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Securities Code: 6277

November 30, 2022

To Our Shareholders

1-9, Shodaitajika, Hirakatashi, Osaka

**HOSOKAWA MICRON
CORPORATION**

Representative Director, President, Chief
Executive Officer
Kohei Hosokawa

Notice of the 78th Annual General Meeting of Shareholders

The Company would hereby like to announce the Company's 78th Annual General Meeting of Shareholders as described below.

In lieu of attendance at the meeting on the date, you may also exercise your voting rights in writing or via the Internet. We kindly request you to read the following Reference Document for the Annual General Meeting of Shareholders, exercise your voting rights in accordance with the "Guide on How to Exercise Your Voting Rights" on page 3, and return it no later than the end of business at 5 p.m. on Wednesday, December 14, 2022.

Sincerely yours,

- 1. Date:** Thursday, December 15, 2022 at 10 a.m.
- 2. Venue:** 1-9, Shodaitajika, Hirakatashi, Osaka
HOSOKAWA MICRON CORPORATION Headquarters
Building, 12th floor
- 3. Purposes**
 - Items to be reported**
 1. The business report, the consolidated financial statements and the results of consolidated financial statement audits by the Accounting Auditor and the Board of Corporate Auditors for the 78th business period (October 1, 2021 to September 30, 2022)
 2. The non-consolidated financial statements for the 78th business period (October 1, 2021 to September 30, 2022)
 - Items to be resolved**
 - Item No. 1** Appropriation of Retained Earnings
 - Item No. 2** Partial Amendment to the Articles of Incorporation
 - Item No. 3** Election of Ten (10) Directors
 - Item No. 4** Election of One (1) Corporate Auditor

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- When you attend the meeting, we kindly request that you submit the enclosed voting form to the receptionist at the venue. To conserve resources, please bring the Notice of Annual General Meeting of Shareholders.
 - The following documents are listed on the Company's website in accordance with laws, regulations and the Articles of Incorporation, Article 15, and are not included in the Reference Document for the Annual General Meeting of Shareholders.
 - (1) Consolidated financial statements (Consolidated statement of changes in equity and notes to consolidated financial statements)
 - (2) Non-consolidated financial statements (Statement of changes in equity and notes to non-consolidated financial statements)
 - Consolidated and non-consolidated financial statements audited by Accounting Auditors and Corporate Auditors are each documents listed in the Reference Document for the Annual General Meeting of Shareholders, consolidated statement of changes in equity, notes to consolidated financial statements, statement of changes in equity and notes to non-consolidated financial statements.
 - If there are any revisions to the Reference Document for the Annual General Meeting of Shareholders, the business report, and/or the consolidated and the non-consolidated financial statements, such revisions will be listed on the Company's website.

The Company's website. (<https://www.hosokawamicron.co.jp>)

Guide on How to Exercise Your Voting Rights

Voting rights may be exercised by any of the three methods below.

Please review the Reference Document for the Annual General Meeting of Shareholders which is attached later, and exercise your rights.

When you attend Annual General Meeting of Shareholders



Please submit the enclosed voting form to the receptionist at the venue.

In addition, to conserve resources, we request you bring the Notice of Annual General Meeting of Shareholders.

Date

Thursday, December 15, 2022

10 a.m.

(Reception desk
opens at 8:30 a.m.)

When you exercise your voting rights using the voting form



Please indicate “for” or “against” on each agenda item on the voting form enclosed herewith, and post it without affixing a stamp.

When there is no indication of “for” or “against,” it will be considered as “for.”

Exercise
period

Ends on Wednesday, December 14, 2022 5 p.m.

When you conduct online voting



Access “Voting Right Exercise Website” via a smartphone, computer, etc., and indicate “for” or “against” on each agenda item following the guidance on screen.

For more details, please refer to “How to Process Online Voting” on the following page.

Exercise
period

Ends on Wednesday, December 14, 2022 5 p.m.

Items for resolution and reference material

Item No. 1 Appropriation of Retained Earnings

Our basic policy is to strive to increase the amount of dividends per share while reflecting changes in our business performance and stably distributing profits to our shareholders. As for the year-end dividend for the current fiscal year, based on the basic policy of returning profits to shareholders, we propose a dividend of 40 yen per share, an increase of 5 yen per share over the initial forecast.

Matters related to year-end dividend

1) Type of dividend assets

It shall be cash.

2) Matters related to the allocation of dividend property and total amount

We propose to pay 40 yen per share of common stock as the year-end dividend.

The total amount of dividend in this case is 656,005,360 yen.

3) Effective date of distribution of surplus

December 16, 2022

Item No. 2 Partial Amendment to the Articles of Incorporation

1. Reason for the proposal

The Company hereby proposes to amend its Articles of Incorporation as follows in order to prepare for the introduction of the electronic provision of materials for General Meeting of Shareholders, in accordance with the provisions of the proviso of Article 1 of the Supplementary Provisions of the “Act Partially Amending the Companies Act” (Law No. 70, 2019), which came into effect on September 1, 2022.

- (1) Article 15, Paragraph 1 of the Proposed Amendment provides that the Company shall take measures for electronic provision of information that is the contents of the Reference Documents, etc. for General Meeting of Shareholders.
- (2) Paragraph 2 of Article 15 of the Proposed Amendment provides that the scope of matters to be included in the document to be delivered to shareholders who have requested delivery of the document shall be limited.
- (3) The provisions for Internet disclosure and deemed provision of the Reference Documents, etc. for General Meeting of Shareholders (Article 15 of the current Articles of Incorporation) shall be deleted as they are no longer necessary.
- (4) Supplementary Provisions shall be established regarding the effect of deleted provisions above.

2. Details of the amendment

The details of the amendment are as follows.

(The underlined parts indicate proposed amendments)

Current Articles of Incorporation	Proposed amendments
<p>Chapter 3 General Meeting of Shareholders <u>(Internet Disclosure and Deemed Provision of Reference Documents, etc. for General Meeting of Shareholders)</u> <u>Article 15 When convening a General Meeting of Shareholders, the Company may deem that it has provided information pertaining to matters to be reported or indicated in the Reference Documents for the General Meeting of Shareholders, Business Report, Financial Statements and Consolidated Financial Statements to shareholders by disclosing such information by means of the Internet in accordance with the applicable Ordinance of the Ministry of Justice.</u></p> <p>[New]</p> <p>[New]</p>	<p>Chapter 3 General Meeting of Shareholders</p> <p>[Deleted]</p> <p><u>(Electronic Provision Measures, Etc.)</u> <u>Article 15 1. The Company shall take measures for electronic provision of information that is the contents of the Reference Documents, etc. for General Meeting of Shareholders.</u> <u>2. The Company may not include in the document to be delivered to shareholders who have requested delivery of the document by the record date for voting rights all or part of the matters for which the Company will take electronic provision of information as provided for in the applicable Ordinance of the Ministry of Justice.</u></p> <p><u>Supplementary Provisions</u></p> <p><u>Article 1 Article 15 (Internet Disclosure and Deemed Provision of Reference Documents, etc. for General Meeting of Shareholders) of the Articles of Incorporation prior to the amendment shall remain in force with respect to the General Meeting of Shareholders to be held on a date within six (6) months from September 1, 2022.</u></p> <p><u>Article 2 The preceding Article and this Article shall be deleted after six (6) months have elapsed from September 1, 2022, or three (3) months have elapsed from the date of the General Meeting of Shareholders as described in the preceding Article, whichever is later.</u></p>

Item No. 3 Election of Ten (10) Directors

The term of all ten (10) Directors will expire at the conclusion of the Annual General Meeting of Shareholders. Therefore, the Company proposes the election of ten (10) Directors.

The candidates for Directors are as follows:

Candidate number	Name	Gender	Current position and responsibilities in the Company	Status of attendance at the Board of Directors
1	Yoshio Hosokawa Re-elected	Male	Chairman	18/18 (100%)
2	Kohei Hosokawa Re-elected	Male	Representative Director, President, Chief Executive Officer, Divisional Manager of International Administration Div.	18/18 (100%)
3	Tetsuya Inoue Re-elected	Male	Director, Vice President, Vice Executive Officer, Administrative Op.	18/18 (100%)
4	Masahiro Inoki Re-elected	Male	Director & Managing Executive Officer, Business Op. & Divisional Manager of Powder Technology Research Institute	18/18 (100%)
5	Hiroyuki Tsujimoto Re-elected	Male	Director, Operating Officer, Divisional Manager of Material Business Div, General Manager of Sales Group, Manager of Pharmaceutical / Beauty Science Center	14/14 (100%)
6	Satoshi Akiyama Re-elected Outside Director	Male	Director	18/18 (100%)
7	Katsuhiko Takagi Re-elected Outside Director Independent Director	Male	Director	18/18 (100%)
8	Tatsuo Fujioka Re-elected Outside Director Independent Director	Male	Director	18/18 (100%)
9	Yukari Sato Re-elected Outside Director Independent Director	Female	Director	14/14 (100%)
10	Atsuko Shimosaka Re-elected Outside Director Independent Director	Female	Director	14/14 (100%)

Notes: Mr. Hiroyuki Tsujimoto, Ms. Yukari Sato, and Ms. Atsuko Shimosaka were elected at the 77th General Meeting of Shareholders held on December 16, 2021; therefore, their attendance at Board of Directors meetings differs from other candidates.

Candi- date number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
1	<p>Yoshio Hosokawa (Born April 10, 1951) Gender: Male Re-elected</p>	<p>April 1974 Joined the Company July 1983 Director, Deputy Manager of Tokyo Branch, Assistant Division Director of Tokyo Business Division, Manager of Sales Department December 1995 Representative Director and President December 2003 Standing Auditor (resigned in December 2004) February 2010 Advisor April 2010 Representative Director and President, Juno International Inc. (resigned in May 2011) December 2010 Director of the Company October 2014 Representative Director and President October 2015 Representative Director, President, Chief Executive Officer December 2017 Representative Director, Chairman & President, Chief Executive Officer May 2021 Chairman (present) Reasons for nominating as candidate for Director With his abundant experience and broad knowledge as a manager, he has been contributing to the growth of the Company by understanding the business operations of the entire group. His insight as a manager and broad view, which he gained through steadily executing the growth strategies stated in the mid-term management plan to date, is essential for the Company to reinforce its global management and grow. The Company requests the shareholders to re-elect him as Director to effectively strengthen the decision-making and supervision functions of the Board of Directors.</p>	193,616 shares

Candi- date number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
2	Kohei Hosokawa (Born February 8, 1984) Gender: Male Re-elected	<p>April 2009 Joined the Company</p> <p>July 2009 Test Center, Technology Development Department, Sales Division, Osaka Headquarters</p> <p>October 2011 The Powder Technology Research Institute</p> <p>March 2014 Completed Doctor's Program of Material Science Course, Division of Materials and Manufacturing Science, Graduate School of Engineering, Osaka University</p> <p>October 2014 Stationed at Hosokawa Alpine Aktiengesellschaft (Germany)</p> <p>October 2017 Stationed at Hosokawa Micron International Inc., Vice President (U.S.A.)</p> <p>October 2018 Operating Officer, Assistant Division Director of Powder Processing System Division, Senior General Manager of Technology</p> <p>October 2019 Vice President & Operating Officer, Business Management, in charge of Hosokawa Kaizen Team</p> <p>December 2019 Representative Director, Vice President, Vice Executive Officer, Business Management, in charge of Hosokawa Kaizen Team</p> <p>October 2020 Representative Director, Vice President, Vice Executive Officer, Director Business Segment</p> <p>May 2021 Representative Director, President, Chief Executive Officer, Director Business Segment</p> <p>October 2021 Representative Director, President, Chief Executive Officer, Divisional Manager of International Administration Div. (present)</p> <p>Reasons for nominating as candidate for Director Through his experience in the Research and Development and Technology departments and group companies in Europe and the U.S., he has accumulated knowledge and skills related to general management issues. In addition, he has a wide range of insight in powder technology and a broad perspective and a strong ability to take action as a member of the founder's family. Since his inauguration as Representative Director and President in May 2021, he has been supervising overall management of the Company, and demonstrating leadership in the domains of technology research and development as well as technology development and business improvement in our Group. From the viewpoint of the sustainable growth of the Company and the improvement of mid- and long-term corporate value, the Company requests the shareholders to re-elect him as Director to effectively strengthen the decision-making and supervision functions of the Board of Directors.</p>	252,310 shares

Candi- date number	Name (Date of birth)	Background, current position and responsibilities in the Company		Number of shares owned in the Company
3	<p>Tetsuya Inoue (Born December 3, 1963) Gender: Male</p> <p>Re-elected</p>	<p>April 1986 April 2004 October 2010 December 2011 October 2014 October 2017 April 2020 October 2020 October 2021</p>	<p>Joined the Company Operating Officer, Assistant Division Director of Finance & Accounting Div. Managing Executive Officer, Division Director of Finance & Accounting Div. Director & Managing Executive Officer, Division Director of Finance & Accounting Div. Director & Managing Executive Officer, General Affairs & Finance Operations, Division Director of Finance & Accounting Div. Director & Managing Executive Officer, General Affairs & Finance Operations Director, Vice President, Vice Executive Officer, General Affairs & Finance Operations Director, Vice President, Vice Executive Officer, Director Administration Segment Director, Vice President, Vice Executive Officer, Administrative Op. (present)</p> <p>Reasons for nominating as candidate for Director He has been playing an active role mainly in the area of accounting and finance-related matters in administration departments of the Company and overseas group companies. He has acquired abundant experience. He has a wealth of experience and broad knowledge which enable him to decide the policies for the Company and subsidiaries and execute proper management. From the viewpoint of continuous growth of the Company and the improvement of mid- and long-term corporate value, the Company requests the shareholders to re-elect him as Director to effectively strengthen the decision-making and supervision functions of the Board of Directors.</p>	13,000 shares

Candi- date number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
4	Masahiro Inoki (Born February 25, 1958) Gender: Male Re-elected	<p>April 1983 Joined The Powder Technology Research Institute</p> <p>September 1986 Joined the Company</p> <p>October 2002 Supervisor, Hosokawa Powder Technology Research Institute</p> <p>October 2008 Senior General Manager, Technology Development Department, Sales Division, Osaka Headquarters</p> <p>October 2011 Operating Officer, Division Director of Powder Technology Research Institute</p> <p>December 2017 Director & Managing Executive Officer, Division Director of Powder Technology Research Institute</p> <p>October 2019 Director & Managing Executive Officer, Division Director of Powder Technology Research Institute, General Manager of Hosokawa Kaizen Team</p> <p>April 2020 Director & Managing Executive Officer, Division Director of Powder Technology Research Institute, Division Director of Technical Development Department, General Manager of Hosokawa Kaizen Team</p> <p>October 2020 Director & Managing Executive Officer, Director R&D Segment</p> <p>October 2021 Director & Managing Executive Officer, Business Op. & Divisional Manager of Powder Technology Research Institute (present)</p> <p>Reasons for nominating as candidate for Director As the Director of The Powder Technology Research Institute, he has abundant experience and knowledge in the area of research and development of new products and technologies. In addition, as Chairperson of the International R&D Conference, he has been promoting technological development of the entire group. From the viewpoint of continuous growth in the domain of technological development of the Company and the improvement of mid- and long-term corporate value, the Company requests the shareholders to re-elect him as Director to effectively strengthen the decision-making and supervision functions of the Board of Directors.</p>	2,000 shares

Candi- date number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
5	<p data-bbox="341 725 502 864">Hiroyuki Tsujiimoto (Born December 21, 1963) Gender: Male</p> <p data-bbox="368 904 475 927">Re-elected</p>	<p data-bbox="544 284 1230 1032"> November 1988 Joined the Company November 1990 The Powder Technology Research Institute, Research & Development Division July 2004 Manager of Micron Beauty Science Research Institute, Hosokawa Powder Technology Research Institute October 2010 Manager of Pharmaceutical / Beauty Science Center, Material Business Division October 2011 Operating Officer, Division Director of Material Business Division, Manager of Pharmaceutical / Beauty Science Center, Material Business Division October 2018 Operating Officer, Division Director of Material Business Division, Senior General Manager of Material Business Division, General Manager of Sales Group, Manager of Pharmaceutical / Beauty Science Center October 2020 Operating Officer, Divisional Manager of Material Business Div, General Manager of Sales Group, Manager of Pharmaceutical / Beauty Science Center December 2021 Director, Operating Officer, Divisional Manager of Material Business Div, General Manager of Sales Group, Manager of Pharmaceutical / Beauty Science Center (present) </p> <p data-bbox="544 1055 1230 1357"> Reasons for nominating as candidate for Director After being engaged in research and development of powder equipment at the Company, as the Division Director of the Material Business Division, he has abundant experience and knowledge in the development of new materials using fine grinding technology and manufacture of hair growth agents and cosmetics. From the viewpoint of continuous growth of the Company and the improvement of mid- and long-term corporate value through the realization of those material businesses, the Company requests the shareholders to re-elect him as Director to effectively strengthen the decision-making and supervision functions of the Board of Directors. </p>	7,400 shares

Candi- date number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
6	<p>Satoshi Akiyama (Born August 18, 1963)</p> <p>Gender: Male</p> <p>Re-elected Outside Director</p>	<p>April 1988 Joined Nisshin Seifun Co., Ltd. (current headquarters of Nisshin Seifun Group Inc.)</p> <p>June 2015 Director, General Manager of No. 2 Plant, Nisshin Engineering Inc.</p> <p>June 2017 Director, General Manager of Corporate Planning Department and General Manager of Purchasing Department, Nisshin Engineering Inc.</p> <p>June 2018 Director, General Manager of Corporate Planning Department, Nisshin Engineering Inc.</p> <p>December 2019 Director of the Company (present)</p> <p>June 2020 Managing Director, General Manager of Corporate Planning Department, Nisshin Engineering Inc.</p> <p>June 2021 Senior Managing Director, General Manager of Engineering Business Division, Nisshin Engineering Inc. (present)</p> <p>Important positions held at another company Senior Managing Director, General Manager of Engineering Business Division, Nisshin Engineering Inc.</p> <p>Reasons for nominating as candidate for Outside Director and expected role He has a wealth of experience and broad knowledge. The Company requests the shareholders to elect him as Outside Director for him to play an active role in determining critical management matters of the Company and supervising the execution of duties.</p>	0 shares

Candi- date number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
7	<p>Katsuhiko Takagi (Born January 14, 1943) Gender: Male</p> <p>Re-elected Outside Director Independent Director</p>	<p>April 1965 Joined Daikin Industries, Ltd.</p> <p>October 1988 General Manager of Sales Planning Department, International Sales Division, Daikin Industries, Ltd.</p> <p>May 1993 Deputy Division Manager of International Sales Division, General Manager of Sales Planning Department, General Manager of Sales Department, Daikin Industries, Ltd.</p> <p>June 1996 Director & General Manager of Global Operations Division, Daikin Industries, Ltd.</p> <p>June 1999 Managing Director & General Manager of Global Operations Division, Daikin Industries, Ltd.</p> <p>June 2001 Senior Managing Director & General Manager of Global Operations Division, Daikin Industries, Ltd.</p> <p>June 2002 Senior Managing Director, in charge of Global Air-Conditioning Strategy, Chairman of DT Affiliation Committee</p> <p>June 2004 Director, Vice President, Executive Officer in charge of Global Air-Conditioning and Low Temperature Business, Daikin Industries, Ltd.</p> <p>June 2007 Director, Daikin Industries, Ltd., Member of the Board Chairman & CEO, O.Y.L. Group</p> <p>June 2008 Senior Executive Officer, Daikin Industries, Ltd., Chairman & CEO, O.Y.L. Group</p> <p>June 2011 Executive Advisor, Daikin Industries, Ltd., Chairman & CEO, O.Y.L. Manufacturing, Chairman & President, McQuay International Group, Executive advisor, McQuay US (current: Daikin Applied Americas)</p> <p>July 2015 Advisor, Daikin Industries, Ltd., Executive Advisor, Daikin Applied Americas</p> <p>December 2015 Director of the Company (present)</p> <p>July 2018 Executive Advisor, Applied Solution Business Division, Daikin Industries, Ltd., Executive Advisor, Daikin Applied Americas</p> <p>July 2019 Executive Advisor, Applied Solution Business Division, Daikin Industries, Ltd. (present)</p> <p>Important positions held at another company Executive Advisor, Applied Solution Business Division, Daikin Industries, Ltd.</p> <p>Reasons for nominating as candidate for Outside Director and expected role He has a wealth of experience, etc. related to the promotion of businesses overseas. The Company requests the shareholders to re-elect him as Outside Director not only so he can reinforce the monitoring and supervision functions, but also for him to utilize his insight and knowledge, etc. for the general management of the Company.</p>	10,800shares

Candi- date number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
8	<p>Tatsuo Fujioka (Born January 25, 1952) Gender: Male</p> <p>Re-elected Outside Director Independent Director</p>	<p>April 1975 Joined The Hyakujushi Bank, Ltd. February 2000 Manager, Kuko-guchi Branch, The Hyakujushi Bank, Ltd. January 2002 Manager, Kujo Branch, The Hyakujushi Bank, Ltd. July 2005 Manager, Kobe Branch, The Hyakujushi Bank, Ltd. January 2008 Manager, Imabari Branch, The Hyakujushi Bank, Ltd. July 2008 Assistant Manager, Sales Management Department, The Hyakujushi Bank, Ltd. (resigned from the bank in March 2010) December 2009 Standing Auditor, Chuo Tatemono Co., Ltd. (dispatched from The Hyakujushi Bank, Ltd.) June 2015 Deputy Manager, Administration Department, Chuo Tatemono Co., Ltd. (resigned from Chuo Tatemono Co., Ltd. in January 2016) December 2015 Director of the Company (present)</p> <p>Reasons for nominating as candidate for Outside Director and expected role</p> <p>He has abundant experience and broad knowledge in financial matters. For him to utilize them and give advice and proposals for the management of the Company, the Company requests the shareholders to re-elect him as Outside Director.</p>	1,800 shares

Candi- date number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
9	<p>Yukari Sato (Born August 19, 1961) Gender: Female</p> <p>Re-elected Outside Director Independent Director</p>	<p>May 1986 Received BA in Political Science from Columbia University, U.S.A.</p> <p>May 1988 New York Bureau, TV Asahi (Foreign News Desk)</p> <p>August 1997 Established R&F Marketing Studio, Inc. (in New York State) and served as President and Representative Director</p> <p>May 1998 Received Ph.D. in Economics from New York University (Financial Economics)</p> <p>September 2005 Elected to the House of Representatives for the first time (the 44th general election)</p> <p>December 2012 Parliamentary Secretary for Economy, Trade and Industry</p> <p>October 2018 Senior Vice-Minister for Internal Affairs and Communications, Senior Vice-Minister of Cabinet Office</p> <p>September 2019 Senior Vice-Minister for Environment</p> <p>December 2021 Director of the Company (present)</p> <p>Reasons for nominating as candidate for Outside Director and expected role Ms. Yukari Sato served as Senior Vice-Minister for Internal Affairs and Communications, Senior Vice-Minister for Cabinet Office, and Senior Vice-Minister for Environment, and worked in various other posts. For her to utilize her abundant experience and broad knowledge and give advice and proposals for the management of the Company, the Company proposes to re-elect her as Outside Director.</p>	0 shares

Candidate number	Name (Date of birth)	Background, current position and responsibilities in the Company	Number of shares owned in the Company
10	Atsuko Shimosaka (Born May 15, 1953) Gender: Female Re-elected Outside Director Independent Director	<p>April 1976 Practical Assistant, Faculty of Engineering, Doshisha University</p> <p>April 1993 Laboratory Lecturer, Faculty of Engineering, Doshisha University (resigned from Doshisha University in March 2019)</p> <p>March 2005 Received Ph.D. in Engineering from Doshisha University</p> <p>April 2019 Part-time Lecturer, Faculty of Science and Engineering, Doshisha University (present)</p> <p>December 2021 Director of the Company (present)</p> <p>[Important concurrent position] Received Ph.D. in Engineering, Part-time Lecturer, Faculty of Science and Engineering, Doshisha University</p> <p>Reasons for nominating as candidate for Outside Director and expected role For her to utilize her academic knowledge in the fields of powder engineering and chemical engineering as a Doctor of Engineering and a university lecturer and give advice and proposals for the management of the Company, the Company requests the shareholders to re-elect her as Outside Director. Ms. Atsuko Shimosaka has never been directly engaged in company management. However, due to the reasons above, the Company has assessed that she is fully capable of performing the duties of Outside Director.</p>	0 shares

Notes:

1. Mr. Satoshi Akiyama, Mr. Katsuhiko Takagi, Mr. Tatsuo Fujioka, Ms. Yukari Sato, and Ms. Atsuko Shimosaka are candidates for Outside Directors.
2. The Company has concluded an agreement with Mr. Satoshi Akiyama, Mr. Katsuhiko Takagi, Mr. Tatsuo Fujioka, Ms. Yukari Sato and Ms. Atsuko Shimosaka to limit their liability pursuant to the provisions of Article 423, Paragraph 1 of the Companies Act, in accordance with Article 427, Paragraph 1 of the said law. The amount of liability under the agreement shall be limited to the minimum amount provided for by laws and regulations. The Company will continue the above liability limitation agreement in the event that Mr. Satoshi Akiyama, Mr. Takagi and Mr. Fujioka are re-elected.
3. Mr. Satoshi Akiyama is a person who executes business at Nisshin Engineering Inc., which has a special relationship with the Company.
4. The Company is scheduled to appoint Mr. Katsuhiko Takagi, Mr. Tatsuo Fujioka, Ms. Yukari Sato and Ms. Atsuko Shimosaka as Independent Officers as set forth by Tokyo Stock Exchange, Inc. and provide a notice to that effect.
5. Mr. Katsuhiko Takagi and Mr. Tatsuo Fujioka will have been in office as Outside Director of the Company for seven (7) years at the conclusion of the Annual General Meeting of Shareholders. At the conclusion of this General Meeting of Shareholders, the terms of office as Outside Director of the Company will be three (3) years for Mr. Satoshi Akiyama and one (1) year for Ms. Yukari Sato and Ms. Atsuko Shimosaka.
6. The Company has concluded a directors and officers liability insurance policy with an insurance agency, as set forth in Article 430-3, Paragraph 1 of the Companies Act, with Directors as the insured persons. The insurance policy compensates for damages and litigation expenses incurred in shareholder representative lawsuits, corporate lawsuits, and third-party lawsuits to be borne by the insured persons, and the Company bears the full amount of the insurance premiums of the insured persons. Each candidate for Director shall, upon election, be included as an insured person under the insurance policy. The Company plans to renew the insurance policy with the same level of contents at the next renewal.
7. Mr. Kohei Hosokawa is the eldest son of Yoshio Hosokawa, the Chairman of the Company.
8. There are no special relationships between each candidate and the Company.

Item No. 4 Election of One (1) Corporate Auditor

The term of Corporate Auditor Yuji Fukui will expire at the conclusion of the Annual General Meeting of Shareholders. Therefore, the Company proposes the election of one (1) Corporate Auditor.

This proposal has the prior consent of the Board of Corporate Auditors.

The candidate for Corporate Auditor is as follows:

Name (Date of birth)	Background, current position in the Company	Number of shares owned in the Company
Michiko Hirai (Born on June 14, 1962) Gender: female Newly appointed	April 1986	0 shares
	Joined Osaka Yomiuri Shimbun (now The Yomiuri Shimbun, Osaka)	
	June 2011	
	Manager, Corporate Communications & Public Relations Department of Directors' Office, The Yomiuri Shimbun, Osaka	
	June 2014	
	June 2016	
	Manager, Administration Department of Editorial Bureau	
June 2018	Deputy General Officer of Administration Bureau; Manager, Human Resources Department	
June 2020	Senior Writer, Editorial Bureau (retired from the company in September 2022)	
October 2022	Joined the Company, Deemed Head of General Affairs HQ (present)	
Reasons for nominating as candidate for Corporate Auditor Ms. Hirai has long been involved in news reporting as an economic staff writer at The Yomiuri Shimbun, and has also served as Manager of the Corporate Communications & Public Relations Department of the Directors' Office, Administration Department of the Editorial Bureau and Human Resources Department of the Administration and Accounting Bureau (now the Administration Bureau). We have determined that she is capable of appropriately performing the duties of Corporate Auditor and therefore propose her election as a Corporate Auditor.		

Notes:

1. The Company is scheduled to conclude an agreement with Ms. Michiko Hirai to limit her liability pursuant to the provisions of Article 423, Paragraph 1 of the Companies Act, in accordance with Article 427, Paragraph 1 of the said law if the election of Ms. Hirai is approved. The amount of liability under the agreement shall be limited to the minimum amount provided for by laws and regulations.
2. The Company has concluded a directors and officers liability insurance policy with an insurance agency, as set forth in Article 430-3, Paragraph 1 of the Companies Act, with the Corporate Auditor as an insured person. The insurance policy compensates for damages and litigation expenses incurred in shareholder representative lawsuits, corporate lawsuits, and third-party lawsuits to be borne by the insured persons, and the Company bears the full amount of the insurance premiums of the insured persons. The candidate shall, upon election, be included as an insured person under the insurance policy. The Company plans to renew the insurance policy with the same level of contents at the next renewal.
3. There are no special relationships between the candidate and the Company.

(Reference) Composition of the Board of Directors, and Their Specialties and Experience Provided
Item Nos. 3 and 4 Pass

The following table outlines the specialties and experience of the candidate Directors and Auditors, which the Company expects them to demonstrate.

Name		Independence (Outside only)	Specialties and Experience (Expected Fields)							
			Manufacturing • Technology • Research & Development	Sales • Marketing	International Business	Finance • Accounting	Legal • Risk Management	Personnel and Labor	ICT • DX	
Director	Yoshio Hosokawa			•	•			•	•	
	Kohei Hosokawa		•	•	•					•
	Tetsuya Inoue				•	•	•	•	•	
	Masahiro Inoki		•	•						•
	Hiroyuki Tsujimoto		•	•						•
	Satoshi Akiyama	Outside		•	•					
	Katsuhiko Takagi	Outside	•		•	•				
	Tatsuo Fujioka	Outside	•				•	•		
	Yukari Sato	Outside	•			•	•	•		
	Atsuko Shimosaka	Outside	•	•						
Corporate Auditor	Michiko Hirai				•			•	•	
	Hiroshi Kokubu	Outside	•				•	•		
	Yoshimitsu Katsui	Outside	•					•	•	

(Reference)

Criteria for Independence of Independent Outside Directors and Corporate Auditors

The Company deems an Outside Director and Outside Corporate Auditor (hereinafter “Outside Officer”) or a candidate for the Outside Officer to have sufficient independence from the Company in the event that the person does not fall under any of the following categories, as determined in the Company’s research to the practically possible and reasonable extent.

1. A person who executes business for the Company or an affiliate company of the Company (hereinafter collectively “the Group Company”) However, a person who did not execute business at the Company for ten years prior to the inauguration is excluded.
For the purpose of the criteria, “a person who executes business” means an executive director, executive officer, operating officer, manager and other employees.
2. A party which has transactions principally with the Group Company or a person who executes business for the party
“A party which has transactions principally with the Group Company” means a party which received payment which is 2% or more than the consolidated annual net sales of the party, from the Group Company in the most recent fiscal year or any of the three precedent fiscal years.
3. A Group Company’s major customer or a person who executes business for the party
“A Group Company’s major customer” means a party which provides payment which is 2% or more than the consolidated annual net sales of the Company, to the Group Company in the most recent fiscal year or any of the three precedent fiscal years.
4. A major shareholder of the Company or a person who executes business for a major shareholder
“A major shareholder of the Company” means a person who directly or indirectly holds 10% or more of the total voting rights of the Company.
5. A party in which 10% or more of the total voting rights is directly or indirectly held by the Group Company
6. A consultant, accountant or lawyer who receives a large amount of cash or other financial assets besides officer remuneration from the Group Company (when a party is an organization such as a company and a union, a person who belongs to the party)
“A large amount of cash or other financial assets” means cash or other financial profit which has been on average 10 million yen or more a year in the past three years.
7. A person who executes business for a major creditor of the Group Company
“A major creditor” means a party that financed an amount which is 2% or more of the Group Company’s consolidated total assets in the most recent fiscal year.
8. A person who executes business for the Company that accepts Director or Corporate Auditor from the Group Company.
9. A spouse or any relative within the second degree of kinship or living with the person falling under 1 to 8 of the above