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Securities Code: 5184

March 6, 2025

To our shareholders:

President: Hiroyuki Soga
NICHIRIN CO., LTD.
98-1, Edo-machi, Chuo-ku, Kobe

Notice of the 141st Annual General Meeting of Shareholders

Notice is hereby given that the 141st Annual General Meeting of Shareholders of NICHIRIN CO., LTD. (the “Company”) will be held as described below.

When convening this general meeting, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted this information on each website below. Please access either of the following websites to review the information.

[Company’s website] <https://www.nichirin.co.jp/> (in Japanese)

(Please access the above website and select “IR Information” and “General meeting of shareholders information” from the menu.)

[Website where General Meeting of Shareholders’ materials are posted]

<https://d.sokai.jp/5184/teiji/> (in Japanese)

[TSE website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Please access the above website of Tokyo Stock Exchange, Inc. (TSE), search for information by entering “NICHIRIN” for the issue name (company name) or “5184” for the securities code, and then select “Basic information” and “Documents for public inspection/PR information” to review such information.)

If you are unable to attend the meeting in person, you may exercise your voting rights via the internet, etc. or in writing. Please review the Reference Documents for General Meeting of Shareholders, and exercise your voting rights by 5:05 p.m. on Wednesday, March 26, 2025 (JST).

[Voting via the internet]

Please access the Company’s designated website for exercising voting rights (<https://www.web54.net>) (in Japanese).

Then, using the “Voting Code” and “Password” indicated on the enclosed voting form, please follow the instructions on the screen and enter your approval or disapproval of the proposals by the deadline for exercising your voting rights as indicated above.

[Voting in writing (by mail)]

Please indicate your approval or disapproval of the proposals in the enclosed voting form and then return the form to the Company by postal mail so that your vote is received by the above-mentioned deadline.

1. **Date and Time:** Thursday, March 27, 2025, at 10:00 a.m. (JST)
(Reception starts at 9:30 a.m.)
2. **Venue:** 100, Minami Ekimae-cho, Himeji-shi, Hyogo
Korin, 3rd floor, Hotel Nikko Himeji

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 141st fiscal year (from January 1, 2024, to December 31, 2024), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 141st fiscal year (from January 1, 2024, to December 31, 2024)

Matters to be resolved:

- | | |
|-----------------------|--|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Eight Directors |
| Proposal No. 3 | Election of One Audit & Supervisory Board Member |
| Proposal No. 4 | Revision of Amount of Restricted Stock Remuneration to Directors (Excluding Outside Directors) |

4. Resolutions to be resolved:

- (1) Among matters for which measures for providing information in electronic format are to be taken, the following matters are not provided in the documents delivered to shareholders who have requested the delivery of paper-based documents as provided for by the provisions of laws and regulations and the Company's Articles of Incorporation. Accordingly, the documents that are delivered to shareholders who have requested the delivery of paper-based documents are part of the documents included in the scope of audits by the Audit & Supervisory Board Members and the Accounting Auditor when they create their respective audit reports.
 - (i) "Systems to ensure the appropriateness of business activities and the status of operation of such systems" in the Business Report
 - (ii) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 - (iii) "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
- (2) If a shareholder exercises the voting rights in duplicate via the internet and in writing (by mail), the vote exercised via the internet shall be deemed valid. Also, if a shareholder exercises the voting rights more than once via the internet, the last vote shall be deemed valid.
- (3) If a shareholder exercises the voting rights in writing (by mail) and does not indicate their approval or disapproval of a proposal on the voting form, it shall be deemed that they have indicated their approval of the proposal.

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- ◎ You are kindly requested to present the enclosed voting form to the receptionist when you attend the meeting in person.
 - ◎ If revisions to the matters for which measures for providing information in electronic format are to be taken arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on each aforementioned website.

Reference Documents for General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Company's basic policy is to continue paying a stable dividend while taking into account business performance and achieving the necessary level of retained earnings as well as securing shareholder returns for the future. Besides basic policy, the Company recognizes shareholder returns as an important management policy. With the goal of a consolidated dividend payout ratio of 38% in fiscal 2024, it will determine the specific amount of dividends while taking into consideration the payment of stable dividends and business performance trends.

Considering the above policies and other factors, the Company proposes to pay the commemorative dividends to celebrate its 110th founding anniversary as well as the ordinary dividends as follows:

1. Year-end dividends

The Company has given consideration to matters including the business performance of the fiscal year, and it proposes to pay year-end dividends as follows:

(1) Allotment of dividend property to shareholders and its amount

¥101 per common share of the Company (ordinary dividends of ¥96 and the commemorative dividends of ¥5)

Total dividend: ¥1,330,242,114

(Reference) The annual dividends for the 141st fiscal year, including the interim dividend, will be ¥176 per share.

(2) Effective date of dividends of surplus

March 28, 2025

2. Other appropriation of surplus

In relation to the other appropriation of surplus, considering financial risks related to warranty and recall issues, the Company proposes the following:

(1) Item of surplus to be decreased and amount of decrease

Retained earnings brought forward: ¥200,000,000

(2) Item of surplus to be increased and amount of increase

Reserve for product warranties: ¥200,000,000

Proposal No. 2 Election of Eight Directors

The terms of office of all eight Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of eight Directors.

The candidate for Director is as follows:

Candidate No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Ryuichi Maeda (May 11, 1958) Reappointment	<p>Apr. 1981 Joined the Company</p> <p>Dec. 2003 Executive General Manager of Production Headquarters</p> <p>Mar. 2004 Director</p> <p>Dec. 2006 Executive General Manager of Overseas Headquarters</p> <p>Mar. 2007 Managing Director</p> <p>Mar. 2013 Representative Director Managing Executive Officer</p> <p>Mar. 2015 Representative Director and President President and CEO</p> <p>Oct. 2019 Chairman of SUZHOU NICHIRIN AUTOMOBILE PARTS CO., LTD.</p> <p>Mar. 2023 Representative Director and Chairman of the Company (current position) Chairman and Executive Officer (current position)</p>	33,104
<p>Reasons for nomination</p> <p>Ryuichi Maeda has played an important role in enhancing the corporate value of the Group through his abundant experience, extensive knowledge, and strong leadership in developing and strengthening the governance of the Group. The candidate meets the quality requirements for a Director as defined by the Company, and we expect him to demonstrate his skills, particularly in the areas of “corporate management and management strategy” and “innovation.” He is also judged to be able to contribute to further sustainable enhancement of the Company’s corporate value through his management experience and abundant knowledge and experience in the business of the Company. Accordingly, we have continued to nominate him as a candidate for the position of Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Hiroyuki Soga (April 3, 1965) Reappointment	<p>Apr. 1988 Joined the Company</p> <p>Oct. 2016 Chief Executive Officer of HUTCHINSON NICHIRIN BRAKE HOSES, S.L. (current NICHIRIN SPAIN S.L.U.)</p> <p>Mar. 2017 Executive Officer of the Company</p> <p>Mar. 2019 Director Senior Executive Officer</p> <p>Apr. 2019 Chairman of the Board of Directors of NICHIRIN SPAIN S.L.U.</p> <p>Mar. 2021 Managing Executive Officer of the Company</p> <p>Mar. 2022 Representative Director</p> <p>Mar. 2023 Representative Director and President (current position) President and CEO (current position)</p> <p>Apr. 2023 Executive General Manager of Production Headquarters (current position)</p>	23,290
<p>Reasons for nomination</p> <p>Hiroyuki Soga, over the course of more than 20 years of overseas assignments, has carried out diverse and challenging missions, including the establishment and closure of subsidiaries, and is currently a representative director, president, and CEO, with primary responsibility for the production department. The candidate meets the quality requirements for a Director as defined by the Company, and is expected to play an appropriate role in both leading and supervising business activities, particularly in “corporate management and management strategy” and “initiatives aimed at further increasing the corporate value of the Group.” He is also judged to possess the experience and abilities appropriate for a Director of the Company. Accordingly, we have continued to nominate him as a candidate for the position of Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Hironari Namba (January 9, 1969) Reappointment	<p>Apr. 1991 Joined the Company</p> <p>Apr. 2012 Deputy General Manager of the Accounting Dept.</p> <p>Apr. 2014 General Manager of the Accounting Dept.</p> <p>Mar. 2015 General Manager of the Finance and Accounting Dept.</p> <p>Mar. 2017 Executive Officer</p> <p>Mar. 2019 Senior Executive Officer</p> <p>Mar. 2021 Director (current position)</p> <p> Managing Executive Officer</p> <p>Apr. 2023 Executive General Manager of Administration Headquarters (current position)</p> <p>Mar. 2024 Senior Managing Executive Officer (current position)</p> <p> Europe Region Director-General (current position)</p> <p>Apr. 2024 Chairman of the Board of Directors of NICHIRIN SPAIN S.L.U. (current position)</p> <p>Significant concurrent positions outside the Company</p> <p>Chairman of the Board of Directors of NICHIRIN SPAIN S.L.U.</p>	16,240
<p>Reasons for nomination</p> <p>Hironari Namba, after being assigned to a North American subsidiary from the accounting department, has served as head of the finance and accounting departments, and is currently a senior managing executive officer, responsible for the Administration Headquarters. The candidate meets the quality requirements for a Director as defined by the Company, and is expected to play an appropriate role in both leading and supervising business activities, particularly in “improving and accelerating the reliability of financial closing business activities” and “financial strategy” of the Group. He is also judged to possess the experience and abilities appropriate for a Director of the Company. Accordingly, we have continued to nominate him as a candidate for the position of Director.</p>			
4	Hideki Kikumoto (November 14, 1965) Reappointment	<p>Apr. 1988 Joined the Company</p> <p>Mar. 2005 Deputy General Manager of the Kobe Sales Dept.</p> <p>Apr. 2010 General Manager of SHANGHAI NICHIRIN AUTOMOBILE ACCESSORIES CO., LTD.</p> <p>Mar. 2015 Executive Officer of the Company</p> <p> General Manager of the Kobe Sales Dept.</p> <p>Mar. 2019 Director (current position)</p> <p> Senior Executive Officer</p> <p>Mar. 2020 Chairman of NICHIRIN RUBBER (SHANGHAI) CO., LTD.</p> <p>Mar. 2021 Managing Executive Officer of the Company (current position)</p> <p>Apr. 2023 Executive General Manager of Sales Headquarters (current position)</p>	21,850
<p>Reasons for nomination</p> <p>Hideki Kikumoto has experience in sales and as president of a Chinese subsidiary, and is currently a managing executive officer responsible for the Sales Headquarters. The candidate meets the quality requirements for a Director as defined by the Company. In particular, the Company expects him to promote “strategies to expand business” by utilizing his extensive knowledge of domestic and foreign automotive and non-automotive companies and to play an appropriate role in both supervision as well as direction of business activities. He is also judged to possess the experience and abilities appropriate for a Director of the Company. Accordingly, we have continued to nominate him as a candidate for the position of Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
5	Shinichiro Endo (June 11, 1966) Reappointment	<p>Apr. 1989 Joined the Company</p> <p>Dec. 2006 Executive of Technical Dept. (Deputy General Manager)</p> <p>Dec. 2008 Executive of the Technical Dept. (General Manager)</p> <p>Apr. 2014 General Manager of Technical Dept.</p> <p>Apr. 2018 Director and President of NICHIRIN (THAILAND) CO., LTD.</p> <p>Jun. 2022 Director and President of PT. NICHIRIN INDONESIA</p> <p>Apr. 2023 Sr. General Manager of the Company</p> <p>Mar. 2024 Director (current position) Executive Officer (current position) Executive General Manager of Technical Headquarters and ASEAN Region Director-General (current position)</p>	9,530
<p>Reasons for nomination</p> <p>Shinichiro Endo served as General Manager of Technical Department of the Company and President of an overseas subsidiary. He participated in the Company's management as a Sr. General Manager (employed Director) and assumed the position of Director in 2024. The candidate meets the quality requirements for a Director as defined by the Company. In particular, the automotive parts, which are the Company's main products, are undergoing a major transformation, including the shift to EVs, and the Company expects the candidate to promote product development in response to this transformation and play an appropriate role in directing and supervising the execution of business activities. He is also judged to possess the experience and abilities appropriate for a Director of the Company. Accordingly, we have continued to nominate him as a candidate for the position of Director.</p>			
6	Susumu Yano (April 19, 1955) Reappointment Outside Independent	<p>Apr. 1978 Joined NIPPON FINE CHEMICAL CO., LTD.</p> <p>Apr. 2000 General Manager of Pharmaceutical Manufacturing Dept.</p> <p>Nov. 2002 General Manager of Pharmaceutical Manufacturing Plant</p> <p>Jun. 2003 Corporate Officer, Deputy General Manager of Production Technology Division and General Manager of Takasago Plant</p> <p>Jun. 2004 Director, General Manager of Production Technology Division</p> <p>Jun. 2006 Representative Director, President</p> <p>Mar. 2016 Director of the Company (current position)</p> <p>Jun. 2020 Representative Director, Chairman of NIPPON FINE CHEMICAL CO., LTD.</p> <p>Jun. 2022 Director, Chairman</p>	-
<p>Reasons for nomination and overview of expected role</p> <p>Susumu Yano gained his abundant experience and extensive knowledge as the corporate manager of a listed company manufacturing and selling fine chemicals and cosmetic ingredients. We expect that he will contribute to the sustainable enhancement of the Company's corporate value by providing advice on the Company's overall management, and that he will also supervise directors and officers from an independent standpoint in a timely and appropriate manner. Accordingly, we have continued to nominate him as a candidate for the position of outside Director. At the conclusion of his current term of office, his tenure as outside Director of the Company will have been nine years.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and significant concurrent positions outside the Company	Number of the Company's shares owned
7	Kazufumi Suzuki (February 11, 1976) Reappointment Outside Independent	<p>Apr. 1998 Joined Nissho Iwai Corporation (current Sojitz Corporation)</p> <p>Jul. 2005 Seconded to Sojitz (Malaysia) Sdn. Bhd.</p> <p>Apr. 2008 Seconded to Sojitz Taiwan Corporation</p> <p>Oct. 2013 Joined Taiyo Koko Co., Ltd. as General Manager of Development Dept.</p> <p>Jun. 2014 Director and General Manager of Development Dept.</p> <p>Jun. 2015 Managing Director</p> <p>Jun. 2017 Director and Vice President</p> <p>Jun. 2018 Representative Director and President (current position)</p> <p>Mar. 2019 Director of the Company (current position)</p> <p>Jun. 2021 Audit & Supervisory Board Member of NIPPON FINE CHEMICAL CO., LTD. (current position)</p> <p>Significant concurrent positions outside the Company</p> <p>Representative Director and President of Taiyo Koko Co., Ltd.</p> <p>Outside Audit & Supervisory Board Member of NIPPON FINE CHEMICAL CO., LTD.</p>	—
<p>Reasons for nomination and overview of expected role</p> <p>Kazufumi Suzuki, in addition to overseas experience at a general trading company, has abundant experience and extensive knowledge as a management executive of a company engaged in the manufacture and sale of ferroalloys. We expect that he will contribute to the sustainable enhancement of the Company's corporate value by providing advice on the Company's overall management, and that he will also supervise directors and officers from an independent standpoint in a timely and appropriate manner. Accordingly, we have continued to nominate him as a candidate for the position of outside Director. At the conclusion of his current term of office, his tenure as outside Director of the Company will have been six years.</p>			
8	Miki Kimura (June 21, 1979) Reappointment Outside Independent	<p>Oct. 2004 Graduated from the Training and Research Institute for Court Officials of the Supreme Court of Japan Registered as an attorney at law Joined H. Okada International Law Offices Attorney at law (current position)</p> <p>Feb. 2012 Registered as an attorney in the State of New York</p> <p>Mar. 2018 Audit & Supervisory Board Member of the Company</p> <p>Mar. 2021 Director (current position)</p> <p>Jun. 2022 Audit & Supervisory Board Member of Saint Marc Holdings Co., Ltd. (current position)</p> <p>Significant concurrent positions outside the Company</p> <p>Attorney at law of H. Okada International Law Offices</p> <p>Outside Audit & Supervisory Board Member of Saint Marc Holdings Co., Ltd.</p>	—
<p>Reasons for nomination and overview of expected role</p> <p>Miki Kimura has not involved in the corporate management by assuming positions other than as the outside Director and the outside Audit & Supervisory Board Member in the past; however, she will contribute to strengthening the governance system, etc. by drawing on her advanced specialized knowledge as an attorney at law to advise and supervise the Group's legal risks as it expands its global operations. We also believe that the gender-sensitive composition of the Board of Directors will enable the Board to engage in diverse discussions that differ from conventional thinking. Accordingly, we have continued to nominate her as a candidate for the position of outside Director. At the conclusion of her current term of office, her tenure as outside Director of the Company will have been four years.</p>			

(Notes) 1. There is no special interest between the candidates for Director and the Company. Note that H. Okada International Law Offices, which Miki Kimura belongs to, has concluded an advisory contract with the Company; however, the advisory fee

of the Company represents less than 1% of the total revenue of H. Okada International Law Offices. Accordingly, the Company judged that there is no special interest in the advisory contract and the independence as the outside Director is not impaired.

2. Susumu Yano, Kazufumi Suzuki and Miki Kimura are candidates for outside Director.
3. Miki Kimura served as a non-executive officer (Audit & Supervisory Board Member) of the Company in the past.
4. The Company has registered Susumu Yano, Kazufumi Suzuki and Miki Kimura as Independent Directors as stipulated by Tokyo Stock Exchange, and if this proposal is resolved and approved as originally proposed, the Company will continue to register them as Independent Directors.
5. Miki Kimura's name on the family register is Miki Harigai.
6. The Company has entered into agreements with Susumu Yano, Kazufumi Suzuki, and Miki Kimura limiting their liability for damages in accordance with Article 427, paragraph (1) of the Companies Act. If this proposal is resolved and approved as originally proposed, the Company plans to renew these agreements with them. The maximum amount of liability under this agreement is the amount provided for under laws and regulations.
7. The Company has entered into the following Directors and Officers liability insurance (D&O insurance) contract as provided for in Article 430-3, paragraph (1) of the Companies Act, and each candidate will become insured under the said insurance contract if this proposal is resolved and approved as originally proposed. The Company plans to renew this insurance contract with the same coverage on July 31, 2025, which is the midway of each candidate's term of office.
 - (i) Details of insurance: Directors and Officers liability insurance (D&O insurance) covers damages (legal indemnification, the litigation costs) suffered from claim for damages filed during the period of insurance, which is attributable to actions (including inaction) taken by corporate directors and officers in the course of business operation executed under their assumed positions. However, the D&O insurance does not cover the lawsuit filed against corporations and illegal acts.
 - (ii) Persons insured: The Directors, Audit & Supervisory Board Members, Executive Officers, and the employees equivalent to the above-mentioned positions of the Company and its subsidiaries.
 - (iii) Premium payment obligation: The entire premium payment is borne by the Company.

[Reference] Skills matrix of candidates for Director

	Expertise and experience of the candidates for Director									
	Corporate Management	Overseas Business International Experience	Manufacturing (Production and Quality)	Technology, Development, Environment, and Energy	Sales	Finance and Accounting	Legal Compliance and Risk Management	Internal Control and Governance	Corporate Strategy and Business Strategy	Innovation and Digital (IT)
Ryuichi Maeda	○	○	○	○				○	○	○
Hiroyuki Soga	○	○	○		○	○	○	○	○	
Hironari Namba	○	○				○	○	○		
Hideki Kikumoto	○	○			○				○	○
Shinichiro Endo	○	○	○	○						○
Susumu Yano	○								○	
Kazufumi Suzuki	○								○	
Miki Kimura		○					○	○		

* The above list does not represent all of the experience and knowledge possessed by each candidate for Director.

Proposal No. 3 Election of One Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Shinichi Takahata will expire at the conclusion of this meeting. Therefore, the Company proposes the election of one Audit & Supervisory Board Member. Additionally, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Shinichi Takahata (December 3, 1969) Reappointment Outside Independent	Apr. 1993 Joined Nissho Iwai Corporation (current Sojitz Corporation) Oct. 1999 Retired from Nissho Iwai Corporation Nov. 1999 Joined Taiyo Koko Co., Ltd. Jun. 2013 Retired from Taiyo Koko Co., Ltd. Aug. 2013 Joined THE SUZUKI MENTHOL CO., LTD. as Advisor Aug. 2013 Director and General Manager of General Affairs Dept. Aug. 2015 Managing Director Jun. 2017 Outside Director of Taiyo Koko Co., Ltd. (current position) Aug. 2019 Representative Director and President of THE SUZUKI MENTHOL CO., LTD. (current position) Mar. 2021 Audit & Supervisory Board Member of the Company (current position) Significant concurrent positions outside the Company Representative Director and President of THE SUZUKI MENTHOL CO., LTD. Outside Director of Taiyo Koko Co., Ltd.	—

Reasons for nomination

After accumulating experience in the finance and accounting departments of a trading company and a company that manufactures and sells ferroalloys, Shinichi Takahata is currently demonstrating his management skills as an officer of companies. Accordingly, we have continued to nominate him as a candidate for outside Audit & Supervisory Board Member as we believe that he can apply his knowledge on financial accounting and experience in corporate management to perform the duties of an Audit & Supervisory Board Member from an independent perspective. At the conclusion of his current term of office, his tenure as outside Audit & Supervisory Board Member of the Company will have been four years.

- (Notes)
1. There is no special interest between the candidate and the Company.
 2. Shinichi Takahata is a candidate for outside Audit & Supervisory Board Member.
 3. The Company has registered Shinichi Takahata as an Independent Audit & Supervisory Board Member as stipulated by Tokyo Stock Exchange, and if this proposal is resolved and approved as originally proposed, the Company will continue to register him as an Independent Audit & Supervisory Board Member.
 4. The Company has entered into an agreement with Shinichi Takahata limiting his liability for damages in accordance with Article 427, paragraph (1) of the Companies Act. If this proposal is resolved and approved as originally proposed, the Company plans to renew these agreements with him. The maximum amount of liability under this agreement is the amount provided for under laws and regulations.
 5. The Company has entered into the following Directors and Officers liability insurance (D&O insurance) contract as provided for in Article 430-3, paragraph (1) of the Companies Act, and the candidate will become insured under the said insurance contract if this proposal is resolved and approved as originally proposed. The Company plans to renew this insurance contract with the same coverage on July 31, 2025, which is the midway of the candidate's term of office.
 - (i) Details of insurance: Directors and Officers liability insurance (D&O insurance) covers damages (legal indemnification, the litigation costs) suffered from claim for damages filed during the period of insurance, which is attributable to actions (including inaction) taken by corporate directors and officers in the course of business operation executed under their assumed positions. However, the D&O insurance does not cover the lawsuit filed against corporations and illegal acts.
 - (ii) Persons insured: The Directors, Audit & Supervisory Board Members, Executive Officers, and the employees equivalent to the above-mentioned positions of the Company and its subsidiaries.
 - (iii) Premium payment obligation: The entire premium payment is borne by the Company.

Proposal No. 4 Revision of Amount of Restricted Stock Remuneration to Directors (Excluding Outside Directors)

At the 135th Annual General Meeting of Shareholders held on March 27, 2019, it was approved that an annual monetary remuneration does not exceed ¥300 million for the Company's Directors. Additionally, approval was granted for a separate plan to allocate restricted stock to Directors, excluding outside Directors, with a maximum of 50,000 shares per year and the total annual remuneration receivables to be paid as the restricted stock remuneration not exceeding ¥50 million. Since then, the Company has maintained these plans.

To strengthen incentives to enhance the medium- to long-term corporate value, the Company now requests a revision of the amount of remuneration receivables to be paid as restricted stock remuneration.

Currently, there are eight Directors, including three who are outside Directors. If Proposal No. 2 is approved as originally proposed, the number of Directors will remain at eight, with three outside Directors, and five Directors will be eligible for remuneration.

This proposal has been determined by the Board of Directors in comprehensive consideration of the Policy for Determining Details of Individual Directors' Remuneration, Etc., as well as the Company's business performance and stock price levels, among other relevant factors following deliberations at the Nomination and Compensation Committee, and the Company judges it is appropriate. In addition, if this proposal is approved, the Policy for Determining Details of Individual Directors' Remuneration, Etc., will be revised as specified in the proposed policy detailed in the Reference section below. The Nomination and Compensation Committee has expressed its opinion that the contents of this proposal are adequate and consistent with the policy to be revised.

1. Proposed revision

The amount of monetary remuneration receivables for the allocation of restricted stock: ¥100 million or less per year

* The total annual monetary remuneration of ¥300 million or less and the annual allocation of 50,000 or less restricted stock shares will remain unchanged.

2. Reasons for the revision

The Company reviewed the remuneration plan for its officers and resolved to abolish the traditional annual remuneration system and adopt a performance-linked remuneration plan that reflects fixed remuneration and key performance indicators (KPIs). Furthermore, it decided to determine stock remuneration based on KPIs for business performance and sustainability to strengthen incentives for enhancing medium- to long-term corporate value. We respectfully request shareholders to approve the proposed increase in the amount, considering our decision to place a greater weight on stock remuneration over other components of the officer's remuneration, fixed and performance-linked remuneration, and the rise in our stock price since the time when the original framework was designed.

[Reference] Policy for Determining Details of Individual Directors' Remuneration, Etc.

The revised policy outlined below is presented on the assumption that this proposal is approved as originally proposed.

(a) Basic policy

The basic policy for determining Directors' remuneration is designed to secure excellent talents to ensure that the function of supervising operation execution can work effectively, to incentivize Directors to maintain and enhance the NICHIRIN Group's corporate value, and to promote greater value-sharing with shareholders.

(b) Standard of Directors' remuneration, etc.

The standard of Directors' remuneration, etc., is determined by considering third-party organizations' research data on Directors' remuneration and the salary standard of the Company's employees, among other factors.

(c) Composition of Directors' remuneration, etc.

1) The remuneration of the Company's Directors consists of basic remuneration, performance-linked remuneration, and stock remuneration (remuneration for the allocation of restricted stock).

2) The total amount of monetary remuneration for the Company's Directors was approved at ¥300 million or less per year at the 135th Annual General Meeting of Shareholders held on March 27, 2019.

3) Under a separate remuneration plan from the one mentioned in 2), the Company decided to provide stock remuneration (remuneration for the allocation of restricted stock). It obtained approval from shareholders for the total amount of monetary remuneration to be paid to eligible Directors at ¥100 million or less per year and the total number of common shares to be issued or disposed of at 50,000 shares or less per year at the 141st Annual General Meeting of Shareholders held on March 27, 2025.

4) Outside Directors receive fixed remuneration based on their operations, which is included in the annual amount limit of ¥300 million.

(d) Policy for determining the amount of basic remuneration (monetary remuneration), etc., for each Director (including the policy for determining the timing of providing remuneration, etc., and conditions)

The amount of the basic remuneration for the Company's Directors is determined as remuneration for their fundamental duties, comprehensively considering representative authority, the delegated position of an executive officer (hereinafter referred to as "position"), and the Company's financial conditions. The basic remuneration is paid monthly in equal installments over 12 months.

(e) Policy for determining details of performance-linked remuneration, etc., as well as details and the calculation methods of the amount or numbers of the non-monetary remuneration (including the policy for determining the timing of providing remuneration, etc., and conditions)

1) Performance-linked remuneration

The objectives of performance-linked remuneration are to enhance the awareness of improving business performance for each fiscal year and to clarify commitments to stakeholders regarding the relevant items. It is provided as performance-based cash remuneration reflective of a KPI and is paid monthly in equal installments over 12 months, with the monthly basic remuneration.

The KPI used for calculating the performance-linked remuneration is the net profit of the previous fiscal year (hereinafter referred to as "consolidated net profit").

In addition to the aforementioned indicator, to contribute to the achievement of sustainability goals, rating results from multiple external evaluation organizations as an environmental, social, and governance (ESG) performance indicator are reflected in the calculation of performance-linked remuneration with an adjustment of $\pm 10\%$.

2) Stock remuneration (remuneration for the allocation of restricted stock)

To incentivize Directors to enhance medium- to long-term corporate value, stock remuneration is awarded as a performance-linked stock remuneration reflecting KPIs at a predetermined time once a year.

Stock remuneration is granted when the consolidated net profit reaches ¥500 million or more. The KPIs used for the calculation of stock remuneration are consolidated net profit for the previous fiscal year and total shareholder return over five years (the comparable indicator: the Tokyo Stock Exchange dividend-included stock price index by industry sector [rubber products]).

For stock remuneration, the Company adopts a restricted stock system with a 30-year transfer restriction period to incentivize efforts aimed at enhancing medium- to long-term corporate value.

(f) Ratio of remuneration components

The ratio of remuneration components for the Company's Directors (excluding outside Directors) is 60%, 25%, and 15% for basic remuneration, performance-linked remuneration, and stock remuneration, respectively, assuming that all KPIs are achieved.

Outside Directors receive only the fixed remuneration.

The standard and component ratio of remuneration will be reviewed on a timely basis based on reports from the Nomination and Compensation Committee in consideration of the Company's management environment, public circumstances, and other relevant factors.

(g) Methods of determining remuneration

- 1) If this policy is changed, and internal rules of the Board of Directors are revised, the officer in charge of the Human Resources and General Affairs Department makes a proposal for the change and revision, which will be resolved by the Board of Directors. If the change and revision result in alterations to the remuneration limits and types, such alterations will be subject to resolution at the General Meeting of Shareholders.
- 2) For the amounts of the basic, performance-linked, and stock remuneration for Directors, the officer in charge of the Human Resources and General Affairs Department drafts a plan of individual remuneration for each Director in accordance with the internal rules for Directors' remuneration. In principle, the Board of Directors determines the amount of the basic and performance-linked remuneration (covering April to the following March) at its March meeting every year and the amount of the stock remuneration at its April meeting every year. The Board of Directors makes the final resolution and does not delegate decisions on the amounts, types, or other aspects of remuneration to any third party afterward.
- 3) For decision-making processes 1) and 2) above, the Board of Directors consults the Nomination and Compensation Committee on a timely and appropriate basis and receives reports from it.