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Securities code: 1429

March 7, 2025

(Commencement date of measures for electronic provision: March 4, 2025)

To Shareholders with Voting Rights:

Fumitaka Nakamura
President and Representative Director
Nippon Aqua Co., Ltd.
2-16-2 Konan, Minato-ku, Tokyo,
Japan

**NOTICE OF
THE 21st ANNUAL GENERAL MEETING OF SHAREHOLDERS**

We hereby inform you that the 21st Annual General Meeting of Shareholders of Nippon Aqua Co., Ltd. (the “Company”) will be held as described below.

In the convocation of this General Meeting of Shareholders, measures for electronic provision will be implemented and matters subject to these measures will be posted as the “Notice of the 21st Annual General Meeting of Shareholders” on the internet on the following website.

The Company’s website: <https://www.n-aqua.jp/ir-en/stock/resolve/>

In addition to the above, matters subject to the measures for electronic provision will also be posted on the internet on the website of the Tokyo Stock Exchange, available through the following link. Please access the Tokyo Stock Exchange’s website and enter or search for the Company’s issue name (company name) or securities code, and select “Basic information” followed by “Documents for public inspection/PR information” to peruse information that has been posted.

Tokyo Stock Exchange’s website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

If you are unable to attend the Meeting, you may exercise your voting rights in writing or via the internet (electromagnetic means). **Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights so they arrive or are submitted no later than 6:00 p.m. (JST) on Wednesday, March 26, 2025.**

[Exercise of voting rights in writing]

Please indicate your approval or disapproval of the proposals on the enclosed voting form, and return it so that your vote is received no later than the above exercise deadline.

[Exercise of voting rights via the internet]

Please access the website for exercising voting rights (<https://evote.tr.mufg.jp/>, available in Japanese). Use the “login ID” and “temporary password” described in the enclosed voting form, and follow the directions on the screen to register your approval or disapproval of the proposals no later than the above exercise deadline.

When exercising voting rights via the internet, please refer to “Guidance Notes on the Exercise of Voting Rights via the Internet” on page 3 of the Japanese version of this document and indicate your approval or disapproval of the proposals by the above exercise deadline.

1. **Date and Time:** Thursday, March 27, 2025 at 10:00 a.m. Japan time
(Reception starts at 9:00 a.m.)
2. **Place:** 3rd Floor, Annex Building, Shinagawa Season Terrace Conference
1-2-70 Konan, Minato-ku, Tokyo, Japan
3. **Meeting Agenda:**
 - Matters to be reported:** The Business Report and Non-consolidated Financial Statements for the Company's 21st Fiscal Year (from January 1, 2024 to December 31, 2024)
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
 - Proposal 3:** Election of Four (4) Directors Who are Audit and Supervisory Committee Members
4. **Matters Determined for Convocation of General Meeting of Shareholders:**
 - (1) Among the matters subject to the measures for electronic provision, in accordance with the related laws and regulations and Article 15 of the Company's Articles of Incorporation, the Notes to Non-consolidated Financial Statements are not included in the paper copy to be sent to shareholders. Accordingly, the paper copy to be sent to shareholders represents only part of the applicable documents which the Audit and Supervisory Committee and Accounting Auditor audited to prepare their audit reports.
 - (2) If voting rights are exercised in duplicate via both the internet and the voting form, the exercise of voting rights via the internet shall prevail. In addition, if voting rights are exercised multiple times via the internet, the vote made last shall prevail.
 - (3) If neither approval nor disapproval is indicated for each of the proposals on the voting form, it shall be treated as indicating approval for propositions by the Company.
 - If you are able to attend the Meeting, you are kindly requested to present the enclosed voting form at the reception.
 - Any revisions to the matters subject to the measures for electronic provision will be posted as detailed before and after revision on the internet on the Company's website and the Tokyo Stock Exchange's website as listed above.
 - Other relevant notices and information for shareholders will be posted on the Company's website. Please access the Company's website to peruse the latest information available.
 - The results of resolutions made at this General Meeting of Shareholders will be posted on the Company's website following the conclusion of the Meeting instead of sending a notice on paper by mail.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Regarding the appropriation of surplus, the Company proposes the following.

Matters concerning year-end dividends

Considering the enhancement of the corporate structure, future business development, and other matters, the Company has decided to pay a year-end dividend of ¥34 per share for the fiscal year under review.

- (1) Matters concerning the allotment of dividend property to shareholders and the total amount
¥34 per common share of the Company
Total amount: ¥1,084,876,386
- (2) Effective date of distribution of surplus
March 28, 2025

Proposal 2: Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of seven (7) Directors (excluding Directors who are Audit and Supervisory Committee Members).

Each candidate for Director (excluding Directors who are Audit and Supervisory Committee Members) was determined by the Board of Directors based on the deliberations of the Nomination Committee, of which the majority of members are independent Outside Directors.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows.

No.	Name	Current positions and responsibilities at the Company	Years in office as Director	Attendance at the Board of Directors meetings
1	Fumitaka Nakamura [Reappointment] [Male]	President and Representative Director Representative Director of Aquafoam Asia Associates	20 years 4 months	18/18
2	Yuka Murakami [Reappointment] [Female]	Senior Managing Director Responsible for HR & Administration, Corporate Planning, Information Systems, Finance and Accounting, Sales Support, and Process Management Departments	16 years 1 month	18/18
3	Kazuhisa Nagata [Reappointment] [Male]	Director Responsible for Technical Center, Estimation, Environment, and Machine Maintenance Departments	3 years	18/18
4	Koji Fujii [Reappointment] [Male]	Director Responsible for Housing Business	2 years	18/18
5	Keishi Usami [Reappointment] [Male]	Director Responsible for Construction Business Department and Quality Management	2 years	17/18
6	Takeshi Kenmochi [Reappointment] [Outside] [Independent] [Male]	Outside Director	2 years	18/18
7	Kenji Komatsu [New appointment] [Outside] [Independent] [Male]		-	-/-

[Reappointment]: Candidate for reappointment

[Outside]: Candidate for Outside Director

[Independent]: Independent Director

[New appointment]: Candidate for new appointment

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Fumitaka Nakamura (June 24, 1968) [Reappointment]	March 1990 Joined Shinko Home Co., Ltd. December 1992 Joined INOAC CORPORATION March 2001 Joined Foam Insulation Co., Ltd. October 2003 Joined BASF INOAC Polyurethanes Ltd. November 2004 Established the Company President and Representative Director (to present) July 2016 Representative Director of Aquafoam Asia Associates (to present)	1,005,800
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Fumitaka Nakamura has demonstrated strong leadership as Representative Director since the Company was founded in 2004, and has driven the Company's growth as the officer responsible for strategic planning and business execution in relation to the entire business. The Company has determined that he is capable of continuing to fulfill the roles of Director in making decisions on important matters and supervising business execution while contributing to the sustainable growth and enhancing the corporate value of the Company moving forward, and has therefore nominated him as a candidate for Director.</p>			
2	Yuka Murakami (March 13, 1967) [Reappointment]	April 1987 Joined the House of Representatives Members Office September 1993 Joined Central Homes Co., Ltd. December 2004 Joined the Company General Manager of General Affairs Department February 2009 Director and General Manager of General Affairs Department August 2012 Managing Director March 2013 Senior Managing Director July 2023 Senior Managing Director Responsible for Administration, Finance and Accounting, and Operations Management January 2025 Senior Managing Director Responsible for HR & Administration, Corporate Planning, Information Systems, Finance and Accounting, Sales Support, and Process Management Departments (to present)	223,400
<p>[Reason for nomination as candidate for Director]</p> <p>Ms. Yuka Murakami has a wealth of experience and achievements in legal affairs, personnel and general affairs, finance and accounting, public relations and risk management, and has overseen the corporate planning department of the Company and contributed to the enhancement of corporate value since joining the Company. The Company has determined that she is capable of continuing to fulfill the roles of Director in making decisions on important matters and supervising business execution while contributing to the sustainable growth and enhancing the corporate value of the Company moving forward, and has therefore nominated her 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
3	Kazuhisa Nagata (July 1, 1966) [Reappointment]	<p>April 1992 Joined Nisshinbo Chemical Inc.</p> <p>September 2012 Seconded to NEDO (New Energy and Industrial Technology Development Organization)</p> <p>March 2016 Joined the Company General Manager of Raw Materials Development Department</p> <p>March 2018 Director</p> <p>March 2019 Executive Officer and General Manager of Technical Center</p> <p>March 2022 Director, Responsible for Development Department and Technical Center</p> <p>October 2023 Director, Responsible for Development Department, Technical Center, Work Projects, Contractor Development, and Machine Maintenance Departments</p> <p>January 2024 Director, Responsible for Technical Center, Quality Management, Work Projects, Contractor Development, and Machine Maintenance Departments</p> <p>January 2025 Director, Responsible for Technical Center, Estimation, Environment, and Machine Maintenance Departments (to present)</p>	8,200
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Kazuhisa Nagata has contributed to expanding the business domains of the Company since joining the Company through the development of urethane raw materials by leveraging his wealth of experience and knowledge as well as profound expertise as a professional well versed in construction sites, and he has been participating in management as a Director since March 2022. The Company has determined that he is capable of continuing to fulfill the roles of Director in making decisions on important matters and supervising business execution while contributing to the sustainable growth and enhancing the corporate value of the Company moving forward, and has therefore nominated him as a candidate for Director.</p>			
4	Koji Fujii (May 31, 1973) [Reappointment]	<p>February 1994 Joined Housetec Inc.</p> <p>April 2013 Joined the Company</p> <p>March 2017 General Manager of Hokuriku/Koshinetsu Block</p> <p>January 2019 General Manager of Kitakanto Block</p> <p>January 2020 Executive Officer</p> <p>January 2023 Senior Executive Officer, Responsible for Housing Business Department</p> <p>March 2023 Director, Responsible for Housing Business Department</p> <p>January 2024 Director, Responsible for Housing Business (to present)</p>	-
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Koji Fujii has, since joining the Company, gained experience as a manager responsible for important sales blocks, and has overseen the main business of the Company, the Single-Family Homes Division, as Executive Officer and the officer responsible for the Housing Business Department, and contributed to expanding the businesses of the Company. The Company has determined that he is capable of fulfilling the roles of Director in making decisions on important matters and supervising business execution while contributing to the sustainable growth and enhancing the corporate value of the Company moving forward, and has therefore nominated 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
5	Keishi Usami (April 30, 1967) [Reappointment]	April 1993 Joined Osaka Fernandes Co., Ltd. August 1997 Joined Sumitomo Forestry 2x4 Co., Ltd. July 2008 Joined the Company October 2012 General Manager of Sales Department, Tohoku Block February 2016 General Manager of Construction Sales Department March 2016 Director March 2019 Executive Officer January 2023 Junior Executive Officer Responsible for Construction Business Department March 2023 Director, Responsible for Construction Business Department January 2024 Director, Responsible for Construction Business Department January 2025 Director, Responsible for Construction Business Department and Quality Management (to present)	16,200
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Keishi Usami has, since joining the Company, gained experience as a manager responsible for an important sales block, and has promoted expanding the business activities of the Buildings Division as the officer responsible for the Construction Business Department. He also has developed a thorough understanding of management through his experiences as Director and Executive Officer of the Company. The Company has determined that he is capable of fulfilling the roles of Director in making decisions on important matters and supervising business execution while contributing to the sustainable growth and enhancing the corporate value of the Company moving forward, and has therefore nominated him as a candidate for Director.</p>			
6	Takeshi Kenmochi (June 13, 1979) [Reappointment] [Outside] [Independent]	October 2003 Joined Chuo Aoyama Audit Corporation Kyoto Office (currently PricewaterhouseCoopers Japan LLC) March 2007 Registered as a Certified Public Accountant June 2012 Established Takeshi Kenmochi CPA Office, Representative (to present) April 2017 Senior Managing Director of TAKAYOSHI, INC. December 2021 Representative Director and Vice President March 2023 Outside Director of the Company (to present) June 2023 Outside Director (Audit and Supervisory Committee Member) of NIPPON CHEMICAL INDUSTRIAL CO., LTD. (to present)	-
<p>[Reason for nomination as candidate for Outside Director and expected roles]</p> <p>Mr. Takeshi Kenmochi has a wealth of experience and broad insight as a business manager, including serving as Representative Director and Vice President of TAKAYOSHI, INC., in addition to professional knowledge, experience, etc. cultivated as a certified public accountant. He has been participating in management as an Outside Director since March 2023, and the Company expects that he will continue to provide advice on the management of the Company and appropriately supervise it from an objective perspective, and has therefore nominated him as a candidate for Outside Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	Kenji Komatsu (March 24, 1953) [New appointment] [Outside] [Independent]	<p>April 1978 Joined Mitsubishi Corporation</p> <p>October 2003 Joined Ecolab KK (currently Ecolab GK)</p> <p>July 2005 Representative Director and President</p> <p>October 2010 General Manager of Sales Division of GE Toshiba Silicone Co., Ltd. (currently Momentive Performance Materials Japan LLC)</p> <p>March 2013 Representative Director, President of BELLSYSTEM24, Inc.</p> <p>March 2016 Director and Chairman of BELLSYSTEM24 Holdings, Inc.</p> <p>March 2019 Outside Member of Audit & Supervisory Board of Kuraray Co., Ltd. (to present)</p> <p>June 2022 Director of FUJITSU COMPONENT LIMITED (currently FCL COMPONENTS LIMITED)</p> <p>January 2023 Chairman and Representative Director of Longreach Business Partners Inc. (to present)</p>	-
<p>[Reason for nomination as candidate for Outside Director and expected roles] Mr. Kenji Komatsu served in important positions at companies such as Mitsubishi Corporation, Ecolab KK, and BELLSYSTEM24, Inc., and has a wealth of experience in corporate management and organizational operations. He has served as an Outside Member of Audit & Supervisory Board of Kuraray Co., Ltd. since March 2019, and contributed to the strengthening of governance. The Company expects him to leverage his past experience to provide advice on the management of the Company and appropriately supervise it from an objective perspective, and has therefore nominated him as a candidate for Outside Director.</p>			

- Notes: 1. There are no special interests between each candidate for Director and the Company.
2. Messrs. Takeshi Kenmochi and Kenji Komatsu are candidates for Outside Director. Mr. Takeshi Kenmochi currently serves as Outside Director of the Company, and will have served as Outside Director for two years at the conclusion of this General Meeting of Shareholders.
3. The Company has registered Mr. Takeshi Kenmochi as an independent Director with the Tokyo Stock Exchange, Inc. as stipulated by the Exchange. If he is reelected, the Company will continue to register him as an independent Director. In addition, if Mr. Kenji Komatsu is elected and assumes office as Outside Director, he will be an independent Director as stipulated by the Tokyo Stock Exchange.
4. The Company has entered into an agreement with Mr. Takeshi Kenmochi in accordance with Article 427, Paragraph 1 of the Companies Act to limit his liability for damages pursuant to Article 423, Paragraph 1 of the same Act. The maximum amount of liability for damages pursuant to the agreement is the minimum amount stipulated by laws and regulations. If the election of Mr. Takeshi Kenmochi is approved, the Company will continue the aforementioned agreement with him. In addition, if the election of Mr. Kenji Komatsu is approved, the Company will enter into the same limited liability agreement with him.
5. The Company has entered into a directors and officers liability insurance agreement as outlined below. Each candidate for reappointment is already insured under this insurance agreement. If this Proposal is approved as originally proposed, each candidate will be included in the insured persons. The Company plans to renew this insurance agreement with the same terms and conditions at the next renewal.
- [Outline of the insurance agreement]
- (1) Actual ratio of premiums paid by the insured
The Company bears the full amount of all insurance premiums. As such, the insured do not assume responsibility for any actual premiums.
- (2) Outline of events insured against
This insurance agreement covers compensation for damages to be borne by the insured person in the event of claims made against them for actions taken in the course of their duties as an officer, etc. of the Company.

(3) Measures to ensure the appropriateness of the performance of duties by officers, etc.
There are certain exemptions to the provision of coverage. For example, the insured officer, etc. will not be covered for damages arising from actions taken with knowledge that they were in violation of laws and regulations.

Proposal 3: Election of Four (4) Directors Who are Audit and Supervisory Committee Members

The terms of office of all four (4) Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of four (4) Directors who are Audit and Supervisory Committee Members. The candidates for Directors who are Audit and Supervisory Committee Members were determined by the Board of Directors based on the deliberations of the Nomination Committee. The consent of the Audit and Supervisory Committee for the submission of this Proposal has been obtained in advance.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows.

No.	Name	Current positions and responsibilities at the Company	Years in office as Director	Attendance at the Board of Directors meetings
1	Noriyuki Utsumi [New appointment] [Outside] [Independent] [Male]		-	-/-
2	Yuki Matsuda [Reappointment] [Outside] [Independent] [Female]	Outside Director (Audit and Supervisory Committee Member)	8 years	18/18
3	Naofumi Higuchi [Reappointment] [Outside] [Independent] [Male]	Outside Director (Audit and Supervisory Committee Member)	5 years	18/18
4	Hidetaka Nishina [Reappointment] [Outside] [Independent] [Male]	Outside Director (Audit and Supervisory Committee Member)	2 years	18/18

[Reappointment]: Candidate for reappointment

[Outside]: Candidate for Outside Director

[Independent]: Independent Director

[New appointment]: Candidate for new appointment

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Noriyuki Utsumi (July 24, 1958) [New appointment] [Outside] [Independent]	October 1982 Joined Recruit Co., Ltd. September 1995 Joined Nissho Kensetsu Co., Ltd. April 1998 Director July 2005 Joined Hakuten Corporation February 2006 Director June 2014 Auditor June 2016 Auditor of Sprasia Co., Ltd. September 2021 Auditor of NICHINAN Co., Ltd. June 2022 Director (Audit and Supervisory Committee Member) of Hakuten Corporation	-
[Reason for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and expected roles] Mr. Noriyuki Utsumi served in important positions at companies such as Recruit Co., Ltd. and Hakuten Corporation and has a wealth of experience and advanced insight in the fields of corporate management and internal audit. He served as Auditor of a listed company for 10 years, and contributed to strengthening the internal audit system and expanding the scope of audits. The Company expects him to leverage this experience to supervise the management of the Company and implement appropriate audits, and has therefore			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
nominated him as a candidate for Outside Director who is an Audit and Supervisory Committee Member.			
2	Yuki Matsuda (April 17, 1977) [Reappointment] [Outside] [Independent]	April 2004 Entered the Legal Training and Research Institute of Japan October 2005 Graduated from Legal Training and Research Institute of Japan Registered as Attorney (to present) January 2016 Joined Sunrise Law Office (to present) March 2017 Outside Director of the Company May 2017 Outside Director of Az Plan Co., Ltd. February 2021 Secretary General of Japan Federation of Bar Associations May 2022 Outside Director (Audit and Supervisory Board Member) of Az Plan Co., Ltd. March 2023 Outside Director (Audit and Supervisory Committee Member) of the Company (to present) March 2023 Outside Director (Audit and Supervisory Committee Member) of Nihon Suido Consultants Co., Ltd. (to present) December 2024 Outside Director (Audit and Supervisory Committee Member) of temona, inc (to present)	-
<p>[Reason for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and expected roles]</p> <p>Ms. Yuki Matsuda has a wealth of experience and advanced insight and expertise as an attorney, and is well versed in corporate law. She has provided beneficial and honest opinions and suggestions as an Outside Director of the Company since March 2017, and has contributed to the soundness and transparency of the decision-making of the Company. Based on these achievements, the Company expects her to supervise the overall management of the Company and implement appropriate audits, and has therefore nominated her as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Naofumi Higuchi (March 19, 1973) [Reappointment] [Outside] [Independent]	October 1997 Joined Chuo Audit Corporation April 2001 Registered as a Certified Public Accountant (to present) August 2007 Joined Mizuho Securities Co., Ltd. August 2009 Joined the Japanese Institute of Certified Public Accountants April 2012 Associate Professor of Tohoku University Accounting School January 2013 Joined Grant Thornton Taiyo LLC June 2016 Established Higuchi CPA Office, Representative (to present) Outside Audit & Supervisory Board Member of JAPAN PULP AND PAPER COMPANY LIMITED (to present) April 2018 Professor of Tohoku University Accounting School (to present) March 2020 Outside Director of the Company July 2022 Council Member of the Japanese Institute of Certified Public Accountants (to present) March 2023 Outside Director (Audit and Supervisory Committee Member) of the Company (to present) June 2023 Audit & Supervisory Board Member of JMA Consultants Inc. (to present)	-
<p>[Reason for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and expected roles]</p> <p>Mr. Naofumi Higuchi has been involved in corporate accounting audits as a certified public accountant and serves as a professor at Tohoku University Accounting School, and has a high degree of knowledge and broad experience regarding finance and accounting. He has provided beneficial and honest opinions and suggestions as an Outside Director of the Company since March 2020, and has contributed to the soundness and transparency of the decision-making of the Company. Based on these achievements, the Company expects him to supervise the overall management of the Company and implement appropriate audits, and has therefore nominated him as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	Hidetaka Nishina (March 25, 1979) [Reappointment] [Outside] [Independent]	October 2002 Graduated from the Legal Training and Research Institute of Japan Registered as Attorney (to present) Joined Anderson & Mori (currently Anderson Mori & Tomotsune Foreign Law Joint Enterprise) April 2003 Joined Operations Department of Bank of Japan May 2006 Joined Office of Counselors of the Civil Affairs Bureau January 2011 Partner of Nakamura, Tsunoda & Matsumoto (to present) June 2013 Part-time Auditor of INES Corporation March 2017 Outside Auditor of the Company March 2019 Outside Auditor of Vario Secure Inc. April 2019 Outside Director of KITAMURA HOLDINGS Co., Ltd June 2021 Outside Director (Audit and Supervisory Committee Member) (to present) November 2022 Outside Director (Audit and Supervisory Committee Member) of Vario Secure Inc. December 2022 Outside Director of FUJI SOFT INCORPORATED (to present) March 2023 Outside Director (Audit and Supervisory Committee Member) of the Company (to present)	-
<p>[Reason for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and expected roles]</p> <p>Mr. Hidetaka Nishina has a wealth of experience and advanced insight and expertise as an attorney, and is well versed in corporate law and fields related to securities law. He has served as an Outside Auditor of the Company for six years since March 2017, and has implemented audits of the Company from an objective and professional point of view and contributed to the soundness and transparency of the decision-making of the Company. Based on these achievements, the Company expects him to supervise the overall management of the Company and implement appropriate audits, and has therefore nominated him as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p>			

- Notes: 1. There are no special interests between each candidate for Director who is an Audit and Supervisory Committee Member and the Company.
2. Although Ms. Yuki Matsuda, Mr. Naofumi Higuchi, and Mr. Hidetaka Nishina have not been involved in corporate management in any way aside from being outside executives, the Company has determined that they are capable of properly accomplishing their duties as Outside Directors who are Audit and Supervisory Committee Members for the reasons detailed in “Reason for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and expected roles” above.
3. Mr. Noriyuki Utsumi, Ms. Yuki Matsuda, Mr. Naofumi Higuchi, and Mr. Hidetaka Nishina are candidates for Outside Director. Ms. Yuki Matsuda, Mr. Naofumi Higuchi, and Mr. Hidetaka Nishina currently serve as Outside Directors of the Company and their terms of office as Outside Directors will be eight years for Ms. Yuki Matsuda, five years for Mr. Naofumi Higuchi, and two years for Mr. Hidetaka Nishina, at the conclusion of this General Meeting of Shareholders. In addition, Ms. Yuki Matsuda, Mr. Naofumi Higuchi, and Mr. Hidetaka Nishina currently serve as Directors who are Audit and Supervisory Committee Members of the Company and their terms of office as Directors who are Audit and Supervisory Committee Members of the Company will be two years at the conclusion of this General Meeting of Shareholders.

4. The Company has registered Ms. Yuki Matsuda, Mr. Naofumi Higuchi, and Mr. Hidetaka Nishina as independent Directors with the Tokyo Stock Exchange, Inc. as stipulated by the Exchange. If they are reelected, the Company will continue to register them as independent Directors. In addition, if Mr. Noriyuki Utsumi is elected and assumes office as Outside Director, he will be an independent Director as stipulated by the Tokyo Stock Exchange.
5. In March 2024, JAPAN PULP AND PAPER COMPANY LIMITED, where Mr. Naofumi Higuchi serves as an Outside Audit & Supervisory Board Member, was found by the Japan Fair Trade Commission to have violated the provisions of Article 3 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (prohibition of unreasonable restraint of trade) in relation to a bid for recycled roll paper ordered by the National Printing Bureau, since June 5, 2017 at the latest. (However, JAPAN PULP AND PAPER COMPANY LIMITED did not receive a cease-and-desist order. It did not receive a surcharge payment order, either, through the application of the leniency program.) He has provided proactive suggestions on the importance of compliance and risk management, etc. at the meetings of the Board of Directors and the Audit and Supervisory Committee from an objective and neutral standpoint. In addition, since the discovery of this case, he has continuously expressed his opinions on the prevention of recurrence of such an event, and regularly monitored initiatives for overall compliance activities, including the prevention of violations of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, and fulfilled his duties.
6. The Company has entered into agreements with Ms. Yuki Matsuda, Mr. Naofumi Higuchi, and Mr. Hidetaka Nishina in accordance with Article 427, Paragraph 1 of the Companies Act to limit their liability for damages pursuant to Article 423, Paragraph 1 of the same Act. The maximum amount of liability for damages pursuant to the agreement is the minimum amount stipulated by laws and regulations. If the election of these three (3) candidates is approved, the Company will continue the aforementioned agreements with them. In addition, if the election of Mr. Noriyuki Utsumi is approved, the Company will enter into the same limited liability agreement with him.
7. The Company has entered into a directors and officers liability insurance agreement as outlined below. Each candidate for reappointment is already insured under this insurance agreement. If this Proposal is approved as originally proposed, each candidate will be included in the insured persons. The Company plans to renew this insurance agreement with the same terms and conditions at the next renewal.

[Outline of the insurance agreement]

 - (1) Actual ratio of premiums paid by the insured
The Company bears the full amount of all insurance premiums. As such, the insured do not assume responsibility for any actual premiums.
 - (2) Outline of events insured against
This insurance agreement covers compensation for damages to be borne by the insured person in the event of claims made against them for actions taken in the course of their duties as an officer, etc. of the Company.
 - (3) Measures to ensure the appropriateness of the performance of duties by officers, etc.
There are certain exemptions to the provision of coverage. For example, the insured officer, etc. will not be covered for damages arising from actions taken with knowledge that they were in violation of laws and regulations.

[Reference] Skill matrix of Directors and Audit and Supervisory Committee Members

The Board of Directors of the Company has identified the following skills that are important in the management of the company, and expects Directors and Audit and Supervisory Committee Members to fully demonstrate their abilities.

Firstly, to properly lead management and business, “Corporate management,” “Sales and marketing,” and “Production and quality control” skills are the basis for all decisions.

In addition, “Finance and accounting,” “Personnel, labor, and human resource development,” and “Legal affairs and risk management” skills are also needed to establish and maintain an appropriate management base.

Furthermore, in order to ensure the sustainability of corporate management, “Sustainability and ESG” skills are also necessary. If Proposal 2 and Proposal 3 are approved as originally proposed at this General Meeting of Shareholders, the skill matrix of Directors and Audit and Supervisory Committee Members in the management structure will be as follows.

Name	Position with the Company	Gender	Corporate management	Sustainability and ESG	Sales and Marketing	Production and quality control	Finance and accounting	Personnel, labor, and human resource development	Legal affairs and risk management
Fumitaka Nakamura	President and Representative Director	Male	•	•	•	•			
Yuka Murakami	Senior Managing Director	Female	•				•	•	•
Kazuhisa Nagata	Director	Male		•		•			
Koji Fujii	Director	Male			•	•			
Keishi Usami	Director	Male			•	•			
Takeshi Kenmochi	Outside Director	Male	•				•	•	
Kenji Komatsu	Outside Director	Male	•		•				
Noriyuki Utsumi	Outside Director (Full-time Audit and Supervisory Committee Member)	Male	•		•	•		•	
Yuki Matsuda	Outside Director (Audit and Supervisory Committee Member)	Female						•	•
Naofumi Higuchi	Outside Director (Audit and Supervisory Committee Member)	Male					•		
Hidetaka Nishina	Outside Director (Audit and Supervisory Committee Member)	Male							•

[Reference] Standards for the Independence of Outside Directors

The Company judges that an Outside Director is independent if the Outside Director does not fall under any of the items of the standards for the independence of Outside Directors listed below.

- (1) A person who served as an executive director, executive, executive officer or employee of a parent company, sister company or subsidiary of the Company in the past ten years
- (2) Executive director, executive, executive officer or employee of an entity for which the Company is a major business partner (a business partner that provides products or services to the Company and whose transaction amount is equivalent to more than 2% of the total annual consolidated sales in the most recent fiscal year)
- (3) Executive director, executive, executive officer or employee of a major business partner of the Company (a business partner to which the Company provides products or services and whose transaction amount is equivalent to more than 2% of the total annual consolidated sales of the Company in the most recent fiscal year)
- (4) A person who receives cash or other financial benefit equivalent to an amount of 10 million yen or more per annum from the Company as a consultant, accounting professional or legal professional, besides executive compensation paid by the Company
- (5) A person who fell under any of the items (2) to (4) above in the past three years
- (6) A relative within the second degree of kinship of a person who falls under any of the items (1) to (5) above