

Securities Code 6850
(Shipping Date) June 9, 2023
(Start date of electronic provisioning measures) June 7, 2023

Dear Shareholders:

Mikio Toyoda, President and CEO
Chino Corporation
32-8, Kumano-cho, Itabashi-ku, Tokyo

Notice of the 87th Ordinary General Meeting of Shareholders

Please accept our sincere gratitude for your continued support and patronage.

We write to advise you of the 87th Ordinary General Meeting of Shareholders of Chino Corporation (hereinafter the “Company”).

In convening the General Meeting of Shareholders, measures are taken to provide information that constitutes the content of Reference Documents, etc. for the General Meeting of Shareholders in electronic format (matters subject to measures for electronic provision). Please visit the Company’s website below for the information.

[The Company’s website] (Information of General Meeting of Shareholders at the following URL)

<https://www.chino.co.jp/english/financial/shareholders-meeting/>

[Website (in Japanese) that contains Reference Documents for General Meeting of Shareholders]

<https://d.sokai.jp/6850/teiji/>

In addition to the websites above, matters subject to measures for electronic provision are posted on the website of Tokyo Stock Exchange (TSE). Please visit the TSE website below, enter/search “CHINO” under “Issue name (company name)” or its securities code “6850” under “Code,” and choose “Basic information,” “Documents for public inspection / PR information” and “Notice of General Shareholders Meeting / Informational Materials for a General Shareholders Meeting” under “Documents for public inspection.”)

[TSE website (Listed Company Search)]

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

If you are unable to attend the meeting in person, you may exercise your voting rights in advance in writing or via the Internet. Please read the Reference Documents for the General Meeting of Shareholders, follow the guidance on pages 3-5, and exercise your voting rights no later than 5 p.m., Wednesday, June 28, 2023.

[Implementation of system for electronic provision of materials for general meetings of shareholders]

With the introduction of the system for electronic provision of materials for general meetings of shareholders in accordance with the amended Companies Act which entered into force on September 1, 2022, the Company will provide materials for general meetings of shareholders (reference documents, business report, consolidated financial statements, non-consolidated financial statements, audit report) by posting them on its website, in principle, in place of delivery in writing. The Company will send the materials in writing to those shareholders who have requested delivery thereof in writing, on an exceptional basis.

For this General Meeting of Shareholders, however, the Company has decided, to send the said materials in writing to all shareholders who have voting rights for reference purposes, including shareholders who have requested delivery thereof in writing.

1. Date and Time: Tuesday, June 29, 2023 at 10 a.m. Japan time
(The reception desk is scheduled to open at 9 a.m.)
2. Place: Meeting room of the Head Office (first basement),
32-8, Kumano-cho, Itabashi-ku, Tokyo

3. Meeting Agenda:

Matters to be reported:

1. The Business Report, Consolidated Financial Statements for the Company's 87th Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 87th Fiscal Year (April 1, 2022 - March 31, 2023)

Matters to be resolved:

Proposal 1: Election of Seven (7) Directors

Proposal 2: Election of Three (3) Auditors

Proposal 3: Election of One (1) Substitute Auditor

Of the matters subject to measures for electronic provision, notes to consolidated financial statements and notes to non-consolidated financial statements are omitted in accordance with laws and regulations and Article 14 of the Articles of Incorporation.

The said document is part of the documents audited by the Audit & Supervisory Board and the Accounting Auditor when preparing audit reports.

If any revisions are made to matters subject to measures for electronic provision, matters subject to the revisions and the said matters before and after the revisions will be posted on each relevant website for which the above measures for electronic provision are taken.

[Request and guidance to shareholders]

- 1 Although COVID-19 has been reclassified as a Class 5 disease, the Company requests shareholders to pay attention to their health up to the day of the meeting and to the status of the infection in Japan when deciding to attend the meeting in person.
- 2 Capacity will be limited due to the wide spacing between seats at the venue of the General Meeting of Shareholders. Please note that if all seats are filled, entry may not be possible.
- 3 Operations staff for the General Meeting of Shareholders will check their physical condition and wear masks on the day of the meeting.
- 4 No gifts will be offered to shareholders on the day of the meeting.



Reference Documents for the General Meeting of Shareholders

Proposal 1: Election of Seven (7) Directors



The terms of office of all Six (6) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes that Seven (7) Directors be elected. Candidates for Directors are as follows:


Number	Name	Current positions and responsibilities in the Company			Tenure	Attendance at meetings of the Board of Directors
1	Mikio Toyoda	Reelection	President and CEO		11 years	14/ 14 meetings
2	Takao Shimizu	Reelection	Director and Executive Officer, In charge of Group Technical Management		14 years	14/ 14 meetings
3	Akihiko Nishiguchi	Reelection	Director and Executive Officer, Executive Manager, Sales Headquarters, Branch Manager, Eastern Japan Branch		4 years	14/ 14 meetings
4	Manabu Matsuoka	New Appointment	Executive Officer and Executive Manager, Quality Headquarters		—	—
5	Tatsuyoshi Yoshiike	Reelection	Outside	Independent	Director	8 years 14/ 14 meetings
6	Kazuo Ikuta	Reelection	Outside	Independent	Director	7 years 14/ 14 meetings
7	Yukinobu Miki	Reelection	Outside	Independent	Director	1 years 10/ 10 meetings

Reelection	Director for reelection	New Appointment	New Directors	Outside	Outside Director	Independent	Independent Director as defined by the Tokyo Stock Exchange
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Number	Name (Date of Birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of the Company's shares held
1	<div style="border: 1px solid black; padding: 2px; width: fit-content;">Reelection</div> <p>Mikio Toyoda (April 11, 1957)</p> 	<p>Apr. 1981 Joined the Company</p> <p>Jun. 2012 Director, General Manager, Fujioka Factory, the Company</p> <p>Oct. 2014 Director, General Manager, Fujioka Factory, Equipment Products Development Center</p> <p>Jun. 2015 Director and Executive Officer, General Manager, Fujioka Factory, Equipment Products Development Center</p> <p>Jun. 2016 Director and Executive Officer, Executive Manager, Corporate Strategy Headquarters, Equipment Products Development Center</p> <p>Jun. 2017 President and CEO, Equipment Products Development Center</p> <p>Jun. 2019 President and CEO To the present</p>	9,507 shares
<p>[Significant concurrent positions] There is no items to report.</p> <p>[Reasons for nomination as a candidate for Director] Mr. Mikio Toyoda serves as the President and CEO of the Company after serving as factory general manager, General Manager of the Equipment Products Development Center and Executive Manager of Corporate Strategy Headquarters. As a result, the Company has judged that he is an appropriate person to promote growth strategies of the Group as the senior executive based on his wealth of experience and insight, and requests his continued election as a Director of the Company.</p> <p>[Interests in the Company] There is no special interest between Mr. Toyoda and the Company.</p>			
2	<div style="border: 1px solid black; padding: 2px; width: fit-content;">Reelection</div> <p>Takao Shimizu (September 28, 1953)</p> 	<p>Apr. 1976 Joined the Company</p> <p>Jun. 2009 Director, Measurement Technology Development Center</p> <p>Apr. 2011 Director, R&D Center</p> <p>Jun. 2012 Director, R&D Center, General Manager, SST Division</p> <p>Jun. 2013 Director and Executive Officer, R&D Center, General Manager, SST Division</p> <p>Jun. 2014 Director and Executive Officer, R&D Center</p> <p>Jun. 2015 Director and Executive Officer, R&D Center</p> <p>Jun. 2017 Director and Executive Officer, R&D Center, General Manager, Kuki Factory</p> <p>Feb. 2018 Director and Executive Officer, General Manager, Kuki Factory</p> <p>Oct. 2021 Director and Executive Officer, In charge of Group Technical Management, Director, Innovation Center To the present</p>	9,698 shares
<p>[Significant concurrent positions] President of AR'S Corporation Limited President of ASAKAWA LENS WORKS CO., LTD.</p> <p>[Reasons for nomination as a candidate for Director] Mr. Takao Shimizu has extensive experience and insight including his service as factory and R&D Center general manager. As a result, the Company has judged that he is an appropriate person to promote innovative technology and product development of the Group, and requests his continued election as a Director of the Company.</p> <p>[Interests in the Company] The Company has a business relationship, including the purchase of products, with AR'S Corporation Limited where Mr. Takao Shimizu concurrently serves as the Representative Director. The Company has a business relationship including the purchase of parts and materials with ASAKAWA LENS WORKS CO., LTD. where Mr. Takao Shimizu concurrently serves as the Representative Director.</p>			

Number	Name (Date of Birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of the Company's shares held
3	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">Reelection</div> <p>Akihiko Nishiguchi (August 24, 1959)</p> 	<p>Apr. 1982 Joined the Company</p> <p>Jun. 2011 Director, Branch Manager, Osaka Branch</p> <p>Jun. 2013 Director, Branch Manager, Osaka Branch, Chinese Business Division</p> <p>Feb. 2014 Director, Managing Director, SHANGHAI DAHUA-CHINO INSTRUMENT Co., LTD. (seconded)</p> <p>Jun. 2015 Corporate Officer, Managing Director, SHANGHAI DAHUA-CHINO INSTRUMENT Co., LTD. (seconded)</p> <p>Jun. 2019 Director and Executive Officer, Chinese Business Division, Managing Director, SHANGHAI DAHUA-CHINO INSTRUMENT Co., LTD. (seconded)</p> <p>Mar. 2021 Director and Executive Officer, Chinese Business Division</p> <p>Jun. 2021 Director and Executive Officer, Executive Manager, Overseas Business Headquarters, Executive Manager, Sales Headquarters</p> <p>Apr. 2022 Director and Executive Officer, Executive Manager, Sales Headquarters, Branch Manager, Eastern Japan Branch</p> <p>To the present</p>	6,965 shares
<p>[Significant concurrent positions] There is no items to report.</p> <p>[Reasons for nomination as a candidate for Director] Mr. Akihiko Nishiguchi has abundant experience and insight as the general manager of the Osaka Branch and in charge of the China business of the Company, and we believe that he is an appropriate person to lead the expansion and globalization of the Group's business, and have therefore nominated him as a candidate for director.</p> <p>[Interests in the Company] There is no special interest between Mr. Nishiguchi and the Company.</p>			
4	<div style="border: 1px solid black; padding: 2px; width: fit-content; margin-bottom: 5px;">New Appointment</div> <p>Manabu Matsuoka (September 11, 1958)</p> 	<p>Apr. 1981 Joined the Company</p> <p>Jun. 2014 Director, General Manager, Instrument System Management Division at Fujioka Factory</p> <p>Jun. 2015 Officer, General Manager, Instrument System Management Division at Fujioka Factory</p> <p>Jun. 2016 Executive Officer, General Manager, Fujioka Factory, General Manager, Instrument System Management Division</p> <p>Feb. 2018 Executive Officer, Executive Manager, Innovation Center</p> <p>Jul. 2019 Executive Officer, Executive Manager, Innovation Center, Executive Manager, Production Innovation Headquarters</p> <p>Feb. 2021 Executive Officer, Executive Manager, Production Innovation Headquarters, Executive Manager, Quality Assurance Headquarters</p> <p>Apr. 2022 Executive Officer, Executive Manager, Quality Headquarters</p> <p>To the present</p>	4,672 shares
<p>[Significant concurrent positions] President of SANKI KEISO CO., LTD.</p> <p>[Reasons for nomination as a candidate for Director] Mr. Manabu Matsuoka has abundant experience and insight as the General Manager of the Company's Factory and Executive Manager, Quality Headquarters, and we have determined that he is an appropriate candidate for the position of Director to promote the expansion of production and reform of the Company's group.</p> <p>[Interests in the Company] The Company has a business relationship, including the purchase of products, with SANKI KEISO CO., LTD. where Mr. Manabu Matsuoka concurrently serves as the Representative Director.</p>			

Number	Name (Date of Birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of the Company's shares held				
5	<table border="1" data-bbox="376 320 592 387"> <tr> <td>Reelection</td> <td>Outside</td> </tr> <tr> <td>Independent</td> <td></td> </tr> </table> <p data-bbox="376 405 592 461">Tatsuyoshi Yoshiike (May 9, 1952)</p> 	Reelection	Outside	Independent		<p data-bbox="608 320 1158 342">Mar. 1975 Joined HIOKI E.E. CORPORATION</p> <p data-bbox="608 353 1158 376">Mar. 2005 President, HIOKI E.E. CORPORATION</p> <p data-bbox="608 387 1158 409">Jan. 2013 Chairman, HIOKI E.E. CORPORATION</p> <p data-bbox="608 421 1158 477">Jun. 2015 Outside Director, the Company To the present</p> <p data-bbox="608 488 1158 544">Jun. 2016 Outside Director, Shinko Shoji Co., Ltd. To the present</p>	—
Reelection	Outside						
Independent							
<p data-bbox="376 763 1158 786">[Significant concurrent positions] Outside Director, Shinko Shoji Co., Ltd.</p> <p data-bbox="376 808 1158 831">[Reasons for nomination as a candidate for Outside Director and expected roles] Mr. Tatsuyoshi Yoshiike has deep insight in business management cultivated through his extensive experience as a company manager and has played an important role in strengthening governance by providing opinions and suggestions on the overall management of the Group. As a result, the Company requests his continued election as an Outside Director of the Company, expecting that he will supervise the Company's management from an independent position.</p> <p data-bbox="376 853 1158 875">[Interests in the Company] There is no special interest between Mr. Yoshiike and the Company.</p>							
6	<table border="1" data-bbox="376 1037 592 1104"> <tr> <td>Reelection</td> <td>Outside</td> </tr> <tr> <td>Independent</td> <td></td> </tr> </table> <p data-bbox="376 1122 592 1178">Kazuo Ikuta (September 4, 1946)</p> 	Reelection	Outside	Independent		<p data-bbox="608 1037 1158 1093">Jul. 1991 Secretary General, Japan Measuring Instruments Federation</p> <p data-bbox="608 1104 1158 1160">May 1998 Executive Director and Secretary General, Japan Measuring Instruments Federation</p> <p data-bbox="608 1171 1158 1227">May 2008 Senior Executive Director, Japan Measuring Instruments Federation</p> <p data-bbox="608 1238 1158 1294">May 2014 Special Adviser, Japan Measuring Instruments Federation</p> <p data-bbox="608 1305 1158 1361">Jun. 2016 Outside Director, the Company To the present</p>	2,000 shares
Reelection	Outside						
Independent							
<p data-bbox="376 1480 1158 1503">[Significant concurrent positions] There is no items to report.</p> <p data-bbox="376 1525 1158 1547">[Reasons for nomination as a candidate for Outside Director and expected roles] Mr. Kazuo Ikuta has deep insight through his extensive experience of being committed to the development of the measuring instruments industry in Japan and the sophistication of measuring instruments and has played an important role by providing useful suggestions on the management of the Group. As a result, the Company requests his continued election as an Outside Director of the Company, expecting that he will supervise the Company's management from an independent position.</p> <p data-bbox="376 1570 1158 1592">[Interests in the Company] There is no special interest between Mr. Ikuta and the Company.</p>							

Number	Name (Date of Birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of the Company's shares held				
7	<table border="1"> <tr> <td>Reelection</td> <td>Outside</td> </tr> <tr> <td>Independent</td> <td></td> </tr> </table> <p>Yukinobu Miki (August 16, 1953)</p> 	Reelection	Outside	Independent		<p>Apr. 2010 Director, Research Institute of Metrology, National Institute of Advanced Industrial Science and Technology</p> <p>Apr. 2012 Director, National Institute of Advanced Industrial Science and Technology</p> <p>Apr. 2017 Vice President, National Institute of Advanced Industrial Science and Technology</p> <p>Jun. 2022 Outside Director, the Company To the present</p>	—
Reelection	Outside						
Independent							
<p>[Significant concurrent positions] There is no items to report.</p> <p>[Reasons for nomination as a candidate for Outside Director and expected roles] Mr. Yukinobu Miki has a high level of insight in the field of measurement technology, which he has gained through his experience at the National Institute of Advanced Industrial Science and Technology (AIST), where he has held a number of important positions. He is nominated as a candidate for Outside Director of the Company in the expectation that he will provide useful suggestions on the management of the Group and supervise the Company's management from an independent position.</p> <p>[Interests in the Company] There is no special interest between Mr. Miki and the Company.</p>							

- (Notes) 1. Mr. Tatsuyoshi Yoshiike, Mr. Kazuo Ikuta and Mr. Yukinobu Miki are candidates for Outside Directors.
2. The Company has designated Outside Directors Mr. Tatsuyoshi Yoshiike, Mr. Kazuo Ikuta and Mr. Yukinobu Miki as independent directors as stipulated by the Tokyo Stock Exchange and has notified the Tokyo Stock Exchange of their designation.
3. The number of the Company's shares held by each candidate includes their equity interest in the chiro officer's stock ownership plan.
4. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Articles of Incorporation of the Company has a provision stipulating that the Company may enter into agreements with Outside Directors to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act, and the Company has entered into the agreement for limitation of liability with each Current Outside Director. If the reelection of Mr. Tatsuyoshi Yoshiike, Mr. Kazuo Ikuta and Mr. Yukinobu Miki is approved, the Company intends to continue the agreements with them.
The maximum amount of liability for damages shall be the minimum amount provided for in Article 425, Paragraph 1 of the Companies Act when an Outside Director performs his duties in good faith and without gross negligence.

(Reference) Skills expected of Directors

At a Board of Directors meeting held on December 9, 2021, we established the skills that the Board of Directors should possess in order to realize the Company's Corporate Philosophy and the management vision set forth in Mid-term Management Plan, and has identified the skills expected of each Director as follows.

Name	Job title	Corporate management	Global business	Sales, marketing	Manufacturing, research and development	IT/Digital	Legal affairs/ Risk Management	Finance/ Accounting
Mikio Toyoda	President and CEO	●	●		●	●	●	
Takao Shimizu	Director and Executive Officer	●	●		●	●		
Akihiko Nishiguchi	Director and Executive Officer	●	●	●				●
Manabu Matsuoka	Candidates for Directors Executive Officer	●		●	●			●
Tatsuyoshi Yoshiike	Outside Director	●		●			●	●
Kazuo Ikuta	Outside Director	●	●				●	●
Yukinobu Miki	Outside Director	●	●		●		●	

* Mark "●" for up to 4 of the skills expected of each director (excluding representative director)


Proposal 2: Election of Three (3) Auditors



The terms of office of all Three (3) Auditors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes that Three (3) Auditors be elected. The Board of Corporate Auditors has given its consent to this proposal.

Candidates for Auditors are as follows:

Number	Name	Current positions and responsibilities in the Company	Tenure	Attendance at meetings	
				upper row : the Board of Directors	lower column: the Board of Auditors
1	Noriyuki Saito	Reelection Full-time Auditor	6 years	14/ 14 meetings	13/ 13 meetings
2	Kazuhiko Yamashita	Reelection Outside Independent Auditor	6 years	14/ 14 meetings	13/ 13 meetings
3	Yoshihiko Kasuya	New Appointment Outside Independent	— years	— / — meetings	— / — meetings

Reelection	Auditor for reelection	New Appointment	New Auditor	Outside	Outside Auditor	Independent	Independent Director as defined by the Tokyo Stock Exchange
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Number	Name (Date of Birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of the Company's shares held
1	Reelection Noriyuki Saito (February 5, 1947) 	Apr. 1969 Joined the Company Jun. 2001 Director, General Manager, Finance and Economics Department Jun. 2007 Managing Director, General Manager, Business Management Jun. 2010 Senior Managing Director, Executive Manager, Administration Division, General Manager, President's Office Jun. 2014 Executive Adviser Jun. 2017 Full-time Auditor To the present	6,827 shares
[Significant concurrent positions] There is no items to report. [Reasons for nomination as a candidate for Auditor] Mr. Noriyuki Saito has a wealth of experience and knowledge in accounting and finance, including serving as the head of the Company's business administration and planning departments. He will be able to appropriately perform his duties as a corporate auditor from a professional standpoint. We therefore nominated him as a candidate for the position of Corporate Auditor. [Interests in the Company] There is no special interest between Mr. Saito and the Company.			

Number	Name (Date of Birth)	Career summary, positions and responsibilities, and significant concurrent positions	Number of the Company's shares held				
2	<table border="1"> <tr> <td>Reelection</td> <td>Outside</td> </tr> <tr> <td>Independent</td> <td></td> </tr> </table> <p>Kazuhiko Yamashita (March 19, 1956)</p> 	Reelection	Outside	Independent		<p>Apr. 1979 Joined The Saitama Bank, Ltd. (now Resona Bank, Ltd.)</p> <p>Oct. 2005 Executive Officer, Resona Bank, Ltd.</p> <p>Jun. 2007 Senior Managing Director, Resona Kessai Service Co.,Ltd.</p> <p>Apr. 2008 Executive Vice President , Resona Card Co.,Ltd.</p> <p>Jun. 2011 Executive Vice President , NTT DATA SOFIA CORPORATION</p> <p>Jun. 2016 Outside Auditor, RHYTHM WATCH CO., LTD. (now RHYTHM CO., LTD.)</p> <p>Jun. 2017 Outside Auditor, the Company To the present</p> <p>Feb. 2018 Director, Audit & Supervisory Committee Member, OPTOELECTRONICS CO.,LTD. To the present</p> <p>Jun. 2018 Director, Audit & Supervisory Committee Member, RHYTHM WATCH CO., LTD. (now RHYTHM CO., LTD.) To the present</p>	—
Reelection	Outside						
Independent							
<p>[Significant concurrent positions] Director, Audit & Supervisory Committee Member of RHYTHM CO., LTD. Director, Audit & Supervisory Committee Member of OPTOELECTRONICS CO., LTD.</p> <p>[Reasons for nomination as a candidate for Auditor] Mr. Kazuhiko Yamashita has many years of experience in financial affairs and extensive knowledge of finance, etc., and we believe that he will be able to appropriately perform his duties as a corporate auditor from a professional standpoint, and therefore, we continue to nominate him as a candidate for outside auditor.</p> <p>[Interests in the Company] There is no special interest between Mr. Yamashita and the Company.</p>							
3	<table border="1"> <tr> <td>New Appointment</td> <td>Outside</td> </tr> <tr> <td>Independent</td> <td></td> </tr> </table> <p>Yoshihiko Kasuya (October 16, 1955)</p> 	New Appointment	Outside	Independent		<p>Apr. 1979 Joined The Mitsubishi Bank, Ltd. (MUFG Bank, Ltd.)</p> <p>Jun. 2008 President, Chitose Kosan Co., Ltd.</p> <p>Jun. 2010 Director and Executive Officer, Prince Hotels, Inc</p> <p>Apr. 2015 Executive Vice President, SEIBU CONSTRUCTION CO.,LTD. To the present</p>	—
New Appointment	Outside						
Independent							
<p>[Significant concurrent positions] There is no items to report.</p> <p>[Reasons for nomination as a candidate for Auditor] Mr. Yoshihiko Kasuya has been involved in corporate management at several companies in addition to his many years of experience in finance and extensive knowledge of financial matters. Based on the experience and insight he has gained through these activities, we have determined that he will be able to appropriately perform his duties as a corporate auditor and have nominated him as a candidate for outside corporate auditor.</p> <p>[Interests in the Company] There is no special interest between Mr. Kasuya and the Company.</p>							


- (Notes) 1. Mr. Kazuhiko Yamashita, and Mr. Yoshihiko Kasuya are candidates for Outside Auditors.
2. The Company has designated Outside Auditors Kazuhiko Yamashita as independent directors as stipulated by the Tokyo Stock Exchange, and Mr. Yoshihiko Kasuya as a candidate for independent Auditors, and has notified the Tokyo Stock Exchange of their designation.
3. The number of the Company's shares held by each candidate includes their equity interest in the chiro officer's stock ownership plan.
4. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Articles of Incorporation of the Company has a provision stipulating that the Company may enter into agreements with Outside Auditors to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act, and the Company has entered into the agreement for limitation of liability with each Current Outside Auditor. If the reelection of Mr. Kazuhiko Yamashita is approved, the Company intends to continue the agreements with them. If the appointment of Mr. Yoshihiko Kasuya is approved, the Company plans to enter into a similar liability limitation agreement with him.
- The maximum amount of liability for damages shall be the minimum amount provided for in Article 425, Paragraph 1 of the Companies Act when an Outside Auditor performs his duties in good faith and without gross negligence.

Proposal 3: Election of One (1) Substitute Auditor

The Company requests the election of one substitute member of the Audit & Supervisory Board in case there is a shortfall in the number of members of the Audit & Supervisory Board specified by laws and regulations.

The said substitute member to be elected by resolution of the meeting will take office when there is an insufficient number of members, and the term of his/her office will be the remaining term of office of the predecessor. Moreover, the resolution will expire at the beginning of a General Meeting of Shareholders for the last fiscal year ending within four years of his/her election. The Audit & Supervisory Board has approved this proposal in advance.

The candidate for substitute member of the Board is as follows:

Name (Date of Birth)		Career summary, positions and responsibilities, and significant concurrent positions	Number of the Company's shares held
Outside	Independent	Apr. 1979 Joined Nippon Life Insurance Company Apr. 2013 Executive Officer, MAX CO., LTD. Apr. 2015 Senior Executive Officer, MAX CO., LTD. Feb. 2022 Full-time Auditor , Vertex co., Ltd. To the present	—
Kenji Kato (February 7, 1957) 			
[Significant concurrent positions] Full-time Auditor , Vertex co., Ltd. [Reasons for nomination as a candidate for Substitute Auditor] Mr. Kenji Kato has long been employed at a financial institution and has knowledge of finance and accounting. He also served as an officer in the manufacturing industry and has abundant experience and broad knowledge of compliance. We have nominated Mr. Kenji Kato as a candidate for Substitute Auditor because we have determined that he will be able to appropriately perform his duties as a corporate auditor of the Company. [Interests in the Company] There is no special interest between Mr. Katou and the Company.			

- (Notes) 1. Mr. Kenji Katou is candidates for Substitute Auditor.
2. If Mr. Kenji Kato is appointed as a corporate auditor, the Company plans to register him as an independent director as stipulated by the Tokyo Stock Exchange.
3. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company stipulates in its Articles of Incorporation that it may enter into an agreement to limit liability for damages under Article 423, Paragraph 1 of the Companies Act. If the appointment of Mr. Kenji Katou is appointed, the Company plans to enter into a similar liability limitation agreement with him. The maximum amount of liability for damages shall be the minimum amount provided for in Article 425, Paragraph 1 of the Companies Act when an Outside Auditor performs his duties in good faith and without gross negligence.