

June 2, 2025

NORITAKE CO., LIMITED
(Securities code: 5331;
Tokyo - Prime, Nagoya - Premier)

Regarding our views on ISS's recommendation for opposition to the
proposals at the 144th Annual General Meeting of Shareholders

We have confirmed the fact that Institutional Shareholder Services Inc. (hereinafter referred to as "ISS") has issued a report recommending opposition to the proposals to be presented at our 144th Annual General Meeting of Shareholders, scheduled for June 26, 2025.

In this report, ISS recommends opposition to certain candidates for Proposal 1, "Election of 7 Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)," and Proposal 2, "Election of 3 Directors Who Are Audit & Supervisory Committee Members." However, we would like to explain our views as follows.

We kindly ask our shareholders and investors to review the information below, gain a correct understanding of the proposals, and exercise their voting rights accordingly.

1. Regarding Proposal 1: "Election of 7 Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) "

(1) Content of ISS's Recommendation for Opposition

ISS has established a standard that recommends opposition to proposals for the election of directors when the amount of cross-shareholdings exceeds 20% of consolidated net assets. According to ISS's "2025 Guidelines for Proxy Voting in Japan," it is stated that the assessment of cross-shareholdings is generally based on the information disclosed in the securities report. Therefore, it is presumed that ISS made its recommendation based on the information contained in our previous fiscal year's securities report submitted in June 2024.

(2) Our Views

Our company holds cross-shareholdings with the aim of building long-term and stable relationships with business partners, which we believe contributes to smooth business operations and the enhancement of our medium- to long-term corporate value. Each year, the Board of Directors verifies the appropriateness of continued holdings based on individual stock performance, purpose of holding, and whether the benefits derived from the holdings justify our capital costs. Stocks that are deemed to have insufficient rationale for holding are sold to reduce our holdings.

As a result, we would like to inform you that the ratio of our cross-shareholdings to consolidated net assets will decrease to 18.4% by the end of fiscal year 2024, which is below ISS's threshold of 20%, as stated in 4. The Status of Reporting Company, 4. Information about Corporate Governance, etc., (5) Shareholdings (Equity securities held) in the securities report to be submitted on June 23, 2025.

(Reference) Shareholdings (Equity securities held)

	Previous fiscal year ending March 2024		Current term ending March 2025	
	Number of individual stocks (Stocks)	Sum of the amount recorded in the Balance Sheet (in Million Yen)	Number of individual stocks (Stocks)	Sum of the amount recorded in the Balance Sheet (in Million Yen)
Unlisted stocks	45	619	45	618
Other stocks than unlisted stocks	35	32,003	31	27,208
Deemed shareholdings	1	2,554	—	—
Total	81	35,176	76	27,827
Consolidated Net Assets	—	147,970	—	150,862
The ratio of cross-shareholdings to the Consolidated Net Assets	—	23.8%	—	18.4%

2. Regarding Proposal 2: "Election of 3 Directors Who Are Audit & Supervisory Committee Members"

(1) Content of ISS's Recommendation for Opposition

In its proxy voting guidelines, ISS states that there should be "no relationships between the company (our company) and outside directors or outside audit committee members other than their appointment as such." It specifies that cases where an individual has prior work experience with the company's major lenders or the company's auditing firm do not meet ISS's independence standards.

ISS recommends opposition to the appointment of Mr. Takashi Morisaki due to his prior work experience with MUFG Bank Ltd, which is a financial institution and shareholder of our company. Additionally, ISS recommends opposition to the appointment of Ms. Chika Matsumoto because she has prior work experience with KPMG AZSA LLC, which serves as our company's accounting auditor.

(2) Our Views

For the following reasons, we believe that there are no issues regarding the independence of Mr. Takashi Morisaki and Ms. Chika Matsumoto, and we expect both to provide appropriate guidance and advice to our company's management. Therefore, we plan to designate them as independent officers in accordance with the regulations of the Tokyo Stock Exchange and the Nagoya Stock Exchange, and we will notify both exchanges accordingly.

1. Regarding Mr. Takashi Morisaki

Mr. Takashi Morisaki is a former employee of MUFG Bank Ltd, which is a financial institution and shareholder of our company. However, it has been nine years since he resigned from his position at the bank, and he is no longer in a position to be influenced by the bank's decisions. Our company's borrowings from the bank are minimal, and the proportion of shares held by the bank is approximately 2.5%. Therefore, we believe that there is no risk of a conflict of interest between him and general shareholders, and we consider him to be independent.

Based on the above, we conclude that there are no issues regarding Mr. Morisaki's independence. Given his extensive experience and high level of insight in corporate management, we expect him to contribute to the enhancement of auditing and supervisory functions as well as to provide advice from a broad management perspective.

2. Regarding Ms. Chika Matsumoto

Ms. Chika Matsumoto is a former employee of KPMG AZSA LLC, which serves as our accounting auditor. She was involved in our accounting audit operations from July 2009 to June 2016. However, it has been nine years since she left our auditing operations, and she has been away from the firm for two years. Furthermore, the auditing firm conducts its accounting audits independently from our company in accordance with legal regulations. The amount we pay to the firm is less than 1% of the total fees received by the firm, indicating that there is minimal financial interaction.

Based on this, we conclude that there are no issues regarding Ms. Matsumoto's independence. Given her extensive experience and high level of insight in finance and accounting audits, we expect her to contribute to the enhancement of auditing and supervisory functions as well as to provide advice from a broad management perspective.

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