual Property Planning Dept.	14/14 (100%)
3	Makoto Okabe	Re-elected	Director & Senior Managing Executive Officer, in charge of Human Resources Dept., Corporate Planning Office, Supervisor to Tabletop Group, President of Noritake Co., Inc., Chairman of Noritake Lanka Porcelain (Pvt.) Limited	11/11 (100%)
4	Yuko Fuma	Re-elected	Director & Managing Executive Officer, in charge of General Administration Dept., Legal Dept., Secretariat Office, and Auditing Office	14/14 (100%)
5	Ryoichi Yamamoto	Re-elected Director (Outside) Independent Director	Director (Outside)	14/14 (100%)
6	Takahiro Fujioka	Newly elected Director (Outside) Independent Director		-


Director (Outside): Candidate for Outside Director


Independent: Candidate for Independent Officer as defined in the provisions set forth by Tokyo Stock Exchange, Inc., etc.

No.	Name (Date of birth)	Brief biography, position (status), assigned duties, and significant concurrent position(s) at other organization(s)	Number of shares of the Company held
1	 <p data-bbox="199 600 399 689">Hiroshi Kato (January 29, 1957) 67 years old</p> <p data-bbox="248 723 347 752"><u>Re-elected</u></p> <p data-bbox="180 786 413 842">Number of years served as Director: 13 years</p> <p data-bbox="199 880 399 965">Attendance at Board of Directors' meetings 14/14 (100%)</p>	<p data-bbox="432 248 549 277">April 1979</p> <p data-bbox="628 248 839 277">Joined the Company</p> <p data-bbox="432 282 539 311">June 2011</p> <p data-bbox="628 282 1098 311">Director & Executive Officer of the Company</p> <p data-bbox="432 315 539 344">June 2014</p> <p data-bbox="628 315 1209 344">Director & Managing Executive Officer of the Company</p> <p data-bbox="432 349 539 378">June 2017</p> <p data-bbox="628 349 1222 378">Representative Director & Vice President of the Company</p> <p data-bbox="432 383 539 412">June 2018</p> <p data-bbox="628 383 1171 412">Representative Director & President of the Company</p> <p data-bbox="432 416 549 445">April 2024</p> <p data-bbox="628 416 1174 461">Representative Director & Chairman of the Company (currently in service)</p>	14,900
<p data-bbox="188 972 762 1001">[Reasons for nomination as a candidate for Director]</p> <p data-bbox="188 1001 1337 1086">Mr. Hiroshi Kato has been engaged in the management of the Company for many years. Based on his wealth of experience and achievements, he is expected to contribute to the strengthening of decision-making functions and oversight functions of the Board of Directors. Thus, the Company nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Brief biography, position (status), assigned duties, and significant concurrent position(s) at other organization(s)	Number of shares of the Company held
2	 <p data-bbox="196 573 400 663">Akira Higashiyama (June 17, 1960) 63 years old</p> <p data-bbox="248 696 347 723"><u>Re-elected</u></p> <p data-bbox="180 763 411 813">Number of years served as Director: 6 years</p> <p data-bbox="196 853 400 936">Attendance at Board of Directors' meetings 14/14 (100%)</p>	<p data-bbox="432 248 547 275">April 1986</p> <p data-bbox="632 248 842 275">Joined the Company</p> <p data-bbox="432 282 547 309">June 2018</p> <p data-bbox="632 282 1209 309">Director & Managing Executive Officer of the Company</p> <p data-bbox="432 315 547 342">June 2019</p> <p data-bbox="632 315 1177 371">Director & Senior Managing Executive Officer of the Company</p> <p data-bbox="432 378 547 405">June 2022</p> <p data-bbox="632 378 1225 405">Representative Director & Vice President of the Company</p> <p data-bbox="432 412 547 439">April 2024</p> <p data-bbox="632 412 1257 490">Representative Director & President, in charge of Research & Development Center, Intellectual Property Planning Dept. of the Company (currently in service)</p>	5,168
<p data-bbox="188 947 762 974">[Reasons for nomination as a candidate for Director]</p> <p data-bbox="188 981 1401 1064">Mr. Akira Higashiyama has been engaged in the management of the Company for many years. Based on his wealth of experience and achievements, he is expected to contribute to the strengthening of decision-making functions and oversight functions of the Board of Directors. Thus, the Company nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Brief biography, position (status), assigned duties, and significant concurrent position(s) at other organization(s)	Number of shares of the Company held
3	 <p>Makoto Okabe (August 29, 1960) 63 years old</p> <p><u>Re-elected</u></p> <p>Number of years served as Director: 1 year</p> <p>Attendance at Board of Directors' meetings 11/11 (100%)</p>	<p>April 1983 June 2020</p> <p>Joined the Mitsubishi Corporation Managing Executive Officer, Deputy Division General Manager, Sales Division, Industrial Products Group of the Company</p> <p>April 2021 April 2022</p> <p>Managing Executive Officer, Division General Manager, Sales Division, Industrial Products Group of the Company Managing Executive Officer, in charge of Corporate Planning Office, and Auditing Office, Supervisor to Tabletop Group of the Company, President of Noritake Co., Inc., Chairman of Noritake Lanka Porcelain Limited</p> <p>April 2023 June 2023</p> <p>Managing Executive Officer, in charge of Human Resources Dept., Corporate Planning Office, Supervisor to Tabletop Group of the Company, President of Noritake Co., Inc., Chairman of Noritake Lanka Porcelain (Pvt.) Limited Director & Senior Managing Executive Officer, in charge of Human Resources Dept., Corporate Planning Office, Supervisor to Tabletop Group of the Company, President of Noritake Co., Inc., Chairman of Noritake Lanka Porcelain (Pvt.) Limited (currently in service)</p>	800
<p>[Reasons for nomination as a candidate for Director] Mr. Makoto Okabe has been engaged in corporate administration and the Industrial Products Group at the Company, as well as the management of overseas subsidiaries. Based on his wealth of experience and achievements, he is expected to contribute to the strengthening of decision-making functions of the Board of Directors. Thus, the Company nominated him as a candidate for Director.</p>			
4	 <p>Yuko Fuma (September 12, 1963) 60 years old</p> <p><u>Re-elected</u></p> <p>Number of years served as Director: 5 years</p> <p>Attendance at Board of Directors' meetings 14/14 (100%)</p>	<p>April 1986 February 2015</p> <p>Joined the Company General Manager, Corporate Planning Office of the Company</p> <p>June 2018 April 2019</p> <p>Executive Officer & Group Deputy General Manager of Corporate Administration Group, General Manager, Corporate Planning Office of the Company Executive Officer & Group General Manager of Corporate Administration Group, General Manager, Corporate Planning Office of the Company</p> <p>June 2019 April 2022</p> <p>Director & Executive Officer, Group General Manager of Corporate Administration Group of the Company Director & Executive Officer, in charge of General Administration Dept., Human Resources Dept., Legal Office, and Secretary Office of the Company</p> <p>June 2022 April 2023</p> <p>Director & Managing Executive Officer, in charge of General Administration Dept., Human Resources Dept., Legal Office, Secretary Office of the Company Director & Managing Executive Officer, in charge of General Administration Dept., Legal Office, Secretariat Office, and Auditing Office of the Company</p> <p>April 2024</p> <p>Director & Managing Executive Officer, in charge of General Administration Dept., Legal Dept., Secretariat Office, and Auditing Office of the Company (currently in service)</p>	1,000
<p>[Reasons for nomination as a candidate for Director] Ms. Yuko Fuma has been engaged in corporate administration at the Company. Based on her wealth of experience and achievements, she is expected to contribute to the strengthening of decision-making functions of the Board of Directors. Thus, the Company nominated her as a candidate for Director.</p>			

No.	Name (Date of birth)	Brief biography, position (status), assigned duties, and significant concurrent position(s) at other organization(s)	Number of shares of the Company held
5	 <p>Ryoichi Yamamoto (March 27, 1951) 73 years old</p> <p><u>Re-elected</u></p> <p>Candidate for Director (Outside)</p> <p>Independent Director</p> <p>Number of years served as Outside Director: 3 years</p> <p>Attendance at Board of Directors' meetings 14/14 (100%)</p>	<p>April 1973 Joined The Daimaru, Inc. (currently Daimaru Matsuzakaya Department Stores Co. Ltd.)</p> <p>May 2003 President and COO of The Daimaru, Inc.</p> <p>September 2007 Director of J. FRONT RETAILING Co., Ltd. Director of Matsuzakaya Co., Ltd. (currently Daimaru Matsuzakaya Department Stores Co. Ltd.)</p> <p>March 2010 President and Representative Director of Daimaru Matsuzakaya Department Stores Co., Ltd.</p> <p>April 2013 President and Representative Director of J. FRONT RETAILING Co., Ltd.</p> <p>May 2017 Director, President, and Representative Executive Officer of J. FRONT RETAILING Co., Ltd.</p> <p>May 2020 Director and Chairperson of the Board of Directors of J. FRONT RETAILING Co., Ltd. (scheduled to retire in May 2024)</p> <p>June 2021 Outside Director of Daido Steel Co., Ltd. (currently in service)</p> <p>June 2021 Director (Outside) of the Company (currently in service)</p> <p>(Significant concurrent post(s) at other organization(s)) Outside Director of Daido Steel Co., Ltd.</p>	2,500
<p>[Reasons for nomination as a candidate for Director (Outside) and expected roles, etc.] Mr. Ryoichi Yamamoto has many years of experience as an executive manager at Daimaru Matsuzakaya Department Stores Co., Ltd. and J. FRONT RETAILING Co., Ltd. Utilizing his wealth of experience and knowledge in corporate management, he has been fulfilling his role appropriately, such as oversight of the Company's business execution and advice to management. Thus, the Company nominated him once again as a candidate for Director (Outside) with the expectation that he will contribute to the strengthening of oversight functions of the Board of Directors and provide advice from wide-ranging management perspectives.</p> <p>[Matters concerning independence] Mr. Ryoichi Yamamoto worked for J. FRONT RETAILING Co., Ltd., but there are no business transactions between the Company and J. FRONT RETAILING Co., Ltd. In addition, while the Company has business transactions with Daimaru Matsuzakaya Department Stores Co., Ltd. which is a major group company of J. FRONT RETAILING Co., Ltd., the annual amount of transactions with Daimaru Matsuzakaya Department Stores Co., Ltd. accounts for less than 1%, an insignificant proportion, of the Company's consolidated net sales. Therefore, the Company judges that a conflict of interest is unlikely to occur between him and general shareholders and he is deemed independent. The Company has also designated him as an independent director stipulated by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc., and notified them of the designation of Mr. Ryoichi Yamamoto as an independent director.</p>			

No.	Name (Date of birth)	Brief biography, position (status), assigned duties, and significant concurrent position(s) at other organization(s)	Number of shares of the Company held
6	 <p>Takahiro Fujioka (August 31, 1954) 69 years old</p> <p>Newly elected</p> <p>Candidate for Director (Outside)</p> <p>Independent Director</p> <p>Number of years served as Outside Director: -</p> <p>Attendance at Board of Directors' meetings -</p>	<p>April 1979 Joined Toyota Motor Co., Ltd. (currently TOYOTA MOTOR CORPORATION)</p> <p>June 2006 Managing Officer of TOYOTA MOTOR CORPORATION</p> <p>May 2011 Standing Corporate Advisor of Aichi Steel Corporation</p> <p>June 2011 President and Representative Director of Aichi Steel Corporation</p> <p>June 2023 Chairman and Representative Director of Aichi Steel Corporation (currently in service)</p> <p>(Significant concurrent post(s) at other organization(s)) Chairman and Representative Director of Aichi Steel Corporation</p>	0
<p>[Reasons for nomination as a candidate for Director (Outside) and expected roles, etc.] Mr. Takahiro Fujioka has many years of experience as an executive manager at TOYOTA MOTOR CORPORATION and Aichi Steel Corporation. The Company nominated him as a candidate for Director (Outside) with the expectation that he will fulfill his role appropriately, such as contributing to the strengthening of oversight functions of the Board of Directors and providing advice from wide-ranging management perspectives by utilizing his wealth of experience and knowledge in corporate management.</p> <p>[Matters concerning independence] Mr. Takahiro Fujioka worked for TOYOTA MOTOR CORPORATION and serves as Chairman and Representative Director at Aishi Steel Corporation, both of which are trading partners of the Company, However, the annual amount of transactions with both TOYOTA MOTOR CORPORATION and Aichi Steel Corporation accounts for less than 1%, an insignificant proportion, of the Company's consolidated net sales. Therefore, the Company judges that a conflict of interest is unlikely to occur between him and general shareholders and he is deemed independent. If his election is approved, the Company intends to designate him as an independent director stipulated by Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc., and notify them of the designation of Mr. Takahiro Fujioka as an independent director.</p>			

(Notes)

1. There is no special interest between each candidate for Director and the Company.
2. The Company has entered into a liability limitation agreement with Mr. Ryoichi Yamamoto, which limits his liabilities for damages under Article 423, Paragraph 1 of the Companies Act, based on the provisions of Article 427, Paragraph 1 of the Act. The maximum amount of liability for damages pursuant to the agreement is the minimum liability amount stipulated by laws and regulations.
3. If the election of Mr. Takahiro Fujioka is approved, the Company intends to enter into a liability limitation agreement with Mr. Takahiro Fujioka, which limits his liabilities for damages under Article 423, Paragraph 1 of the Companies Act, based on the provisions of Article 427, Paragraph 1 of the Act. The maximum amount of liability for damages pursuant to the agreement is the minimum liability amount stipulated by laws and regulations

4. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, which will cover any damages, etc. in the event that the insured directors and officers are to bear liability for damages resulting from their duties. However, the agreement does include certain exemption clauses, such as no compensation being given for damages caused by a criminal act by the insured or damages caused by the insured by acts in violation of laws or regulations that were carried out with the knowledge of their illegality. If the candidates assume the position of Directors, each of them will be insured under the insurance agreement, which is to be renewed during their terms of office.
5. The Company, effective April 1, 2024, conducted a two-for-one common stock split. Accordingly, the above number of shares of the Company held indicates the number of shares after the said stock split.
6. At Aichi Steel Corporation, where Mr. Takahiro Fujioka serves as Chairman and Representative Director, the fact of shipment of steel materials exceeding the length toleration of customer specifications in a portion of specialty steel materials came to light in May 2023. However, Mr. Takahiro Fujioka, upon learning of such fact, has been appropriately fulfilling his responsibilities by establishing a company-wide quality assurance system, correcting inappropriate testing activity, while at the same time establishing a special investigative committee comprising experts to determine the true causes, and pushing forward measures to prevent the recurrence of such incidents.

(Reference) Expertise and Experience of Directors after this Annual Shareholders' Meeting (Skills Matrix)

Name	Position at the Company	Gender	Expertise and experience						
			Corporate management	Sales & marketing	Manufacturing, technology, and R&D	Finance & accounting	Human resources and labor affairs	Legal affairs and risk management	Global
Hiroshi Kato	Representative Director & Chairman	Male	○			○	○	○	○
Akira Higashiyama	Representative Director & President	Male	○	○	○		○	○	
Makoto Okabe	Director & Senior Managing Executive Officer	Male	○	○			○		○
Yuko Fuma	Director & Managing Executive Officer	Female	○				○	○	○
Ryoichi Yamamoto	Director (Outside)	Male	○	○					
Takahiro Fujioka	Director (Outside)	Male	○		○				○
Yoshimasa Nakamura	Director & Full-time Audit & Supervisory Committee Member	Male	○			○			
Tatsuhiko Saruwatari	Director (Outside) & Audit & Supervisory Committee Member	Male	○		○			○	
Takashi Morisaki	Director (Outside) & Audit & Supervisory Committee Member	Male	○			○			○

(Note) The above table does not represent all the expertise and experience possessed by each Director.

Proposal 3: Determination of the Content of the Annual Delivery-type Performance-linked Stock Compensation Plan for Directors, etc. (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

1. Reasons for the proposal and the reason that the said compensation is considered to be reasonable

The Company obtained shareholder approval at the 135th Annual Shareholders' Meeting held on June 29, 2016 for the introduction of a performance-linked stock compensation plan for the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors) and Executive Officers who meet certain requirements (hereinafter collectively referred to as "Director(s), etc.," however, excluding non-residents), consisting of the delivery, etc., of the Company's shares, according to the degree of achievement of corporate performance targets, at the time of retirement in principle (the "Performance-linked Stock Compensation Plan for Delivery at Retirement") to provide an incentive to the eligible officers to pursue management based on an awareness of the medium- to long-term improvement of corporate value and shareholders value, by linking the compensation of the eligible officers to the Company's corporate performance and stock value. Subsequently, at the 142nd Annual Shareholders' Meeting held on June 23, 2023, in conjunction with its transition to a Company with an Audit & Supervisory Committee, the Company obtained shareholder approval to continue with the Performance-linked Stock Compensation Plan for Delivery at Retirement by setting a new maximum amount of compensation of the Plan and it remains in place to the present day.

In this Proposal, the Company, aiming to further share interest and value with the shareholders, asks for approval to introduce a performance-linked stock compensation plan, consisting of the delivery, etc. of the Company's shares on an annual basis, according to the degree of achievement of corporate performance targets during each year, as a new compensation plan (the "Plan"), separate from the maximum amount of compensation (of not more than 40 million yen per month, of which the amount for Directors (Outside) will be no more than 7 million yen per month) for Directors (excluding Directors who are Audit & Supervisory Committee Members) approved by the 142nd Annual Shareholders' Meeting held on June 23, 2023, and the Performance-linked Stock Compensation Plan for Delivery at Retirement for Directors, etc. described above (of 600 million yen for three business years).

The Plan is intended to encourage the early holding of shares as compensation for Directors, etc. while motivating them to contribute to improving and achieving corporate performance as well as increasing shareholder value. Additionally, it has been deliberated by the Nomination and Compensation Committee, a non-statutory, advisory organ to the Board of Directors, the majority of the members of which comprise independent outside directors.

The Company, as stated on page 16, has revised its Decision-making Policies for Individual Compensation of Directors (excluding Directors who are Audit & Supervisory Committee Members), on the condition that this Proposal is approved. The content of this Proposal aligns with the said policies after revision and thus the Company has determined that it is reasonable.

If Proposal 2 "Election of Six (6) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)" is approved and resolved as originally proposed, the number of Directors who will be eligible under the Plan will be four (4) at the conclusion of this Annual Shareholders' Meeting. Furthermore, given

that, as stated above, Executive Officers are also eligible under the Plan, the number of Executive Officers who will be eligible under the Plan among the Executive Officers (excluding Executive Officers who concurrently serve as Directors) to be elected at the Board of Directors meeting to be held after the conclusion of this Annual Shareholders' Meeting will be six (6).

2. The amount and content, etc. of compensation, etc. under the Plan

(1) Outline of the Plan

The Plan is a performance-linked stock compensation plan in which the Company's shares are acquired by a trust established by the Company (the "Trust") using cash contributed by the Company and the Company's shares are delivered and cash equivalent to the amount of the Company's shares converted into cash is paid (the "Delivery, etc. of shares") to Directors, etc., on an annual basis, according to the degree of achievement of corporate performance targets, based on the Stock Compensation Regulations established by the Company.

1) Persons eligible for the Delivery, etc. of shares under the Plan

- Directors, etc. (Directors (excluding Directors who are Audit & Supervisory Committee Members and Directors (Outside)), and Executive Officers who meet certain requirements, however, excluding non-residents)
- Survivors of Directors, etc. (excluding non-residents) who meet certain requirements

2) Applicable period of the Plan

- The initial period shall be the one business year ending March 31, 2025
- After the expiry of the initial period, the three business years from the business year ending March 31, 2026 to the business year ending March 31, 2028 shall be the applicable period. Thereafter, the applicable period shall be the following three consecutive business years.

3) The impact of the Company's shares subject to the Plan on the total number of issued shares

- | | | |
|----|---|---|
| a. | Upper limit of cash to be contributed to the Trust | 378 million yen for each applicable period of three business years. However, 126 million yen for one business year in the initial period. |
| b. | Upper limit of the number of the Company's shares subject to the Delivery, etc. of shares from the Trust | 93 thousand shares for each applicable period of three business years. However, 31 thousand shares for one business year in the initial period. |
| c. | The proportion of the upper limit of the number of the Company's shares subject to the Delivery, etc. of shares to the total number of issued shares ^{*1 *2} | 0.4% ^{*3} for the applicable period of three business years (The proportion of the upper limit of the number of shares to the total number of issued shares is 0.1% ^{*3} per business year)
^{*3} Rounded up to one decimal place. |

^{*1}As of March 31, 2024, after the deduction of treasury shares, etc.

^{*2}Reflecting the stock split, effective April 1, 2024

- | | | |
|----|--|--|
| d. | Method of the acquisition of the Company's shares by the Trust | Acquisition through the disposal of treasury shares from the Company by a third-party allotment or purchases from the stock market |
|----|--|--|

4) How the Plan is linked to performance

- The Plan is linked to the degree of achievement of the corporate performance targets (ROIC*⁴ in the initial period) set for each business year

*⁴Return On Invested Capital

5) The timing and content of the Delivery, etc. of shares to Directors, etc.

- a. Timing: Delivery, etc. of shares shall be conducted annually after the corporate performance has been finalized during the business year subject to assessment (Shall mean the one business year ending March 31. Hereinafter the same applies). However, the Company's shares acquired through the Plan shall be continuously held until that time at which one year has elapsed after retirement.
- b. Content: Delivery of the Company's shares and payment of cash equivalent to the amount of the Company's shares converted into cash.

(2) Upper limit of cash to be contributed to the Trust

The Company shall contribute cash to the Trust for each applicable period of three consecutive business years under the Plan within the upper limit of 378 million yen (126 million yen for one business year in the initial period). Using this contributed cash, the Trust will acquire the Company's shares to be subject to the Delivery, etc. of shares to Directors, etc., through the disposal of treasury shares from the Company through a third-party allotment or purchases from the stock market.

Even after the expiry of the applicable period, in lieu of setting a new Trust, the Trust may be continued by modifying the trust agreement and making additional contributions to the Trust. In such cases, the three business years after the extension shall be a new applicable period. For each extended trust period, the Company shall make additional contributions within the upper limit of 378 million yen and continue to grant points and make delivery, etc. of the Company's shares to the Directors, etc., during the extended trust period. However, in making additional contributions, if there are any shares of the Company (excluding the Company's shares corresponding to the points granted to the Directors, etc., for which the delivery, etc. of shares has not been completed) and cash remaining in the trust assets prior to the extension of the Trust ("Remaining Shares, etc."), the total amount of Remaining Shares, etc., and the trust money to be additionally contributed by the Company shall be within 378 million yen.

(3) Calculation method and the upper limit of the number of the Company's shares subject to the Delivery, etc. of shares to Directors, etc.

The number of the Company's shares subject to the Delivery, etc. of shares to Directors, etc. shall be calculated based on the points granted to Directors, etc. These points are granted according to position and rank, and shall vary according to the degree of achievement of corporate performance targets.

Under the Plan, on a specified date that has been set as the record date each business year, a standard number of points for the relevant business year that has been set according to position and rank will be granted to Directors, etc., who have satisfied certain conditions. These points shall vary according to the degree of

achievement of corporate performance targets (ROIC in the initial period) in the business year subject to assessment.

Under the Plan, the upper limit of the number of the Company's shares subject to the Delivery, etc. of shares for one business year shall be 31 thousand shares. Accordingly, the upper limit of the number of the Company's shares to be acquired by the Trust for each applicable period of three business years shall be 93 thousand shares.

In the event that the Company's shares undergo a share split, reverse share split, etc., the number of shares corresponding to one point may be adjusted according to the split ratio, reverse split ratio, etc., if it is deemed that the adjustment of the number of points corresponding to shares is fair.

(4) Timing and the content of the Delivery, etc. of shares to Directors, etc.

Directors, etc., who meet the beneficiary requirements, shall receive the Delivery, etc. of shares from the Trust corresponding to the number of points held after the corporate performance has been finalized during the business year subject to assessment.

The Delivery, etc. of shares to Directors, etc. shall comprise the delivery of the Company's shares corresponding to a certain ratio of the total points held and the Company's shares corresponding to the remaining points shall be converted within the Trust and the cash equivalent to the converted amount shall be paid for use in the payment of income taxes, etc. (As for the cash equivalent of the converted amount, the Company will take the necessary tax payment procedures, and pay the amount remaining after tax payment to the Directors, etc.)

If a Director, etc., passes away during the trust period, the Company's shares equivalent to the points held by such Director, etc. at the time of his or her death will be converted within the Trust and the cash equivalent of the converted amount will be paid to the survivor of such Director, etc., who meets certain requirements.

(5) Malus and clawback provisions

The Company shall establish provisions so that if a Director, etc. is found to have committed a serious fraud, law violation, and the like, the Company may demand from the Director, etc. involved the loss or forfeiture (malus) of his or her right to receive the delivery, etc. of the Company's shares, etc. under the Plan, or the return of the money equivalent to the Company's shares that have already been delivered (clawback).

(6) Voting rights for the Company's shares within the Trust

The voting rights for the Company's shares within the Trust shall not be exercised during the trust period, in order to ensure the neutrality of management.

(7) Handling of dividends from surplus relating to the Company's shares within the Trust

The dividends from surplus relating to the Company's shares within the Trust will be used to cover trust fees and trust expenses.

(8) Handling at the termination of the Trust

At the termination of the Trust, the Company's shares remaining within the Trust will be transferred to the Company without compensation, as shareholder returns, on the condition that the Company would cancel such

shares. In addition, any cash remaining within the Trust at the time of termination will be paid to the beneficiaries of the Trust who have satisfied the beneficiary requirements as stipulated in the trust agreement, upon being used to cover various expenses.

(9) Other contents of the Plan

The Board of Directors will determine the other contents of the Plan each time the Trust is set, the trust agreement is modified, or an additional contribution to the Trust is made

[Reference]

The Company resolved at its Board of Directors meeting held on May 9, 2024 to revise the Decision-making Policies for Individual Compensation of Directors (excluding Directors who are Audit & Supervisory Committee Members), as described below, on the condition that Proposal 3 “Determination of the Content of the Annual Delivery-type Performance-linked Stock Compensation Plan for Directors, etc. (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)” is approved and resolved (The following has been excerpted from the policies described in (the Japanese version of) the Business Report, 3. Matters related to Company Officers, (4) Compensation, etc. of Directors and Audit & Supervisory Board Members, (i) Policies concerning the determination of compensation for Directors, etc., and the revised sections have been underlined.).

a. Policies concerning fixed monthly compensation

Compensation for the Company’s Directors (excluding Directors who are Audit & Supervisory Committee Members) is composed of “fixed monthly compensation,” “annual delivery-type performance-linked stock compensation,” and “performance-linked stock compensation for delivery at retirement.” “Fixed monthly compensation” is determined by the Board of Directors within the scope approved by the Shareholders’ Meeting. Reasonable and transparent decision-making is ensured by a process in which the Nomination and Compensation Committee deliberates and reports its findings to the Board of Directors regarding the appropriateness of compensation amounts for each Directorship position as appropriate to its roles and duties in keeping with the basic policies pertinent to the compensation system.

Compensation for Directors (Outside) (excluding Directors who are Audit & Supervisory Committee Members) is only “fixed monthly compensation,” taking into account their role in supervising management from an independent standpoint.

Compensation for Directors who are Audit & Supervisory Committee Members is only “fixed monthly compensation,” which is decided within the scope approved by the Shareholders’ Meeting based on deliberation by Directors who are Audit & Supervisory Committee Members.

b. Policies concerning the annual delivery-type performance-linked stock compensation

The annual delivery-type performance-linked stock compensation, based on the Stock Compensation Regulations, aims to encourage the early holding of shares and provide an incentive to pursue management based on an awareness of the medium- to long-term improvement of corporate value and shareholders value for the Company’s Directors (excluding Directors who are Audit & Supervisory Committee Members and Directors (Outside)).

Points are granted according to the degree of achievement of corporate performance targets (ROIC for the business year ending March 31, 2025) set for each business year, and the Company's shares are delivered and cash equivalent to the amount of the Company's shares converted into cash is paid, corresponding to the points granted, on an annual basis.

c. Policies concerning the performance-linked stock compensation for delivery at retirement

The performance-linked stock compensation for delivery at retirement, based on the Stock Delivery Regulations, aims to provide an incentive to pursue management based on an awareness of the medium- to long-term improvement of corporate value and shareholders value for the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members and Directors (Outside)).

Points are granted according to the degree of achievement of corporate performance targets (consolidated net sales, consolidated operating profit, etc.) set in accordance with the Three-year Business Plan for the fiscal year, the points granted accumulate, and the Company's shares are delivered and cash equivalent to the amount of the Company's shares converted into cash is paid, corresponding to the accumulated points, at the time of retirement.

The standard for compensation varies between the range from 0% to 150%, with 100% being the degree of achievement of the baseline corporate performance targets (consolidated net sales, consolidated operating profit, etc.).

d. Policies concerning the ratio of compensation, etc.

The ratio of "fixed monthly compensation" to "annual delivery-type performance-linked stock compensation" and "performance-linked stock compensation for delivery at retirement" is set with an emphasis on stability of medium- to long-term performance and improvement of corporate value and shareholder value, avoiding an excess ratio of "performance-linked stock compensation" linked to business performance.

Opinion of the Audit & Supervisory Committee on the Appointment and Compensation, etc. of Directors Who Are Not Audit & Supervisory Committee Members

Regarding the appointment and compensation, etc. of Directors who are not Audit & Supervisory Committee Members, the decision-making process was shared and deliberated by the Audit & Supervisory Committee, in addition to two independent outside directors who were Audit & Supervisory Committee Members attending and expressing their opinions at the Nomination and Compensation Committee, a non-statutory, advisory organ to the Board of Directors established by the Company. As a result of these deliberations, the Audit & Supervisory Committee determined that the appointment of Directors was appropriate and that the compensation, etc. was also reasonable in light of the Decision-making Policies for Individual Compensation of Directors (excluding Directors who are Audit & Supervisory Committee Members), and concluded that there were no special matters to be reported to the Annual Shareholders' Meeting.