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To our valued shareholders,

Let me first take this opportunity to express my sincerest gratitude to our shareholders for the outstanding support you have extended to Koatsu Gas Kogyo Co., Ltd. Please accept these humble greetings from myself, issued in conjunction with this Notice of the 91st Annual General Meeting of Shareholders.

Ever since Koatsu Gas Kogyo Co., Ltd. was founded in 1958, our corporate activities have been inspired by our basic philosophies of “Harmony among People, Technology and the Environment” and “Safety and security” and we have been on a constant quest to contribute to social development and to help enrich people’s everyday lives through our gas business, chemical products business and IT solution business.

We have remained steadfast in this commitment over the years and as society has developed in different ways. Today, the severity of various social issues is intensifying and the international community is striving to create a sustainable society by achieving the SDGs and other goals. In such a situation, I believe it is vital for us as managers to always refer back to our company’s original driving commitment and fundamental starting point.

While our business environment may be changing on a near daily basis, we are determined to continue steadily implementing measures that will enable us to evolve into an even stronger company that enjoys sustainable growth fueled by a future-oriented perspective, keen sense of speed, flexible judgement and unswerving corporate philosophy.

Looking ahead, we will continue to build long-term relationships of trust with our shareholders. We will seek to address society’s demands attentively and sincerely, and we will strive to achieve sustainable growth, enhance corporate value and develop as a group company that is both essential to and trusted by society at large.

I thank you in advance for your continued understanding and support, which is greatly appreciated.

June 2024

Motonari Kuroki

President and Representative Director

Medium-Term Management Plan (for the fiscal year ended March 2022 (89th fiscal year) to the fiscal year ending March 2026 (93rd fiscal year))

Change & Challenge Stage II

An Evolving Company —Taking on Globalization—

Performance targets (consolidated) Final fiscal year targets (fiscal year ending March 31, 2026)			
Net sales	Operating profit	Operating profit margin	Strategic investment (cumulative)
¥100.0 billion	¥7.0 billion	7.0%	¥17.0 billion

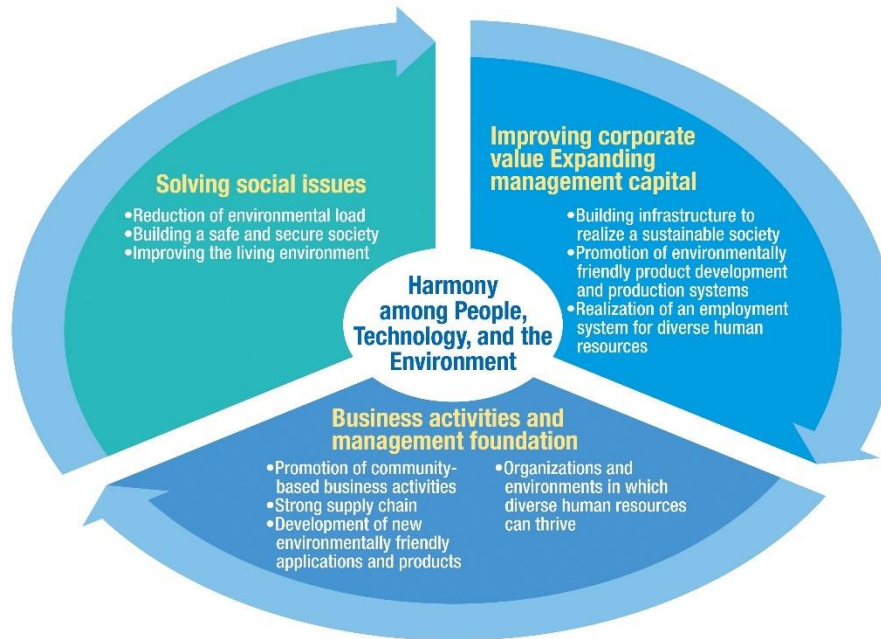
Five Growth Strategies		
Business expansion	<ul style="list-style-type: none"> • Deepening existing businesses • Developing new markets 	<ul style="list-style-type: none"> • Developing new products • Diversified development of business
Human resources development	<ul style="list-style-type: none"> • Responding to a changing social environment • Diversification of human resources and organizations 	<ul style="list-style-type: none"> • Becoming a company that makes the most of people
Function maintenance	<ul style="list-style-type: none"> • Maintaining the system environment • Strengthening sales system, production management, and management system 	<ul style="list-style-type: none"> • Improving the working environment
Strategic investment	<ul style="list-style-type: none"> • Introduction of new production equipment • Strategic M&A 	<ul style="list-style-type: none"> • New business development
Social harmony	<ul style="list-style-type: none"> • Practicing environmental management • Promoting CSR activities 	<ul style="list-style-type: none"> • Thorough legal compliance • Improving workplace discipline

In the fiscal year under review, which is the third or middle year of the Medium-Term Management Plan “Change & Challenge Stage II,” which finishes in the fiscal year ending March 31, 2026, we made company-wide efforts to achieve the targets, despite the changing market environment and high raw material price trends, and as a result, we made solid progress toward the numerical targets for the fiscal year. In the areas of business expansion and strategies, the Company has published research that can contribute to the realization of a carbon-free society, including new gas carburizing technology, and is vigorously pushing ahead with the realization of results. As a measure for human capital, which is the core of non-financial targets, the Company has established various training systems aimed at improving the independence and diversity of its employees, and expanded welfare benefit systems to improve the working environment, thus promoting forward-looking initiatives to create a safe and comfortable workplace. Going forward, we will strive to further improve our earning capacity while developing a system to respond to the changing business environment, and promote business activities aimed at achieving our targets toward the final fiscal year of the plan.

Sustainability Initiatives

Becoming a corporate group that continues to create value

The Group recognizes that proactively addressing social issues is an important management issue, and promotes company-wide sustainability initiatives to improve corporate value over the medium- to long-term.



Initiatives towards the realization of sustainability

- Expansion of the governance and risk management system

Establish the Sustainability Promotion Committee, chaired by the President and Representative Director, to formulate and promote measures related to SDGs, climate change, etc.

- Initiatives for climate change

- Contribute to a zero-carbon world (normal pressure smart carburizing, hydrogen accumulators, etc.)
- Take on gas non-combustion fields (carbon nanotubes, flame retardants, vacuum carburizing, etc.)
- Build a supply system for low-carbon gases (ammonia, next-generation refrigerant gas, etc.)
- Company-wide power saving initiatives (introduction of solar power generation equipment, conversion of business sites to LED lighting, etc.)
- Response to logistics and vehicles (promotion of eco-driving, conversion to hybrid vehicles, consideration of EVs)
- Update manufacturing equipment (consider the introduction of power-saving equipment)

- Initiatives for environmentally friendly products

Develop and increase sales of environmentally friendly products (water-based products, Thermal Barrier Paints, highly weather-resistant paints, damping products, etc.)

- Initiatives for regional communities

As a community-based company, be active at various disaster prevention councils

- Initiatives for human resources

Establish various training systems, enhance welfare programs, and realize healthy and comfortable working environments and diversification of human resources through action plans such as promotion of the active participation of women

To Shareholders with Voting Rights:

Motonari Kuroki
President and Representative Director
Koatsu Gas Kogyo Co., Ltd.
2-4-12, Nakazaki-Nishi, Kita-ku,
Osaka City, Osaka, Japan

**NOTICE OF
THE 91st ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 91st Annual General Meeting of Shareholders of Koatsu Gas Kogyo Co., Ltd. (the “Company”) will be held as described below.

When convening this General Meeting of Shareholders, the Company takes measures for the supply in electronic format, and matters to be supplied in electronic format are posted on the website below as “Notice of the 91st Annual General Meeting of Shareholders.”

The Company’s website: <https://www.koatsugas.co.jp/english/ir/>

In addition to the website above, matters to be supplied in electronic format are also posted on the website below.

Tokyo Stock Exchange website (Listed Company Search):

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

Please access the website above, enter “Koatsu Gas Kogyo” in “Issue name (company name)” or the Company’s securities code “4097” in “Code,” and click “Search.” Select “Basic information” and then “Documents for public inspection/PR information,” and view the information in “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting]” under “Filed information available for public inspection.”

If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders below and exercise your voting rights by 5:30 p.m. on Monday, June 24, 2024 Japan time.

- 1. Date and Time:** Tuesday, June 25, 2024 at 10:00 a.m.
- 2. Place:** White Hall, 31F Umeda Center Building
2-4-12, Nakazaki-Nishi, Kita-ku, Osaka City, Osaka, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements for the Company’s 91st fiscal year (April 1, 2023 - March 31, 2024)
 2. Results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements for the Company’s 91st fiscal year
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of Five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members)
 - Proposal 3:** Election of One (1) Director Who Is an Audit and Supervisory Committee Member
- 4. Matters decided regarding convocation**
 - (1) In the event that there is no indication of approval or disapproval of a proposal on the Voting Rights Exercise Form, it will be treated as an indication of approval.

(2) In the event that voting rights are exercised both in writing and via the Internet, etc., the vote via the Internet, etc. shall prevail. If voting rights are exercised multiple times by the Internet, etc. or on both PC and smartphone, the most recent vote shall prevail.

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(Request) When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.

(Notice)

- Although a system for the supply in electronic format has been implemented due to revisions to the Companies Act, for this year's General Meeting of Shareholders, we will continue to send the reference documents for the General Meeting of Shareholders to all shareholders with voting rights as we have done in the past, regardless of whether or not a request for delivery of documents was made.
- Should any revisions occur to the matters to be supplied in electronic format, the revisions will be posted on the Company's website and the Tokyo Stock Exchange's website.
- Should there be any major changes to the operation of the General Meeting of Shareholders, it will be posted on the Company's website.

How to Exercise Your Voting Rights

You can exercise your voting rights by one of the following three methods.

Exercise of voting rights by attending the General Meeting of Shareholders in person

Please submit the enclosed Voting Rights Exercise Form at the reception desk.

If attending the meeting in person, there is no need to complete the exercise of voting rights either in writing or via the Internet, etc.

Date and Time of General Meeting of Shareholders: Tuesday, June 25, 2024 at 10:00 a.m. Japan time

Exercise of voting rights by post

Please indicate your vote in favor of or against each of the proposals on the enclosed Voting Rights Exercise Form and return the form for arrival by 5:30 p.m. on Monday, June 24, 2024 Japan time.

In the event that there is no indication of approval or disapproval of the proposals on the Voting Rights Exercise Form, it will be treated as an indication of approval.

Exercise of voting rights via the Internet, etc.

Please access the website for exercising voting rights specified by the Company (<https://evote.tr.mufg.jp/>) and exercise your voting rights by 5:30 p.m. on Monday, June 24, 2024 Japan time. Please refer to the next page for details.

Exercise of voting rights multiple times

In the event that voting rights are exercised both in writing and via the Internet, etc., the vote via the Internet, etc. shall prevail. If voting rights are exercised multiple times by the Internet, etc. or on both PC and smartphone, the most recent vote shall prevail.

To institutional investors:

Institutional investors also have the option of exercising their voting rights via electromagnetic means using the Electronic Voting System Platform operated by ICJ, Inc.

How to Exercise Your Voting Rights Via the Internet, etc.

Deadline for exercise of voting rights: 5:30 p.m. on Monday, June 24, 2024 Japan time
 (The service will be unavailable from 2:30 a.m. to 4:30 a.m. of each day during the voting period.)

Voting method by scanning QR code	Voting method by entering Login ID and temporary password
<p>You can log on to the website for exercising voting rights without entering your Login ID and temporary password.</p> <ol style="list-style-type: none"> Scan the QR code at the bottom right of the Voting Rights Exercise Form with your smartphone. * “QR code” is a registered trademark of DENSO WAVE INCORPORATED. Follow the on-screen instructions to enter your votes. 	<p>Website for exercising voting rights: https://evote.tr.mufg.jp/</p> <ol style="list-style-type: none"> Access the website for exercising voting rights. Click on “Next screen” Enter the Login ID and temporary password found at bottom right of the Voting Rights Exercise Form. Enter Login ID and temporary password and click on “Login” Follow the on-screen instructions to enter your votes.

Any costs involved in accessing the website for exercising voting rights (e.g. Internet connection fees) shall be the responsibility of the shareholder.

For any questions about exercising voting rights via the Internet, etc., please contact the following:
 Securities Agency Division (Help Desk), Mitsubishi UFJ Trust and Banking Corporation
 Tel: 0120-173-027 (9:00 a.m. - 9:00 p.m., Japan time; toll free only in Japan)

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Based on the basic policy of providing stable and continuous dividends, the Company strives to return profits to shareholders by comprehensively taking into account the business results, financial position, etc. for each fiscal year.

In view of the favorable business results for the fiscal year, the Company proposes a year-end dividend of 11 yen per share for the fiscal year under review, an increase of 2 yen per share from the initial forecast of 9 yen per share.

Matters concerning year-end dividends

1. Type of property for dividends
Cash
2. Allotment of property for dividends to shareholders and total amount thereof
11 yen per share of common stock of the Company
(Combined with interim dividend, total annual dividend per share: ¥20)
Total: ¥607,241,063
3. Effective date of distribution of surplus
June 26, 2024

Proposal 2: Election of Five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members)

The terms of office of all five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter the same shall apply in this proposal) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of five (5) Directors.

The candidates for Director are as follows:

No.	Name	Current positions and responsibilities at the Company
1	Motonari Kuroki [Reappointment]	President and Representative Director President and Executive Officer
2	Kazuhiro Setsuda [Reappointment]	Vice President and Representative Director Vice President and Executive Officer General Manager, Chemical Products Business Division
3	Takashi Morimoto [Reappointment]	Director Senior Managing Executive Officer General Manager, Corporate Planning Division; General Manager, Corporate Planning Department; General Manager, Gas Business Division
4	Yoshihiro Ikeda [Reappointment]	Director Managing Executive Officer General Manager, Administration Division
5	Shinsuke Yoshitaka [Reappointment] [Outside]	Director

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p>Motonari Kuroki (January 2, 1965)</p> <p>[Reappointment]</p> <p>[Years in office as Director] 13 years</p> <p>[Attendance at the Board of Directors meetings] 10/10 (100%)</p>	<p>April 1988 Joined the Company</p> <p>June 2011 Director, General Manager, Tokyo Office; Head of Kanto Area, Gas Business Division, the Company</p> <p>June 2015 Managing Director, General Manager, Tokyo Office; Deputy General Manager, Gas Business Division, the Company</p> <p>April 2017 Managing Director, General Manager, Tokyo Office; General Manager, Corporate Planning Division; Deputy General Manager, Gas Business Division, the Company</p> <p>June 2017 Senior Managing Director, General Manager, Tokyo Office; General Manager, Corporate Planning Division; General Manager, Gas Business Division, the Company</p> <p>April 2020 Senior Managing Director, General Manager, Tokyo Office; General Manager, Gas Business Division, the Company</p> <p>July 2020 Chairman and Representative Director, KGK Service Co., Ltd.</p> <p>June 2021 Chairman and Representative Director, KOATSU SHOWA CYLINDERS Co., Ltd. (current position)</p> <p>June 2021 President and Representative Director, President and Executive Officer, the Company (current position)</p> <p>June 2023 Representative Director, KGK Service Co., Ltd. (current position)</p> <p>[Significant concurrent positions] Chairman and Representative Director, KOATSU SHOWA CYLINDERS Co., Ltd. Representative Director, KGK Service Co., Ltd.</p>	50,600
<p>[Reason for nomination as candidate for Director]</p> <p>After serving in key positions in the gas business and corporate planning divisions, as President and Representative Director and President and Executive Officer of the Company from 2021, Mr. Motonari Kuroki has overseen and promoted management strategies with outstanding leadership, based on his wealth of experience and achievements related to the business and to corporate management, contributing to the growth of the Group's business and enhancement of its corporate value. As he possesses the knowledge, insight, high standard of ethics, ability to make fair judgments, and executive ability required to fulfill the duties of Director, the Company believes that he will be able to further contribute to the future enhancement of the Group's corporate value and that he is a suitable person to make material operational decisions and supervise the execution of duties by the Directors and Executive Officers. For this reason, the Company nominates 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
2	<p>Kazuhiro Setsuda (August 5, 1963)</p> <p>[Reappointment]</p> <p>[Years in office as Director] 13 years</p> <p>[Attendance at the Board of Directors meetings] 10/10 (100%)</p>	<p>April 1988 Joined the Company</p> <p>June 2009 Executive Officer, Deputy General Manager, Chemical Products Business Division, the Company</p> <p>April 2010 Executive Officer, General Manager, Chemical Products Business Division, the Company</p> <p>June 2011 Director, General Manager, Chemical Products Business Division, the Company</p> <p>December 2013 Chairman and Representative Director, Koatsu Gas Kogyo Vietnam Co., Ltd.</p> <p>June 2015 Managing Director, General Manager, Chemical Products Business Division, the Company</p> <p>June 2017 Senior Managing Director, General Manager, Chemical Products Business Division, the Company</p> <p>June 2017 Chairman/President and Representative Director, Koatsu Gas Kogyo Vietnam Co., Ltd. (current position)</p> <p>June 2021 Vice President and Representative Director, Vice President and Executive Officer, General Manager, Chemical Products Business Division, the Company (current position)</p> <p>January 2024 Representative Director, SUZUKA FINE CO., LTD. (current position)</p> <p>[Significant concurrent positions] Representative Director, SUZUKA FINE CO., LTD. Chairman/President and Representative Director, Koatsu Gas Kogyo Vietnam Co., Ltd.</p>	73,800
<p>[Reason for nomination as candidate for Director]</p> <p>After serving in key positions in the sales division of the chemical products business, currently, as Vice President and Representative Director, Vice President and Executive Officer, and General Manager of the Chemical Products Business Division, Mr. Kazuhiro Setsuda oversees operations and is contributing to the growth of the Group's business and enhancement of its corporate value based on his wealth of experience and achievements. As he possesses the knowledge, insight, high standard of ethics, ability to make fair judgments, and executive ability required to fulfill the duties of Director, the Company believes that he will be able to further contribute to the future enhancement of the Group's corporate value and that he is a suitable person to make material operational decisions and supervise the execution of duties by the Directors and Executive Officers. For this reason, the Company nominates 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
3	Takashi Morimoto (August 6, 1963) [Reappointment] [Years in office as Director] 1 year [Attendance at the Board of Directors meetings] 8/8 (100%)	April 1986 Joined the Company June 2013 Executive Officer, Head of Tokai Area, Gas Business Division, the Company June 2015 Director, Head of Tokai Area, Gas Business Division, the Company April 2020 Director, General Manager, Corporate Planning Division; General Manager, Corporate Planning Department, the Company June 2020 Managing Director, General Manager, Corporate Planning Division; General Manager, Corporate Planning Department, the Company June 2021 Senior Managing Executive Officer, General Manager, Corporate Planning Division; General Manager, Corporate Planning Department; General Manager, Gas Business Division, the Company June 2023 Director, Senior Managing Executive Officer, General Manager, Corporate Planning Division; General Manager, Corporate Planning Department; General Manager, Gas Business Division, the Company (current position)	34,000
	[Reason for nomination as candidate for Director] As Director, Senior Managing Executive Officer, General Manager of the Gas Business Division, and General Manager of Corporate Planning Division, Mr. Takashi Morimoto oversees operations based on his wealth of experience and achievements, while planning and promoting management strategies, and contributes to the growth of the Company's business and enhancement of its corporate value. As he possesses the knowledge, insight, high standard of ethics, ability to make fair judgments, and executive ability required to fulfill the duties of Director, the Company believes that he will be able to further contribute to the future enhancement of the Group's corporate value and that he is a suitable person to make material operational decisions and supervise the execution of duties by the Directors and Executive Officers. For this reason, the Company nominates him as a candidate for Director.		

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p data-bbox="212 387 427 454">Yoshihiro Ikeda (January 25, 1965)</p> <p data-bbox="212 521 427 555">[Reappointment]</p> <p data-bbox="212 589 427 678">[Years in office as Director] 1 year</p> <p data-bbox="212 712 427 835">[Attendance at the Board of Directors meetings] 8/8 (100%)</p>	<p data-bbox="467 275 595 297">April 1989</p> <p data-bbox="467 320 595 342">April 2013</p> <p data-bbox="467 365 595 387">July 2013</p> <p data-bbox="467 477 595 499">April 2015</p> <p data-bbox="467 589 595 611">April 2017</p> <p data-bbox="467 701 595 723">June 2018</p> <p data-bbox="467 790 595 813">June 2021</p> <p data-bbox="467 857 595 880">June 2023</p> <p data-bbox="667 275 1265 936"> Joined the Company Executive Director, the Company, seconded to SUZUKA FINE CO., LTD. Executive Director, General Manager, General Affairs Department, Administration Division, Tokyo Office, the Company Executive Director, Deputy General Manager, Tokyo Office; General Manager, General Affairs Department, Administration Division, Tokyo Office, the Company Executive Director, General Manager, Corporate Planning Department, Corporate Planning Division, the Company Director, General Manager, Administration Division; General Manager, General Affairs and Human Resources Department, the Company Managing Executive Officer, General Manager, Administration Division, the Company Director, Managing Executive Officer, General Manager, Administration Division, the Company (current position) </p>	<p data-bbox="1377 600 1465 622">10,900</p>
<p data-bbox="196 969 762 992">[Reason for nomination as candidate for Director]</p> <p data-bbox="196 1003 1465 1238"> Mr. Yoshihiro Ikeda has engaged in operations related to finance and accounting, as well as human resources and labor, for many years, and currently oversees operations as Director, Managing Executive Officer, and General Manager of the Administration Division, contributing to the growth of the Company's business and enhancement of its corporate value. As he possesses the knowledge, insight, high standard of ethics, ability to make fair judgments, and executive ability required to fulfill the duties of Director, the Company believes that he will be able to further contribute to the future enhancement of the Group's corporate value and that he is a suitable person to make material operational decisions and supervise the execution of duties by the Directors and Executive Officers. For this reason, the Company nominates 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	Shinsuke Yoshitaka (February 1, 1951) [Reappointment] [Outside] [Years in office as Director] 13 years [Attendance at the Board of Directors meetings] 10/10 (100%)	<p>April 1974 Joined Denki Kagaku Kogyo Kabushiki Kaisha (currently Denka Company Limited)</p> <p>June 2006 Director, Denki Kagaku Kogyo Kabushiki Kaisha</p> <p>June 2007 Senior Executive Officer, Denki Kagaku Kogyo Kabushiki Kaisha</p> <p>June 2008 Director and Senior Executive Officer, Denki Kagaku Kogyo Kabushiki Kaisha</p> <p>April 2010 Representative Director and Managing Executive Officer, Denki Kagaku Kogyo Kabushiki Kaisha</p> <p>April 2011 President and Representative Director, President and Chief Executive Officer, Denki Kagaku Kogyo Kabushiki Kaisha</p> <p>June 2011 Director, the Company (current position)</p> <p>April 2017 Chairman and Representative Director, Denka Company Limited</p> <p>April 2019 Director Chairman of the Board, Denka Company Limited</p> <p>April 2021 Special Advisor to Directors, Denka Company Limited</p> <p>June 2021 Special Advisor, Denka Company Limited (current position)</p>	3,000
<p>[Reason for nomination as candidate for Outside Director and overview of expected roles] Mr. Shinsuke Yoshitaka has a wealth of experience and high degree of knowledge about corporate management. In the deliberations of the Board of Directors, he has utilized his experience and insight to provide proactive advice and recommendations on important matters related to management, etc., and has greatly contributed to the constructive discussions and strengthening of the effectiveness of the Board of Directors. In the expectation that he will leverage his wealth of experience and achievements concerning corporate management and continue to contribute to the expansion of the Group's business, the strengthening of governance functions, and the enhancement of corporate value from an objective perspective, the Company nominates him as a candidate for Outside Director.</p>			

- Notes:
1. There are no special interests between each candidate and the Company.
 2. Mr. Shinsuke Yoshitaka is a candidate for Outside Director.
 3. The Company has concluded an agreement with Mr. Shinsuke Yoshitaka that limits his liability for damages indicated in Article 423, Paragraph 1 of the Companies Act. The amount of limitation of liability for damages based on that agreement is the amount stipulated by laws and regulations. Should his election be approved, the Company intends to continue the liability limitation agreement with him.
 4. Pursuant to Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance (D&O insurance) contract with an insurance company to cover legal damages and litigation expenses, etc. that would be incurred by the insured. If this proposal is approved as originally proposed and the candidates are appointed as Directors, each candidate will be insured under this insurance contract. The premiums for the insurance contract will be borne in their entirety by the Company. The Company plans to renew the insurance contract with the same level of contents during the candidates' terms of office.

Proposal 3: Election of One (1) Director Who Is an Audit and Supervisory Committee Member

Mr. Tetsuro Sasano, a Director who is an Audit and Supervisory Committee Member, will resign at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of one (1) Director who is an Audit and Supervisory Committee Member as a substitute thereof.

The term of office of the Director who is an Audit and Supervisory Committee Member elected at this General Meeting of Shareholders shall be until the expiration of the term of office of the retired Director who is an Audit and Supervisory Committee Member in accordance with the provisions of the Articles of Incorporation of the Company.

The approval of the Audit and Supervisory Committee has been obtained for this proposal.

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

Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
Kazuyo Nishikata (April 22, 1969) [New appointment] [Outside] [Independent]	October 2003 Registered as Attorney with the Hyogo Bar Association October 2003 Joined Toyoki Sakamoto Law Office (currently Kobe Partners Law Office) (current position) April 2018 Member, Kobe City Real Estate Deliberation Committee June 2020 Member, Hyogo Prefecture Information Disclosure Personal Information Protection Committee (current position) June 2021 Governor, Japan Federation of Bar Associations June 2022 Outside Audit & Supervisory Board Member, TOA Corporation (current position)	-
[Reason for nomination as candidate for Outside Director who is an Audit and Supervisory Board Member and overview of expected roles] Ms. Kazuyo Nishikata has a wealth of specialized knowledge and experience cultivated as an attorney, as well as considerable knowledge and experience in corporate auditing cultivated as an auditor of other listed companies. Accordingly, the Company expects her to provide useful advice and suggestions for strengthening the governance and sustainable growth of the Company. In the expectation that she will utilize her abundant experience and knowledge for supervision and auditing of the management system and to contribute to improving corporate value, the Company nominates her as a candidate for Outside Director who is an Audit and Supervisory Board Member. If she is appointed, she will serve as a member of the Nomination and Remuneration Advisory Committee and will be independently involved in the selection of officers and the determination of their remuneration.		

- Notes:
1. There are no special interests between the candidate and the Company.
 2. Ms. Kazuyo Nishikata is a candidate for Outside Director, and if her appointment is approved, she will be designated as Independent Auditor as stipulated in the rules of the Tokyo Stock Exchange.
 3. If the appointment of Ms. Kazuyo Nishikata is approved, the Company plans to enter into an agreement with her to limit her liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the amount stipulated by laws and regulations.
 4. Pursuant to Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance (D&O insurance) contract with an insurance company to cover legal damages and litigation expenses, etc. that would be incurred by the insured. If this proposal is approved as originally proposed and the candidate is appointed as Director, the candidate will be insured under this insurance contract. The premiums for the insurance contract will be borne in their entirety by the Company. The Company plans to renew the insurance contract with the same level of contents during the candidate's term of office.

[Reference]

Skills Matrix for Directors of the Company

If the Proposals 2 and 3 are approved at this General Meeting of Shareholders, knowledge and experience of Directors of the Company are as follows:

Position	Name	Gender	Corporate management Management strategy	ESG/sustainability	Technology R&D	Finance Accounting	Human resources Labor	Legal Risk management	Sales Marketing	Overseas business	IT/DX
President and Representative Director President and Executive Officer	Motonari Kuroki	Male	<input type="radio"/>	<input type="radio"/>			<input type="radio"/>		<input type="radio"/>	<input type="radio"/>	
Vice President and Representative Director Vice President and Executive Officer	Kazuhiro Setsuda	Male	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Director Senior Managing Executive Officer	Takashi Morimoto	Male	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>		<input type="radio"/>	<input type="radio"/>	
Director Managing Executive Officer	Yoshihiro Ikeda	Male	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>			<input type="radio"/>
Outside Director	Shinsuke Yoshitaka	Male	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>			<input type="radio"/>	<input type="radio"/>	
Director Audit and Supervisory Committee Member (full-time)	Ryosuke Matsui	Male	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>	<input type="radio"/>	<input type="radio"/>			<input type="radio"/>
Outside Director Audit and Supervisory Committee Member	Tadao Yamamura	Male		<input type="radio"/>				<input type="radio"/>			
Outside Director Audit and Supervisory Committee Member	Hiroaki Nagashima	Male		<input type="radio"/>		<input type="radio"/>		<input type="radio"/>			
Outside Director Audit and Supervisory Committee Member	Kazuyo Nishikata	Female		<input type="radio"/>				<input type="radio"/>			

Note: The above is a list of major skills that each Director possesses. It does not represent all the skills that each Director possesses.