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Securities code: 2540

June 5, 2024

(Commencement date of electronic provision measures: May 30, 2024)

To Shareholders with Voting Rights:

Taro Shiozawa
Representative Director and President
YOMEISHU SEIZO CO., LTD.
16-25, Nanpeidai-cho, Shibuya-ku,
Tokyo, Japan

NOTICE OF THE 106TH 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 106th Annual General Meeting of Shareholders of YOMEISHU SEIZO CO., LTD. (the “Company”) will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken electronic provision measures for information to be contained in the Reference Documents for the General Meeting of Shareholders, etc. (matters subject to electronic provision measures). The matters subject to electronic provision measures are posted on the Company’s website on the Internet. Please access the Company’s website below to confirm the information.

The Company’s website: <https://www.yomeishu.co.jp/ir/library/notice.html>

In addition to the website shown above, the matters subject to electronic provision measures are posted on the website of Tokyo Stock Exchange (TSE). Please access the TSE website (Listed Company Search) below, enter the Company’s name or its securities code to search, and select “Basic information” and “Documents for public inspection/PR information” in this order to confirm the information.

TSE website (Listed Company Search):

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

If you are unable to attend the meeting in person, you can exercise your voting rights via the Internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders provided hereafter, and exercise your voting rights by Wednesday, June 26, 2024 at 5:25 p.m. Japan time.

- 1. Date and Time:** Thursday, June 27, 2024 at 10:00 a.m. Japan time
(Reception begins at 9:00 a.m.)
- 2. Place:** Second Floor, Head Office of the Company located at
16-25, Nanpeidai-cho, Shibuya-ku, Tokyo, Japan
- 3. Meeting Agenda:**
- Matters to be reported:** The Business Report and Non-consolidated Financial Statements for the Company's 106th Fiscal Year (April 1, 2023 to March 31, 2024)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Six (6) Directors (excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 3:** Election of Three (3) Directors Who Are Audit and Supervisory Committee Members
- Proposal 4:** Granting of Retirement Benefits to a Retiring Director (excluding Directors Who Are Audit and Supervisory Committee Members) and a Retiring Director Who Is an Audit and Supervisory Committee Member

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 - In response to the system for electronic provision of materials for a shareholders meeting, upon convening this General Meeting of Shareholders, the Company has sent to shareholders with voting rights a summarized convocation notice by attaching thereto the Reference Documents for the General Meeting of Shareholders that contain proposals to be resolved, in addition to a simple convocation notice (a convocation notice in a narrow sense and a guide to websites where such materials are electronically provided), of which delivery is required by laws and regulations.
 - To shareholders who have requested delivery of paper-based documents, the Company will send paper-based documents containing matters subject to electronic provision measures, however, of the matters subject to electronic provision measures, the following items are not presented in the paper-based documents pursuant to laws and regulations and the Company's Articles of Incorporation. The Audit and Supervisory Committee and the Accounting Auditor have audited documents subject to audit, including the following items.
 - (1) "System to Ensure the Appropriateness of Business Activities" in the Business Report
 - (2) "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
 - Should the matters subject to electronic provision measures require revisions, the revised versions will be posted on each website on which these matters have been posted.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company recognizes profit return to shareholders as one of the most important management issues.

Our stance is to distribute dividends with a payout ratio to profit of about 60%, in consideration of business results during the period of the Mid-Term Management Plan (April 2022 to March 2027) and for each fiscal year, among other factors. In addition, as a general rule, the minimum annual dividend per share is set at ¥45, with consideration given to continuing stable dividend payments based on profit distribution in tandem with expansion in business results. Internal reserves are to be utilized mainly for growth investments in new businesses, etc., in line with the basic policy under the Mid-Term Management Plan and from a broad perspective.

In consideration of business results and other factors, the Company proposes appropriation of surplus for the fiscal year under review as follows.

1. Items related to the year-end dividend
 - (1) Type of dividend property
Cash
 - (2) Items related to the allocation of dividend property to shareholders and its total amount
¥45 per common share of the Company
Total amount: ¥623,754,495
 - (3) Effective date of distribution of surplus
June 28, 2024
2. Items related to appropriation of surplus
 - (1) Item and amount of surplus to increase
General reserve: ¥350,000,000
 - (2) Item and amount of surplus to decrease
Retained earnings brought forward: ¥350,000,000

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

The terms of office of all six (6) 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 six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members).

The Audit and Supervisory Committee has expressed its opinion that candidates and the process to nominate the candidates are appropriate, as this proposal was decided by the Board of Directors after deliberation by the Nomination and Compensation Committee, which includes Outside Directors who are Audit and Supervisory Committee Members.

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	Attendance at the Board of Directors meetings
1	Shohei Kawamura [Male] [Reappointment]	Representative Director and Chairman	19/19 (100%)
2	Hideo Tanaka [Male] [Reappointment]	Director and Executive Vice President In charge of Corporate Planning, Human Resources and General Affairs	19/19 (100%)
3	Takashi Kambayashi [Male] [Reappointment]	Director and Managing Executive Officer In charge of Sales	19/19 (100%)
4	Takashi Saito [Male] [Reappointment]	Director and Managing Executive Officer In charge of Digital Transformation	19/19 (100%)
5	Katsuhiko Miyashita [Male] [New appointment]	Senior Executive Officer General Manager, Business Strategy Department	—
6	Masaaki Shimizu [Male] [New appointment]	Senior Executive Officer General Manager, Human Resources and General Affairs Department	—

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Shohei Kawamura (June 10, 1939) [Reappointment]	April 1962 Joined the Company June 1996 Director General Manager, Accounting Department June 2002 Managing Director In charge of Human Resources and Accounting June 2004 Senior Managing Director and Executive Officer General Manager, Administration Division June 2006 Representative Director, Senior Managing Director and Executive Officer In charge of General Affairs, Human Resources and Accounting June 2007 Representative Director and Executive Vice President In charge of Overseas Business, General Affairs, Human Resources and Accounting June 2008 Representative Director and Executive Vice President General Manager, Production Business Division April 2010 Representative Director and Executive Vice President General Manager, Production Business Division and General Manager, Business Development Division August 2010 Representative Director and Executive Vice President General Manager, Business Development Division and General Manager, Administration Division June 2011 Representative Director and Chairman (current position)	47,200
[Reason for nomination as candidate for Director] Mr. Shohei Kawamura served as General Manager and Director in charge of Administration, Production and Business Development Divisions, and has served as Representative Director and Chairman since June 2011. The Company has decided to reappoint him as a candidate for Director in expectation that he will utilize his wealth of experience, insights, etc. in overall management for the management of the Company.			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
2	<p data-bbox="204 936 437 999">Hideo Tanaka (February 22, 1952)</p> <p data-bbox="225 1032 416 1064">[Reappointment]</p>	<p data-bbox="475 275 1155 338">April 1974 Joined The Mitsubishi Trust and Banking Corporation</p> <p data-bbox="475 342 1219 432">June 2004 Director and Executive Officer General Manager, Administration Division, the Company</p> <p data-bbox="475 436 1214 526">June 2005 Director and Executive Officer General Manager, Accounting Department and General Manager, Administration Division</p> <p data-bbox="475 530 1034 562">June 2006 Director and Executive Officer</p> <p data-bbox="475 566 1166 598">June 2008 Director and Executive Officer</p> <p data-bbox="475 602 1257 633">June 2009 Director and Executive Officer</p> <p data-bbox="475 638 1257 728">June 2009 General Manager, General Affairs Department and General Manager, Internal Audit Department</p> <p data-bbox="475 732 1214 822">August 2010 Director and Executive Officer General Manager, General Affairs Department</p> <p data-bbox="475 826 1241 916">May 2011 Director and Executive Officer General Manager, Human Resources Department and General Manager, Accounting Department</p> <p data-bbox="475 920 1241 1010">June 2011 Managing Director and Executive Officer General Manager, Administration Division, General Manager, Human Resources Department and General Manager, Accounting Department</p> <p data-bbox="475 1014 1166 1046">June 2012 Managing Director and Executive Officer</p> <p data-bbox="475 1050 1166 1081">June 2014 General Manager, Administration Division</p> <p data-bbox="475 1086 1241 1176">June 2014 Senior Managing Director and Executive Officer General Manager, Administration Division</p> <p data-bbox="475 1180 1251 1270">April 2018 Senior Managing Director and Executive Officer Senior General Manager, Production Division and Corporate Division</p> <p data-bbox="475 1274 1251 1364">June 2018 Director and Senior Managing Executive Officer Senior General Manager, Production Division and Corporate Division</p> <p data-bbox="475 1368 1251 1458">June 2019 Director and Executive Vice President Senior General Manager, Production Division and Corporate Division</p> <p data-bbox="475 1462 1187 1552">April 2020 Director and Executive Vice President General Manager, Corporate Division and in charge of Kuromoji Promotion Department</p> <p data-bbox="475 1556 1118 1610">April 2021 Director and Executive Vice President General Manager, Corporate Division</p> <p data-bbox="475 1615 1267 1704">April 2022 Director and Executive Vice President In charge of Corporate Planning, Human Resources and General Affairs (current position)</p>	24,200
<p data-bbox="196 1740 762 1771">[Reason for nomination as candidate for Director]</p> <p data-bbox="196 1776 1465 1912">Mr. Hideo Tanaka has served as General Manager and Director in charge of Accounting, Corporate Planning, General Affairs and Human Resources Divisions. The Company has decided to reappoint him as a candidate for Director in expectation that he will utilize his high level of expertise in corporate administration and wealth of experience, insights, etc. in overall management for the management of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Takashi Kambayashi (August 10, 1961) [Reappointment]	April 1984 Joined the Company June 2006 Manager, Komagane Plant Group Leader, Equipment Control Group June 2008 Executive Officer Deputy General Manager, Human Resources and General Affairs Department June 2009 Executive Officer General Manager, Sales Department June 2012 Director and Executive Officer General Manager, Sales Department June 2014 Managing Director and Executive Officer General Manager, Marketing Division April 2018 Managing Director and Executive Officer Senior General Manager, Marketing Division and Sales Division June 2018 Director and Managing Executive Officer Senior General Manager, Marketing Division and Sales Division June 2019 Director and Managing Executive Officer Senior General Manager, Sales Division April 2020 Director and Managing Executive Officer General Manager, Sales Division April 2022 Director and Managing Executive Officer In charge of Sales (current position)	14,100
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Takashi Kambayashi has served as a head of production section and General Manager and Director in charge of Sales and Marketing Divisions. The Company has decided to reappoint him as a candidate for Director in expectation that he will utilize his high level of expertise in production control, and wealth of experience, insights, etc. in overall management for the management of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
4	Takashi Saito (September 21, 1954) [Reappointment]	April 1978 Joined Sumitomo Bank, Ltd. April 2006 Executive Officer, Sumitomo Mitsui Banking Corporation May 2009 Senior Associate Director, Taisho Pharmaceutical Co., Ltd. April 2011 Executive Officer, Taisho Pharmaceutical Co., Ltd. June 2012 Director, Toyama Chemical Co., Ltd. April 2013 Executive Officer, Taisho Pharmaceutical Holdings Co., Ltd. June 2013 Auditor, the Company June 2015 Director and Executive Officer General Manager, Corporate Administration Department April 2018 Director and Executive Officer General Manager, Corporate Division and General Manager, Corporate Administration Department June 2018 Director and Senior Executive Officer General Manager, Corporate Division and General Manager, Corporate Administration Department June 2019 Director and Managing Executive Officer Senior General Manager, Marketing Division April 2020 Director and Managing Executive Officer General Manager, Marketing Division April 2022 Director and Managing Executive Officer In charge of Digital Transformation (current position)	10,900
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Takashi Saito has work experience as Director and Executive Officer in pharmaceutical manufacturing and sales companies and a financial institution, and has served as General Manager and Director in charge of Corporate Administration and Marketing Divisions, including overseas business, of the Company. The Company has decided to reappoint him as a candidate for Director in expectation that he will utilize his abundant and extensive experience, insights, etc. in overall management for the management of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
5	<p>Katsuhiko Miyashita (April 22, 1956)</p> <p>[New appointment]</p>	<p>April 1979 Joined THE HACHIJUNI BANK, LTD.</p> <p>June 2009 Executive Officer General Manager, Sales Branches in Suwa Area, THE HACHIJUNI BANK, LTD.</p> <p>June 2011 Executive Officer General Manager, Ueda Branch, THE HACHIJUNI BANK, LTD.</p> <p>June 2012 General Manager, Accounting Department, the Company (seconded)</p> <p>June 2013 General Manager, Accounting Department</p> <p>June 2014 Director and Executive Officer Deputy General Manager, Marketing Division General Manager, Sales Promotion Department and General Manager, Overseas Business Department</p> <p>April 2018 Director and Executive Officer General Manager, Sales Division, General Manager, Sales Planning Department and General Manager, Overseas Business Department</p> <p>June 2018 Senior Executive Officer General Manager, Sales Division, General Manager, Sales Planning Department and General Manager, Overseas Business Department</p> <p>April 2019 Senior Executive Officer General Manager, Sales Division, General Manager, Sales Planning Department, General Manager, Healthcare Sales Department and General Manager, Overseas Business Department</p> <p>June 2019 Senior Executive Officer General Manager, Sales Division, General Manager, Sales Planning Department, and General Manager, Healthcare Sales Department</p> <p>April 2020 Senior Executive Officer Deputy General Manager, Sales Division and General Manager, Sales Planning Department</p> <p>April 2022 Senior Executive Officer General Manager, Business Strategy Department (current position)</p>	13,300
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Katsuhiko Miyashita has work experience as Executive Officer in a financial institution, and has served as General Manager of Sales Planning and Overseas Business Departments, General Manager of Sales Division and Executive Officer of the Company. The Company has decided to appoint him as a candidate for Director in expectation that he will utilize his high level of expertise in sales and marketing, and wealth of experience, insights, etc. in overall management for the management of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
6	Masaaki Shimizu (November 2, 1960) [New appointment]	<p>April 1984 Joined the Company</p> <p>April 2010 Manager, Human Resources Department</p> <p>June 2012 General Manager, Human Resources and General Affairs Department</p> <p>June 2014 Director and Executive Officer General Manager, Human Resources and General Affairs Department and General Manager, Internal Audit Department</p> <p>June 2015 Director and Executive Officer General Manager, Human Resources and General Affairs Department</p> <p>August 2015 Director and Executive Officer General Manager, Human Resources and General Affairs Department and General Manager, Internal Audit Department</p> <p>April 2016 Director and Executive Officer General Manager, Human Resources and General Affairs Department</p> <p>June 2018 Executive Officer General Manager, Human Resources and General Affairs Department</p> <p>April 2020 Senior Executive Officer General Manager, Human Resources and General Affairs Department (current position)</p>	13,500
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Masaaki Shimizu has served as General Manager of Human Resources and General Affairs Department and General Manager of Internal Audit Department. The Company has decided to appoint him as a candidate for Director in expectation that he will utilize his high level of expertise in human resources and general affairs and wealth of experience, insights, etc. for the management of the Company.</p>			

- Notes: 1. There are no special interests between each candidate and the Company.
2. The Company has concluded a directors and officers liability insurance contract with an insurance company, and the insurance premiums are fully borne by the Company. The said insurance policy covers litigation expenses and damage payments to be borne by the insured that may arise from third party litigations, derivative lawsuits, and corporate litigations. The candidates for Directors will be included as the insureds under the said insurance contract. The Company plans to renew the said insurance contract with the same terms and conditions when it is to be renewed.

Proposal 3: Election of Three (3) Directors Who Are Audit and Supervisory Committee Members

The terms of office of all three (3) 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 three (3) Directors who are Audit and Supervisory Committee Members.

The Company has obtained approval from the Audit and Supervisory Committee with respect to this proposal.

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

No.	Name	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee meetings
1	Akemi Sunaga [Female] [Reappointment] [Outside] [Independent]	Outside Director (Audit and Supervisory Committee Member)	19/19 (100%)	16/16 (100%)
2	Masayuki Tanaka [Male] [New appointment] [Outside] [Independent]	—	—	—
3	Atsuko Sato [Female] [New appointment] [Outside] [Independent]	—	—	—

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	<p style="text-align: center;">Akemi Sunaga (August 14, 1961)</p> <p style="text-align: center;">[Reappointment] [Outside] [Independent]</p>	<p>October 1989 Joined Aoyama Audit Corporation (currently PricewaterhouseCoopers Japan LLC)</p> <p>February 1991 Joined Chuo Audit Corporation</p> <p>August 1993 Acquired Japanese CPA certification</p> <p>October 1994 Acquired Japanese tax accountant certification</p> <p>November 1994 Established Sunaga CPA Firm and became Representative (current position)</p> <p>November 1996 Established Marunouchi Business Consulting Ltd. and became Representative Director (current position)</p> <p>January 2012 Established Marunouchi Business Consulting Tax Co. and became Representative (current position)</p> <p>June 2016 External Audit & Supervisory Board Member, Matsumotokiyoshi Holdings Co., Ltd.</p> <p>June 2017 Senior Partner/ CEO, Marunouchi Audit Corporation</p> <p>June 2020 Outside Director (Audit and Supervisory Committee Member), the Company (current position)</p> <p>June 2020 Outside Director, Ushio Inc. (current position)</p> <p>June 2021 Outside Corporate Auditor, Prima Meat Packers, Ltd. (current position)</p> <p>January 2022 Senior Partner, Marunouchi Audit Corporation (current position)</p> <p>June 2022 External Member of the Board of Directors, KYB Corporation (current position)</p> <p>March 2023 External Audit & Supervisory Board Member, Lion Corporation (current position)</p> <p>Significant concurrent positions</p> <p>Representative, Sunaga CPA Firm</p> <p>Representative Director, Marunouchi Business Consulting Ltd.</p> <p>Representative, Marunouchi Business Consulting Tax Co.</p> <p>Senior Partner, Marunouchi Audit Corporation</p> <p>Outside Director, Ushio Inc.</p> <p>Outside Corporate Auditor, Prima Meat Packers, Ltd.</p> <p>Member of the Board of Directors (External), KYB Corporation</p> <p>External Audit & Supervisory Board Member, Lion Corporation</p>	600
<p>[Reason for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of expected roles]</p> <p>Ms. Akemi Sunaga has professional knowledge related to financial affairs and accounting cultivated as a certified public accountant and a tax accountant as well as management experience at other companies. The Company has decided to appoint her as a candidate for Outside Director who is an Audit and Supervisory Committee Member in expectation that she will utilize her knowledge and experience in strengthening the audit and supervisory function over the overall management of the Company.</p> <p>The Company expects her to continue to audit, supervise over, and give advice to the overall management of the Company as an Audit and Supervisory Committee Member based on these experience and insights, especially from the diversity perspective. The Company has judged that she will be able to perform these duties in an appropriate manner.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
2	Masayuki Tanaka (January 22, 1965) [New appointment] [Outside] [Independent]	April 1988	Joined The Mitsubishi Trust and Banking Corporation	0
		April 2013	General Manager, Market Planning Department, Mitsubishi UFJ Trust and Banking Corporation	
		June 2016	Executive Officer, and General Manager, Market Planning Department, Mitsubishi UFJ Trust and Banking Corporation	
		June 2017	Executive Officer, and General Manager, Management Administration Department, Mitsubishi UFJ Trust and Banking Corporation	
		April 2020	Adviser, MU Trust Apple Planning Co., Ltd.	
		June 2020	Full-time Corporate Auditor, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (current position)	
<p>[Reason for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of expected roles]</p> <p>Mr. Masayuki Tanaka has experience and insight cultivated at financial institutions for many years. The Company has decided to appoint him as a candidate for Outside Director who is an Audit and Supervisory Committee Member in expectation that he will utilize his experience and insight in strengthening the audit and supervisory function over the overall management of the Company.</p> <p>The Company expects him to audit, supervise over, and give advice to the overall management of the Company as an Audit and Supervisory Committee Member based on these experience and insights. The Company has judged that he will be able to perform these duties in an appropriate manner.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Atsuko Sato (June 7, 1966) [New appointment] [Outside] [Independent]	<p>April 1989 Joined Goldman Sachs (Japan) Ltd.</p> <p>December 2000 Managing Director, Goldman Sachs (Japan) Ltd.</p> <p>February 2002 Managing Director and Head of Capital Market Division, Goldman Sachs (Japan) Ltd.</p> <p>July 2005 Established Ciel Bleu Co., Ltd. and became Representative Director and President</p> <p>August 2007 Director, Investor Relations, Unison Capital Inc.</p> <p>September 2013 Professor, School of Hospitality & Tourism Management of Meikai University</p> <p>April 2017 Associate Professor, Department of International Studies, Faculty of Economics of Takasaki City University of Economics (current position)</p> <p>April 2018 Adjunct Faculty, National Graduate Institute for Policy Studies</p> <p>June 2019 Outside Corporate Auditor, DeNA Co., Ltd. (current position)</p> <p>February 2022 Outside Director, Japan Management Succession Support Co. Ltd.</p> <p>June 2022 Outside Director, JAPAN POST BANK Co., Ltd. (current position)</p> <p>Significant concurrent positions Associate Professor, Department of International Studies, Faculty of Economics of Takasaki City University of Economics Outside Corporate Auditor, DeNA Co., Ltd. Outside Director, JAPAN POST BANK Co., Ltd.</p>	0
<p>[Reason for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of expected roles]</p> <p>Ms. Atsuko Sato has professional knowledge related to risk management and human resource development cultivated as a university professor and at financial institutions. The Company has decided to appoint her as a candidate for Outside Director who is an Audit and Supervisory Committee Member in expectation that she will utilize her professional knowledge in strengthening the audit and supervisory function over the overall management of the Company.</p> <p>The Company expects her to audit, supervise over, and give advice to the overall management of the Company as an Audit and Supervisory Committee Member based on these experience and insights, especially from the governance perspective. The Company has judged that she will be able to perform these duties in an appropriate manner.</p>			

- Notes:
1. There are no special interests between each candidate and the Company.
 2. Ms. Akemi Sunaga, Mr. Masayuki Tanaka and Ms. Atsuko Sato are candidates for Outside Directors.
 3. Ms. Akemi Sunaga will have served as Outside Director (Audit and Supervisory Committee Member) for four (4) years at the conclusion of this Annual General Meeting of Shareholders.
 4. Mr. Masayuki Tanaka is currently Full-time Corporate Auditor of Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., but is scheduled to resign from the post on June 25, 2024.
 5. Pursuant to provisions in Article 427, paragraph (1) of the Companies Act, the Company has entered into a contract with Ms. Akemi Sunaga to limit her liability for damages stipulated in Article 423, paragraph (1) of the said Act. The amount of liability for damages under the contract is the minimum liability amount stipulated by laws and regulations. If Ms. Akemi Sunaga is reappointed, the Company plans to continue the said contract with her. If Mr.

Masayuki Tanaka and Ms. Atsuko Sato are appointed, the Company plans to enter into the same contract with each of them to limit their liability for damages.

6. The Company has concluded a directors and officers liability insurance contract with an insurance company, and the insurance premiums are fully borne by the Company. The said insurance policy covers litigation expenses and damage payments to be borne by the insured that may arise from third party litigations, derivative lawsuits, and corporate litigations. The candidates for Directors who are Audit and Supervisory Committee Members will be included as the insureds under the said insurance contract. The Company plans to renew the said insurance contract with the same terms and conditions when it is to be renewed.
7. The Company has registered Ms. Akemi Sunaga, Mr. Masayuki Tanaka and Ms. Atsuko Sato with the Tokyo Stock Exchange as independent officers.

(Reference) Policy and Procedures for the Nomination of Candidates for Directors

(1) Size and composition of the Board of Directors

The size of the Board of Directors shall be deemed appropriate if the Board consists of about six (6) Directors (excluding Directors who are Audit and Supervisory Committee Members) and about three (3) Directors who are Audit and Supervisory Committee Members. With regard to its composition, the Company considers it important to balance the appropriate number of Directors and diversity within the Board in terms of knowledge, experience and competence in the areas including management, manufacturing, sales, administration, legal affairs, finance and accounting. The Company recognizes the importance of gender and internationality, and is working to balance these factors with the appropriate size of the Board of Directors, based on its management policies and business lines.

(2) Policy for the nomination of candidates for Directors

The Company shall take into consideration the following items, based on the Company's management philosophy, corporate vision, business vision, management plan and basic policy on corporate governance and sustainability.

<Candidates from within the Company>

- Expertise in management, manufacturing, sales and administration, business results, future visions, etc.
- Other factors such as insight, competence, expertise, personality, abilities to take action and ethical views that are required for Directors of the Company

<Candidates from outside of the Company>

- Career background, management experience, expertise in finance, accounting and legal affairs
- Other factors such as experience, insight, competence, expertise, personality and ethical views that are required for Directors of the Company

(3) Procedures for the nomination of candidates for Directors

The Nomination and Compensation Committee shall hold discussions based on the nomination criteria established by the Nomination and Compensation Committee. As for Directors who are Audit and Supervisory Committee Members, the Board of Directors shall decide on candidates after obtaining the consent of the Audit and Supervisory Committee.

(Note) The Nomination and Compensation Committee is an advisory body to the Board of Directors, that consists of Representative Director and Chairman, Representative Director and President, and three (3) Outside Directors who are Audit and Supervisory Committee Members.

(Reference) Skills Matrix of Directors

If Proposal 2 and Proposal 3 are approved as originally proposed in this Meeting, the knowledge and experience of each Director will be as shown in the skills matrix below.

Name	Gender	Management	Sales/ Marketing	Manufacturing/ R&D	Internationality	Human resources/ General affairs	Finance/ Accounting	Legal affairs/ Compliance/ Risk management	ESG/ Sustainability
Shohei Kawamura	Male	●		●		●	●		
Hideo Tanaka	Male	●				●	●	●	●
Takashi Kambayashi	Male	●	●	●				●	
Takashi Saito	Male	●	●		●			●	●
Katsuhiko Miyashita	Male		●		●		●	●	●
Masaaki Shimizu	Male					●		●	●
Akemi Sunaga	Female	●					●		●
Masayuki Tanaka	Male				●		●	●	
Atsuko Sato	Female					●	●	●	

(Note) The table above does not represent all the knowledge and experience of the candidates for Directors.

Proposal 4: Granting of Retirement Benefits to a Retiring Director (excluding Directors Who Are Audit and Supervisory Committee Members) and a Retiring Director Who Is an Audit and Supervisory Committee Member

The Company proposes to grant retirement benefits to Mr. Taro Shiozawa, who is retiring from Director, and Mr. Hajime Kasahara, who is retiring from Director who is an Audit and Supervisory Committee Member, at the conclusion of this General Meeting of Shareholders, to reward their services during their terms of office, within appropriate amounts based on the criteria established by the Company. It is proposed that decisions on the specific amounts and the timing and method for payment, etc. be left to the discretion of the Board of Directors with respect to the retiring Director (excluding Directors who are Audit and Supervisory Committee Members), and to discussions among Directors who are Audit and Supervisory Committee Members with respect to the retiring Director who is an Audit and Supervisory Committee Member.

The Company has abolished in June 2004 the previous retirement benefits system. Accordingly, the retirement benefits to be granted based on this proposal are to be granted for the period from the assumption of office of Director until June 2004 with respect to the retiring Director (excluding Directors who are Audit and Supervisory Committee Members), and for the period from the assumption of office of Auditor until June 2004 with respect to the retiring Director who is an Audit and Supervisory Committee Member. The submission of this proposal to the General Meeting of Shareholders has been determined by the Board of Directors in accordance with Regulations on Officers Retirement Benefits and Transitional Regulations for Abolishment of Officers Retirement Benefits System, and the Company therefore deems it appropriate.

Career summary of the retiring Director (excluding Directors who are Audit and Supervisory Committee Members) and the retiring Director who is an Audit and Supervisory Committee Member is as follows.

Name	Career summary	
Taro Shiozawa	June 2000	Managing Director In charge of General Affairs and Accounting, the Company
	June 2001	Managing Director General Manager, Public Relations Department
	August 2001	Managing Director General Manager, Public Relations Department and General Manager, Business Development Department
	June 2002	Senior Managing Director In charge of Business Development and Public Relations
	April 2003	Senior Managing Director In charge of Business Development, Public Relations and Pharmaceutical Affairs
	June 2004	Representative Director and President General Manager, Business Division
	June 2006	Representative Director and President (current position)
Hajime Kasahara	June 2003	Auditor, the Company
	June 2018	Outside Director (Audit and Supervisory Committee Member) (current position)