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Securities code: 5991  
June 6, 2022

To Our Shareholders,

Takashi Kayamoto,  
Representative Member of the Board  
President & CEO  
**NHK SPRING CO., LTD.**  
3-10, Fukuura, Kanazawa-ku, Yokohama

## Notice of the 102nd Annual General Meeting of Shareholders

NHK SPRING CO., LTD. (the “Company”) hereby provides notice of the 102nd Annual General Meeting of Shareholders of the Company to be held as follows:

- 1. Date and Time:** Tuesday, June 28, 2022, at 10:00 a.m. (Reception starts at 9:00 a.m.) (JST)
- 2. Venue:** NHK SPRING CO., LTD. Head Office  
3-10, Fukuura, Kanazawa-ku, Yokohama

### 3. Purpose of the Meeting:

#### Matters to be reported:

1. The Fiscal Year 2021 Business Report, the Consolidated Financial Statements, and audit results of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board for the 102nd term (from April 1, 2021 to March 31, 2022)
2. The Fiscal Year 2021 Non-consolidated Financial Statements for the 102nd term (from April 1, 2021 to March 31, 2022)

#### Matters to be resolved:

- |                    |  |
|--------------------|--|
| <b>Proposal 1:</b> | Appropriation of Surplus   |
| <b>Proposal 2:</b> | Partial Amendments to the Articles of Incorporation                        |
| <b>Proposal 3:</b> | Election of Eight (8) Members of the Board                                 |
| <b>Proposal 4:</b> | Election of One (1) Audit & Supervisory Board Member (External)            |
| <b>Proposal 5:</b> | Election of One (1) Substitute Audit & Supervisory Board Member (External) |
| <b>Proposal 6:</b> | Introduction of Stock-based Remuneration System for Members of the Board   |

**(Request for taking measures against COVID-19)**

- \* The Company will implement necessary measures against the novel coronavirus (COVID-19) to prevent infection. We ask the shareholders who are considering attending the General Meeting of Shareholders to check the status of infections on the day of the meeting and adequately take note of your own physical condition before attending and to take maximum precautions against infection.
- \* Masks will be provided at the venue entrance. Please cooperate by wearing a mask.
- \* Alcohol disinfectant will be supplied at the venue entrance. Please cooperate by disinfecting your hands.
- \* There will be body temperature checks at the venue entrance. Please note that individuals with a body temperature of 37.5°C or higher may not be admitted. Anyone found to be unwell may be approached by the secretariat staff and asked to leave. Your understanding is appreciated.
- \* The distribution of gifts on the day of the meeting has been discontinued.
- \* The Company's officers and secretariat staff will wear masks during the Meeting.
- \* If major changes to the operation of the General Meeting of Shareholders arise due to future developments, the Company will provide that information on its website. Please check the website before attending.

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### **Proposal 1:** Appropriation of Surplus

The Company recognizes distribution of profits to our shareholders as the top priority and our basic policy is to continue to distribute dividends stably.

In light of this and as a result of comprehensive consideration given to such matters as consolidated business performance and dividend payout ratio, the Company proposes that the year-end dividend for the term be 15 yen per share.

<The fiscal year-end dividend>

(1) Type of dividend property

Cash

(2) Assignment of the dividend property to shareholders and the total amount:

15 yen per share of common stock of the Company

Total amount: 3,420,268,200 yen

As the Company has already paid an interim dividend of 12 yen per share, the annual dividend for the term will be 27 yen per share.

(3) Effective date of dividends of surplus

June 29, 2022

**Proposal 2:** Partial Amendments to the Articles of Incorporation

1. Reasons for the Amendment

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Article 17, paragraph 1 in “Proposed amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 17, paragraph 2 in “Proposed amendments” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 17 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Details of the amendments

The details of the amendments are as follows.

(Underlined text indicates changes)

Current Articles of Incorporation	Proposed amendment
<p>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)  <u>Article 17.</u>  <u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p>(Newly established)</p>	<p>(Deleted)</p> <p>(Measures, etc. for Providing Information in Electronic Format)  <u>Article 17.</u>            1. <u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u>            2. <u>Of items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>

Current Articles of Incorporation	Proposed amendment
(Newly established)	<p data-bbox="805 230 1061 257"><u>Supplementary Provisions</u></p> <ol style="list-style-type: none"> <li data-bbox="821 264 1396 510">1. <u>The amendment to the Articles of Incorporation pertaining to Article 17 shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></li> <li data-bbox="821 517 1396 674">2. <u>Notwithstanding the provision of the preceding paragraph, Article 17 of the pre-amended Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></li> <li data-bbox="821 680 1396 824">3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></li> </ol>

**Proposal 3: Election of Eight (8) Members of the Board**

The terms of office of all eight (8) Members of the Board will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, we request the election of eight (8) Members of the Board.

The candidates for positions of Members of the Board are as follows:

No.	Name	(Gender) (Age)	Positions in the Company	Significant concurrent positions outside the Company	Number of years in office	Attendance at Board of Directors meetings
1	Takashi Kayamoto [Reelection]	(Male) (66 years old)	Representative Member of the Board President & CEO	—	7	13/13 meetings (100%)
2	Toru Sugiyama [Reelection]	(Male) (65 years old)	Representative Member of the Board Executive Vice President & CFO, CLO	1	4	13/13 meetings (100%)
3	Kiyohiko Kanmei [Reelection]	(Male) (64 years old)	Representative Member of the Board Executive Vice President & CQO, CTO	—	3	13/13 meetings (100%)
4	Hidefumi Yoshimura [Reelection]	(Male) (64 years old)	Member of the Board Executive Corporate Officer President of Corporate Planning and Control Division and President of Procurement Division	—	1	10/10 meetings (100%)
5	Kazuhisa Uemura [Reelection]	(Male) (61 years old)	Member of the Board Executive Corporate Officer President of Sales Division	—	4	13/13 meetings (100%)
6	Keiichiro Sue [Reelection] [External] [Independent]	(Male) (64 years old)	Member of the Board (External)	—	7	12/13 meetings (92.3%)
7	Katsuko Tanaka [Reelection] [External] [Independent]	(Female) (76 years old)	Member of the Board (External)	—	6	13/13 meetings (100%)
8	Hiroshi Tamakoshi [Reelection] [External] [Independent]	(Female) (59 years old)	Member of the Board (External)	—	2	14/14 meetings (100%)

\* The position at the Company describes the schedule for approval of the election of each candidate.

\* Important concurrent positions are the number of concurrent positions as of the date of notification of convocation of this Annual General Meeting of Shareholders.


\* The number of years in office is the number of years in office at the conclusion of this Annual General Meeting of Shareholders.

\* In addition to the above number of meetings of the Board of Directors, there was one written resolution that was deemed to be made by the Board of Directors in accordance with Article 370 of the Companies Act and Article 31 of the Articles of Incorporation of the Company.

Reelection Candidate for reelected Member of the Board

External Candidate for Member of the Board (External)

Independent Candidate for Independent Officer


No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and important concurrent positions	Number of Company's shares owned
1	<p>Takashi Kayamoto (Male) (February 5, 1956) (66 years old)</p>  <p>[Reelection]</p> <p>Attendance at Board of Directors meetings 13/13 meetings</p>	<p>Apr. 1979    Joined the Company</p> <p>Jun. 2010    Corporate Officer Vice President of Research and Development Division and Director of Development Department</p> <p>Apr. 2013    Senior Corporate Officer President of Suspension Spring Division</p> <p>Jun. 2015    Member of the Board Senior Corporate Officer President of Sales Division</p> <p>Apr. 2016    Member of the Board Executive Corporate Officer President of Sales Division</p> <p>Apr. 2017    Representative Member of the Board President &amp; CEO (present)</p>	76,800
<p>Reason for election</p> <p>Dr. Takashi Kayamoto was appointed Representative Member of the Board and President &amp; CEO in 2017 after his service as President of Suspension Spring Division and President of Sales Division, and he has abundant experience and advanced knowledge about the business activities of the Company through his duties, as well as having deep insight into the research and development department, and accordingly, we request his reelection as a Member of the Board.</p>			



No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and important concurrent positions	Number of Company's shares owned
2	<p data-bbox="373 479 552 584">Toru Sugiyama (Male) (August 15, 1956) (65 years old)</p>  <p data-bbox="400 862 523 887">[Reelection]</p> <p data-bbox="347 920 576 994">Attendance at Board of Directors meetings 13/13 meetings</p>	<p data-bbox="620 286 970 313">Dec. 1980    Joined the Company</p> <p data-bbox="620 322 1155 376">Jun. 2001    President &amp; CEO of NHK International Corporation</p> <p data-bbox="620 385 1214 495">Jun. 2010    Corporate Officer Vice President of Suspension Spring Division and Director of Planning and Control Department</p> <p data-bbox="620 504 1198 584">Apr. 2014    Senior Corporate Officer Director of Corporate Planning Department, Corporate Planning and Control Division</p> <p data-bbox="620 593 1107 649">Apr. 2017    Executive Corporate Officer President of Procurement Division</p> <p data-bbox="620 658 1203 792">Jun. 2018    Member of the Board Executive Corporate Officer President of Corporate Planning and Control Division and President of Procurement Division</p> <p data-bbox="620 801 1203 943">Apr. 2019    Representative Member of the Board Executive Vice President &amp; CFO President of Corporate Planning and Control Division and President of Procurement Division</p> <p data-bbox="620 952 1129 1032">Apr. 2020    Representative Member of the Board Executive Vice President &amp; CFO President of Procurement Division</p> <p data-bbox="620 1041 1203 1097">Jun. 2021    Director of Takano Co., Ltd. (non-executive) (present)</p> <p data-bbox="620 1106 1150 1187">Apr. 2022    Representative Member of the Board Executive Vice President &amp; CFO, CLO (present)</p>	60,000
[Significant concurrent positions outside the Company] Director of Takano Co., Ltd. (non-executive)			
Reason for election Dr. Toru Sugiyama has extensive management experience through his duties as President & CEO of NHK International Corporation, Vice President of Department of Suspension Spring Division, President of Procurement Division, President of Corporate Planning and Control Division, and since 2019, Representative Member of the Board and Executive Vice President & CFO, and accordingly, we request his reelection as a Member of the Board.			




No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and important concurrent positions	Number of Company's shares owned
3	<p>Kiyohiko Kanmei (Male) (June 10, 1957) (64 years old)</p>  <p>[Reelection]</p> <p>Attendance at Board of Directors meetings 13/13 meetings</p>	<p>Apr. 1980    Joined the Company</p> <p>Jun. 2011    Corporate Officer Vice President of Seating Division and Director of Global Business Promotion Department</p> <p>Apr. 2015    Senior Corporate Officer President of Seating Division</p> <p>Apr. 2018    Executive Corporate Officer President of Engineering Division</p> <p>Jun. 2019    Member of the Board Executive Corporate Officer President of Engineering Division Director of Takano Co., Ltd. (non-executive)</p> <p>Apr. 2020    Representative Member of the Board Executive Vice President &amp; CQO</p> <p>Apr. 2022    Representative Member of the Board Executive Vice President &amp; CQO, CTO (present)</p>	17,200
<p>Reason for election Mr. Kiyohiko Kanmei has many years of experience in engineering and manufacturing fields and deep insight into these fields, as well as a wealth of experience relating to management through his duties as President of Seating Division, President of Engineering Division, and since 2020, Representative Member of the Board and Executive Vice President, and accordingly, we request his reelection as a Member of the Board.</p>			

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and important concurrent positions	Number of Company's shares owned
4	<p data-bbox="359 488 566 600">Hidefumi Yoshimura (Male) (May 4, 1958) (64 years old)</p>  <p data-bbox="402 875 523 898">[Reelection]</p> <p data-bbox="351 927 577 1010">Attendance at Board of Directors meetings 10/10 meetings</p>	<p data-bbox="624 286 1209 315">Apr. 1981     Joined the Company</p> <p data-bbox="624 322 1209 383">Jun. 2007     Director of Planning and Control Department, Suspension Spring Division</p> <p data-bbox="624 389 1209 555">Apr. 2014     Corporate Officer; President &amp; CEO and Member of the Board, NHK of America Suspension Components Inc.; President &amp; CEO and Member of the Board, New Mather Metals, Inc.</p> <p data-bbox="624 562 1209 645">Apr. 2015     Corporate Officer Director of Human Resources Department, Corporate Planning and Control Division</p> <p data-bbox="624 651 1209 763">Apr. 2017     Senior Corporate Officer Vice President of Corporate Planning and Control Division and Director of Human Resources Department</p> <p data-bbox="624 770 1209 853">Apr. 2020     Senior Corporate Officer President of Corporate Planning and Control Division</p> <p data-bbox="624 860 1209 943">Apr. 2021     Executive Corporate Officer President of Corporate Planning and Control Division</p> <p data-bbox="624 949 1209 1061">Jun. 2021     Member of the Board Executive Corporate Officer President of Corporate Planning and Control Division</p> <p data-bbox="624 1068 1209 1211">Apr. 2022     Member of the Board Executive Corporate Officer President of Corporate Planning and Control Division and President of Procurement Division (present)</p>	4,735
<p data-bbox="316 1218 507 1240">Reason for election</p> <p data-bbox="316 1247 1390 1406">Mr. Hidefumi Yoshimura has a wealth of experience in the management through his duties as Director of Planning and Control Department of Suspension Spring Division, President &amp; CEO and Member of the Board of NHK of America Suspension Components Inc., President &amp; CEO and Member of the Board of New Mather Metals, Inc., Director of the Human Resources Department, President of the Corporate Planning and Control Division, and President of the Procurement Division, and accordingly, we request his reelection as a Member of the Board.</p>			

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and important concurrent positions	Number of Company's shares owned
5	<p>Kazuhisa Uemura (Male) (July 24, 1960) (61 years old)</p>  <p>[Reelection]</p> <p>Attendance at Board of Directors meetings 13/13 meetings</p>	<p>Apr. 1983    Joined the Company</p> <p>Apr. 2014    Corporate Officer Vice President of Sales Division and Director of Seating &amp; Component Sales Department</p> <p>Apr. 2018    Senior Corporate Officer President of Sales Division</p> <p>Jun. 2018    Member of the Board Senior Corporate Officer President of Sales Division</p> <p>Apr. 2022    Member of the Board Executive Corporate Officer President of Sales Division (present)</p>	18,130
<p>Reason for election Mr. Kazuhisa Uemura has many years of experience in Sales Division and deep insight into this field, as well as a wealth of experience relating to management through his duties as President of Sales Division, and accordingly, we request his reelection as a Member of the Board.</p>			

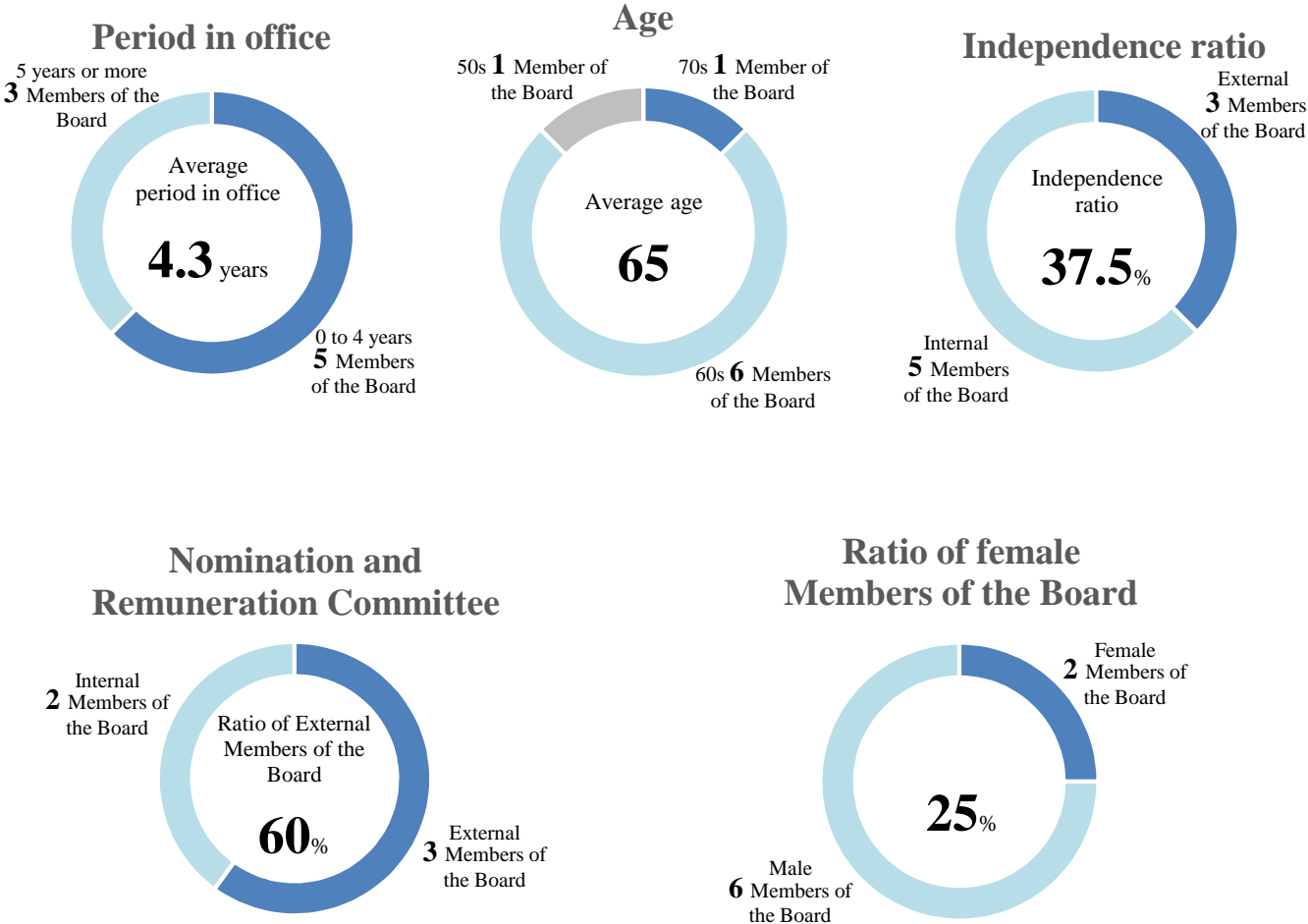
No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and important concurrent positions	Number of Company's shares owned
6	<p>Keiichiro Sue (Male) (July 27, 1957) (64 years old)</p>  <p>[Reelection] [External] [Independent]</p> <p>Attendance at Board of Directors meetings 12/13 meetings</p>	<p>Apr. 1984 Registered as Attorney at Law (a member of Dai-Ichi Tokyo Bar Association) Joined the Nobuo Takai Law Firm</p> <p>Jan. 1989 Joined Matsuo &amp; Kosugi</p> <p>Oct. 1995 Registered as Attorney at Law in New York State, USA</p> <p>Jun. 2009 Partner of Blakemore &amp; Mitsuki (present)</p> <p>Jun. 2014 External Director of METAWATER Co., Ltd.</p> <p>Jun. 2014 Corporate Auditor (External) of the Company</p> <p>Jun. 2015 Member of the Board (External) of the Company (present)</p>	None
<p>Reason for election and expected role Since being appointed as Member of the Board (External) in 2015, Dr. Keiichiro Sue has appropriately fulfilled the role of overseeing the execution of business, as well as having a wealth of experience as an attorney at law, and we judge that he can be expected to provide objective opinions on the operation of a business enterprise, and contribute to strengthening the corporate governance of the Company, and accordingly, we request his reelection as a Member of the Board (External).</p>			
7	<p>Katsuko Tanaka (Female) (September 3, 1945) (76 years old)</p>  <p>[Reelection] [External] [Independent]</p> <p>Attendance at Board of Directors meetings 13/13 meetings</p>	<p>Apr. 1970 Researcher, hygiene class, Okayama University Medical School (Worked in the local hospital.)</p> <p>Jul. 1970 Medical license registration (No. 207731)</p> <p>May 1976 Worked at Yokohama City Hall</p> <p>May 1998 Mayor, Sakae Ward, Yokohama City</p> <p>Apr. 2000 Director General, Social Welfare Bureau, Yokohama City</p> <p>Apr. 2004 Director General, Civic Affairs Bureau, Yokohama City</p> <p>Apr. 2006 Trustee and Secretary General of Public University Corporation Yokohama City University</p> <p>Apr. 2013 Chairperson of Yokohama City University</p> <p>Jun. 2016 Member of the Board (External) of the Company (present)</p>	None
<p>Reason for election and expected role Since being appointed as Member of the Board (External) in 2016, Dr. Katsuko Tanaka has appropriately fulfilled the role of overseeing the execution of business, she has extensive experience relating to organizational management of public bodies and can be expected to provide objective opinions on the operation of a business enterprise, and accordingly, we request her reelection as a Member of the Board (External).</p>			

No.	Name (Date of birth)	Career summary, position and areas of responsibility in the Company and important concurrent positions	Number of Company's shares owned
8	<p>Hiromi Tamakoshi (Female) (June 18, 1962) (59 years old)</p>  <p>[Reelection] [External] [Independent]</p> <p>Attendance at Board of Directors meetings 13/13 meetings</p>	<p>Oct. 1987    Joined Chuo Audit Corporation</p> <p>Apr. 1999    Registered as Attorney at Law (Kanagawa Bar Association)                   Joined Ryoji Kimura Law Office</p> <p>Apr. 2017    Auditor of Yokohama City University (present)</p> <p>Jun. 2020    Member of the Board (External) of the Company (present)</p> <p>Apr. 2021    Established Yokohama Nagomi Law Office (present)</p>	None
<p>Reason for election and expected role</p> <p>Since being appointed as Member of the Board (External) in 2020, Ms. Hiromi Tamakoshi has appropriately fulfilled the role of overseeing the execution of business, as well as having a wealth of experience as an attorney at law, and we judge that she can be expected to provide objective opinions on the operation of a business enterprise, and contribute to strengthening the corporate governance of the Company, and accordingly, we request her reelection as a Member of the Board (External).</p>			

Notes to Proposal 3:

1. There is no special interest between the candidates and the Company.
2. Dr. Keiichiro Sue, Dr. Katsuko Tanaka and Ms. Hiromi Tamakoshi are candidates for Members of the Board (External).
3. The Company’s Articles of Incorporation allow for the conclusion of agreements limiting the liability specified in Article 423, Paragraph 1 of the Companies Act to two years of remuneration and other consideration received or to be received for the performance of duties, and if the election of Dr. Keiichiro Sue, Dr. Katsuko Tanaka, and Ms. Hiromi Tamakoshi is approved as proposed, the Company plans to renew such limited liability agreement.
4. The Company has concluded a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. In the event that a claim for damages is filed by a shareholder or third party, etc., the insurance policy will cover the damages and litigation costs, etc. to be paid by an insured party. If the election of each candidate is approved as proposed, the Company plans to include them as insured parties under the insurance policy. The Company plans to renew the insurance policy with the same content during the term of office.
5. Notification has been submitted to Tokyo Stock Exchange, Inc. that Dr. Keiichiro Sue, Dr. Katsuko Tanaka, and Ms. Hiromi Tamakoshi have been appointed as independent officers as provided for by the regulations of the aforementioned exchange. If their reelection is approved, the Company plans for them to continue as independent officers.
6. Dr. Keiichiro Sue, Dr. Katsuko Tanaka, and Ms. Hiromi Tamakoshi are candidates for Members of the Board (External). At the conclusion of this meeting, the tenures since assuming office as Members of the Board (External) will have been seven years, six years, and two years, respectively.

(Reference) Structure of Members of the Board if Proposal 3 is approved




**Proposal 4:** Election of One (1) Audit & Supervisory Board Member (External)

Audit & Supervisory Board Member (External) Ms. Michiko Ashizawa will resign at the conclusion of this General Meeting of Shareholders. As a result, the Company requests the appointment of one (1) substitute Audit & Supervisory Board Member (External).

In accordance with the Company's Articles of Incorporation, the term of office of the Audit & Supervisory Board Member to be elected as a substitute will expire at the end of the term of office of the retiring Audit & Supervisory Board Member; therefore, the term of office of the Audit & Supervisory Board Member elected at this Ordinary General Meeting of Shareholders will expire at the conclusion of the Annual General Meeting of Shareholders for the last fiscal year ending within two years after their election.

Consent of the Audit & Supervisory Board has been obtained concerning this proposal.

The candidate for position of Audit & Supervisory Board Member (External) is as follows:

Name (Date of birth)	Career summary, position and important concurrent positions	Number of Company's shares owned
<p>Reiko Furukawa (Female) (February 12, 1959) (63 years old)</p>  <p>[New election] [External] [Independent]</p> <p>Attendance at Board of Directors meetings -/- meetings</p> <p>Attendance at Audit &amp; Supervisory Board -/- meetings</p>	<p>Apr. 1981    Joined Nippon Univac Kaisha, Ltd. (currently, BIPROGY Inc.)</p> <p>Apr. 2005    General Manager of Service Department, Mechanical Solutions Division, Nihon Unisys Excelutions, Ltd. (currently, UEL Corporation)</p> <p>Apr. 2007    General Manager of Industry Development Department</p> <p>Apr. 2009    Executive Officer</p> <p>Apr. 2011    UNIADDEX, Ltd General Manager of Outsourcing Planning Department of MBK Outsourcing Center</p> <p>Apr. 2014    General Manager of Quality Assurance Department</p> <p>Jul. 2017    Full-time Audit &amp; Supervisory Board Member of UNIADDEX, Ltd)</p>	<p>None</p>
<p>Reason for election Ms. Reiko Furukawa has extensive experience and advanced insight into the management of operating companies. In addition, she has a background as an Audit &amp; Supervisory Board member of an operating company, and since she can be expected to demonstrate appropriate audit functions based on her experiences, the Company requests her appointment as an Audit &amp; Supervisory Board Member (External).</p>		

Notes to Proposal 4:


1. There is no special interest between Ms. Reiko Furukawa and the Company.
2. Ms. Reiko Furukawa is a candidate for Audit & Supervisory Board Member (External).
3. The Company's Articles of Incorporation allow for the conclusion of agreements limiting the liability specified in Article 423, Paragraph 1 of the Companies Act to two years of remuneration and other consideration received or to be received for the performance of duties, and if the election of Ms. Reiko Furukawa is approved as proposed, the Company plans to enter into such limited liability agreement.
4. The Company has concluded a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. In the event that a claim for damages is filed by a shareholder or third party, etc., the insurance policy will cover the damages and litigation costs, etc. to be paid by an insured party. If the election of Ms. Reiko Furukawa is approved as proposed, the Company plans to include her as an insured party under the insurance policy. The Company plans to renew the insurance policy with the same content during the term of office.
5. If the election of Ms. Reiko Furukawa is approved as proposed, the Company plans to register her with Tokyo Stock Exchange, Inc. as an independent officer as provided for by the aforementioned exchange.

**Proposal 5:** Election of One (1) Substitute Audit & Supervisory Board Member (External)

This proposal is to request the election of one (1) Substitute Audit & Supervisory Board Member (External) to provide for the case in which the number of Audit & Supervisory Board Member (External) falls short of the number stipulated in laws and regulations.

Consent of the Audit & Supervisory Board has been obtained concerning this proposal.

The candidate for position of Substitute Audit & Supervisory Board Member (External) is as follows:

Name (Date of birth)	Career summary, position and important concurrent positions	Number of Company's shares owned
Nobuaki Mukai (Male) (April 19, 1969) (53 years old) 	Apr. 1996 Registered as Attorney at Law (Dai-Ichi Tokyo Bar Association) Joined Momo-o, Matsuo & Namba 2001 Registered as Attorney at Law in New York State, USA Jan. 2004 Partner of Momo-o, Matsuo & Namba (present) Apr. 2022 Specially Appointed Professor, Business Law Department (Antitrust Law), Graduate School of Law, Hitotsubashi University (present)	None
Reason for election Dr. Nobuaki Mukai has had no experience in corporate management, but he has professional knowledge and experience in corporate legal affairs as an attorney at law and therefore the Company nominates him as the candidate for Substitute Audit & Supervisory Board Member (External).		

Notes to Proposal 5:

1. There is no special interest between the candidate and the Company.
2. Dr. Nobuaki Mukai is a candidate for Substitute Audit & Supervisory Board Member (External).
3. The Company's Articles of Incorporation allow for the conclusion of agreements limiting the liability specified in Article 423, Paragraph 1 of the Companies Act to two years of remuneration and other consideration received or to be received for the performance of duties, and if Dr. Nobuaki Mukai assumes office as Audit & Supervisory Board Member (External), the Company plans to enter into such limited liability agreement with him.
4. The Company has concluded a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. In the event that a claim for damages is filed by a shareholder or third party, etc., the insurance policy will cover the damages and litigation costs, etc. to be paid by an insured party. If Dr. Nobuaki Mukai is elected as Audit & Supervisory Board Member (External), the Company plans to include him as an insured party under the insurance policy.
5. If Dr. Nobuaki Mukai assumes office as Audit & Supervisory Board Member (External), the Company plans to register him with Tokyo Stock Exchange as an independent officer as provided for by the aforementioned exchange.



**(Reference)****Executive structure if Proposal 3 and Proposal 4 are approved**

The abilities and experience of Members of the Board and Audit & Supervisory Board Members of the Company are as follows:

Name	Positions in the Company	Independent Officer	Expertise and experience								
			Business Operation/ Management	Technology/ Research and Development/IT	Sales / Marketing	Finance / Accounting	Legal / Risk Management	Overseas experience / Internationality	Academic experience / Field of expertise	Knowledge about and promotion of CN / 0 industrial waste	
Takashi Kayamoto	Representative Member of the Board President & CEO		○	○	○				○	○	○
Toru Sugiyama	Representative Member of the Board Executive Vice President & CFO, CLO		○	○		○	○	○	○		
Kiyohiko Kanmei	Representative Member of the Board Executive Vice President & CQO, CTO		○	○	○				○		○
Hidefumi Yoshimura	Member of the Board Executive Corporate Officer President of Corporate Planning and Control Division and President of Procurement Division		○			○	○	○			
Kazuhisa Uemura	Member of the Board Executive Corporate Officer President of Sales Division		○		○	○		○			
Keiichiro Sue	Member of the Board (External)	○					○	○	○		
Katsuko Tanaka	Member of the Board (External)	○	○					○	○		

Name	Positions in the Company	Independent Officer	Expertise and experience							
			Business Operation/ Management	Technology/ Research and Development/IT	Sales / Marketing	Finance / Accounting	Legal / Risk Management	Overseas experience / Internationality	Academic experience / Field of expertise	Knowledge about and promotion of CN / 0 industrial waste
Hiromi Tamakoshi	Member of the Board (External)	○				○	○			
Kenji Shimizu	Audit & Supervisory Board Member		○		○	○	○			
Masakazu Toyoda	Audit & Supervisory Board Member		○			○	○	○		
Ichiro Ebihara	Audit & Supervisory Board Member (External)	○	○			○	○			
Reiko Furukawa	Audit & Supervisory Board Member (External)	○	○	○			○			

Notes:

1. The above list does not represent all the knowledge possessed by Members of the Board and Audit & Supervisory Board Members.
2. “CN” and “0 industrial waste” mean “carbon neutral” and “zero industrial waste,” respectively.

**Proposal 6:** Introduction of Stock-based Remuneration System for Members of the Board

1. Reason for the proposal and reason why the proposal is deemed appropriate

This proposal is to request approval of the introduction of a Board Benefit Trust (BBT; “the System”), a new stock-based remuneration system, for Member of the Board of the Company (excluding External Member of the Board; the following shall be the same in this proposal unless otherwise noted).

This Proposal aims to clarify the linkage between the remuneration of Members of the Board and the value of shares, and to raise awareness that Members of the Board contribute to the improvement of medium- to long-term performance and enhance corporate value by sharing not only the merits of rising stock price but also the risk of stock price declines with shareholders. This Proposal is also in line with the Company’s “Policy on Determination of Remuneration, etc., of Individual Members of the Board” (see below). As a result, the Company believes that the content of this Proposal is appropriate. Separate from the amount of Member of the Board remuneration (up to 420 million yen per year; not including employee salary) approved at the 90th Annual General Meeting of Shareholders held on June 29, 2010, the Company requests approval of the specific calculation method and specific details of the amount of remuneration, etc. in order to provide remuneration based on the System to Members of the Board of the Company. Details of the System will be left to the discretion of the Board of Directors within the details outlined in 2. below.

In addition, if Proposal No. 3 is approved as proposed, the number of Members of the Board eligible for the System will be five (5).

2. Specific calculation method and specific details of the amount of remuneration, etc. pertaining to the System

(1) Overview of the System

Under the System, which is a stock-based remuneration system, shares of the Company will be placed in a trust (hereinafter, referred to as “the Trust” established under the System) using the money contributed by the Company as the source of funds, and these shares will then be provided to Members of the Board through the Trust in accordance with the Officer’s Stock Benefit Regulations established by the Company. In principle, Members of the Board will receive benefits for the Company’s shares when they retire.

(2) Eligible persons under the System

Members of the Board (External Member of the Board and Audit & Supervisory Board Member are not eligible for the System)

(3) Trust period

From August 2022 (planned) until the end of the Trust (the trust period of the Trust does not have a specific closing date, and the Trust will continue as long as the System continues. The System ends due to delisting of the Company’s shares or the abolition of the Officer’s Stock Benefit Regulations, etc.)

(4) Trust amount

Subject to approval of this Proposal, the Company shall refer to the five fiscal years from the fiscal year ending March 31, 2023 to the fiscal year ending March 31, 2027 (hereinafter referred to as the “Initial Target Period,” and the period for each of the five fiscal years that starts after the initial target period and the initial target period is referred to as the “Target Period,” respectively) and in order to introduce the System for each period thereafter and to provide the Company’s shares to Members of the Board, the following cash will be contributed to the Trust as a source of funds for the acquisition of the Company’s shares by the Trust. First, at the time of the Trust’s establishment in August 2022 (planned), the Company will contribute an appropriate amount of cash that is expected to be necessary funds to handle the Initial Target Period and set up the Trust. Since the maximum number of points awarded to Members of the Board under the System is 40,000 points per fiscal year as shown in (6) below, at the time of the Trust’s establishment, funds reasonably expected to be necessary to acquire up to 200,000 shares will be contributed to the Trust in consideration of the closing price of ordinary transactions of the Company’s common stock on the Tokyo Stock Exchange immediately before. For

reference, if the closing price of 837 yen on May 12, 2022 is applied, the above necessary funds will be about 167 million yen.

In addition, even after the Initial Target Period has elapsed, until the end of the System, the Company shall, in principle, reasonably anticipate the number of shares necessary to provide benefits to Members of the Board based on the System for each Target Period, and will make additional contributions to the Trust using funds deemed necessary for the Trust to acquire shares in advance. Provided, however, that in the case of such additional contributions, when there are the Company's shares remaining in the trust property (excluding those that are shares equivalent to the number of points awarded to Members of the Board in relation to each of the previous Target Periods, and whose benefits to Members of the Board have not yet expired) and cash (hereinafter referred to as "residual stock, etc."), the residual stock, etc. shall be allocated to the source of benefits based on the System during the subsequent Target Period, and the additional contribution amount shall be calculated taking into consideration the residual stock, etc.

Note: The amount of cash actually contributed by the Company to the Trust will be the total of the above-mentioned funds for the acquisition of shares, as well as the estimated amount of necessary expenses such as trust fees.

When it decides to make additional contributions, the Company will disclose such in a timely and appropriate manner.

(5) Method of acquisition of the Company's shares by the Trust and the number of shares to be acquired

The acquisition of the Company's shares by the Trust shall be carried out through the stock exchange market or by a method of underwriting the disposal of the Company's treasury stock, using the funds contributed by (4) above as the source. Since the maximum number of points awarded to Members of the Board is 40,000 points per fiscal year, the maximum number of shares acquired by the Trust for each Target Period will be 200,000 shares. Details regarding the acquisition of the Company's shares by the Trust will be disclosed in a timely and appropriate manner.

(6) Maximum number of the Company's shares to be provided to Members of the Board

Members of the Board will be awarded a specified number of points for each fiscal year, taking into account their positions, etc. in accordance with the Officer's Stock Benefit Regulations. The total number of points awarded to Members of the Board per fiscal year will be limited to 40,000 points. This is determined by comprehensively considering the current level of executive compensation, trends in the number of Members of the Board, and future prospects, and is judged to be appropriate.

Each point awarded to Members of the Board will be converted into one common share at the time of the provision of the Company's shares set forth in (7) below (if, however, after approval of this Proposal, there is a stock split, gratis allotment, or reverse stock split, etc. of the Company's shares, according to the ratio, etc., the Company will make reasonable adjustments to the maximum number of points and the number of points awarded or the conversion ratio).

The ratio of the total number of issued shares (228,017,880 shares) equivalent to the maximum number (40,000 shares) of points per fiscal year granted to Members of the Board (as of March 31, 2022; after deducting treasury stock) is approximately 0.017%.

In principle, the number of points for Members of the Board, which forms the basis for the provision of the Company's stock as set forth in (7) below shall be the number of points awarded to the Member of the Board by the time of his/her resignation (hereinafter referred to as the "number of confirmed points").

(7) Provision of the Company's shares and specific calculation method of the amount of remuneration, etc.

If a Member of the Board retires and meets the beneficiary requirements stipulated in the Officer's Stock Benefit Regulations, said Member of the Board, in principle, will receive benefits from the Trust after retirement for the number of the Company's shares based on the number of confirmed points stipulated in accordance with the provisions of (6) above by performing the prescribed beneficiary determination procedure.

Even if a Member of the Board has been granted points, if he/she is resolved to be dismissed at the General Meeting of Shareholders, if he/she resigns due to certain illegalities, or if he/she engages in an

inappropriate act that may cause damage to the Company, said Member of the Board shall not be able to obtain the right to receive benefits.

The amount of remuneration, etc. received by Members of the Board, at the time points are awarded, shall be the total of the number of points awarded to Members of the Board multiplied by the book value per share of the Company's shares held by the Trust (however, in the event of a stock split, gratis allotment, or reverse share split, etc. of the Company's shares, reasonable adjustments will be made according to the ratio, etc.). In addition, if deemed appropriate in such instances where cash is provided as an exception in accordance with the provisions of the Officer's Stock Benefit Regulations, the amount of said cash shall be added to the total.

(8) Exercising of voting rights

Voting rights pertaining to the Company's shares in the Trust Account shall not be exercised uniformly based on the order of the trust custodian. By such a method, the Company intends to ensure neutrality in the management of the Company in the exercise of voting rights pertaining to the Company's shares in the Trust Account.

(9) Handling of dividends

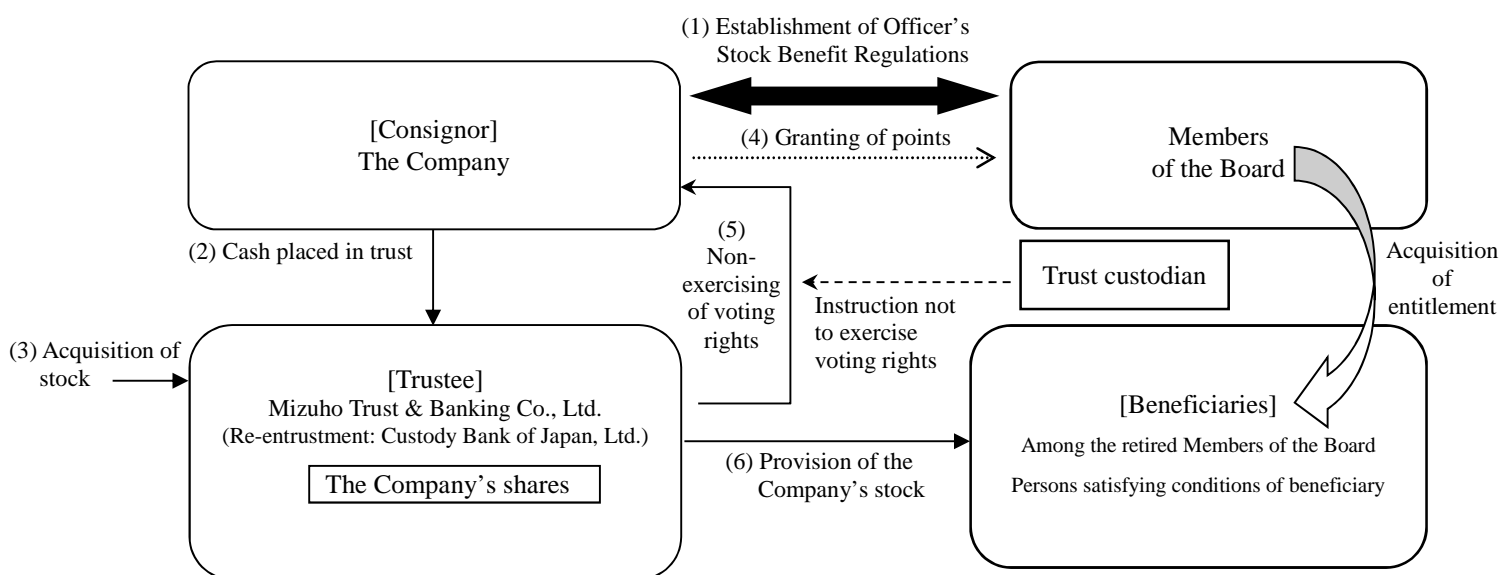
Dividends pertaining to the Company's shares in the Trust Account will be received by the Trust and used for the acquisition cost of the Company's shares and the trust fees of the Trustee pertaining to the Trust. In the case of termination of the Trust, dividends, etc. remaining in the Trust will be prorated to Members of the Board who are in office at that time according to the provisions of the Officer's Stock Benefit Regulations, depending on the number of points held by each.

(10) Handling at the end of the Trust

The Trust shall be terminated in the event of a reason such as the delisting of the Company's shares or the abolition of the Officer's Stock Benefit Regulations.

All remaining assets of the Trust upon termination of the Trust will be acquired free of charge by the Company and will be cancelled by resolution of the Board of Directors. Of the remaining assets of the Trust upon its termination, the remainder of the cash, excluding the cash provided to Members of the Board as described in (9) above, will be provided to the Company.

<Reference: Mechanisms of the System>



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| <ul style="list-style-type: none"> <li>(i) The Company shall establish the Officer's Stock Benefit Regulations within the framework approved for this Proposal.</li> <li>(ii) The Company will place cash in trust to the extent that it has been approved under this Proposal.</li> <li>(iii) The Trust will acquire the Company's shares using the cash in trust in (2) as the source of funds through the stock exchange market or by a method of underwriting the disposal of the Company's treasury stock.</li> <li>(iv) The Company will grant points to Members of the Board in accordance with the Officer's Stock Benefit Regulations.</li> <li>(v) The Trust will not exercise voting rights pertaining to the Company's shares in the Trust Account in accordance with the instructions of the trust custodian independent of the Company.</li> <li>(vi) The Trust will provide the Company's shares based on the number of points awarded to persons who satisfy the beneficiary conditions set forth in the Officer's Stock Benefit Regulations (hereinafter referred to as "Beneficiaries") among those who have retired as a Member of the Board.</li> </ul> |
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<Reference: Policy on Determination of Remuneration, etc., of Individual Members of the Board>

If this Proposal is approved, the following policy [draft] will be resolved at the Board of Directors meeting immediately after this General Meeting of Shareholders.

1. Basic Policy

The Company's basic policy requires that Member of the Board remuneration be set at an appropriate level based on the responsibilities of individual Members of the Board in each position. Specifically, Member of the Board remuneration shall consist of basic remuneration as fixed remuneration, performance-linked remuneration, and stock-based remuneration. In view of their duties, External Member of the Board shall only be paid basic remuneration.

2. Policy on Determination of Basic Remuneration, etc., (Monetary Remuneration) of Individual Members of the Board (including Policy on Determination of Timing of Payment and Conditions of Remuneration)

Basic remuneration shall be fixed monthly remuneration according to the responsibilities of each position.

3. Policy on Determination of the Details and Amount of Performance-Linked Remuneration, etc. (including Policy on Determination of Timing of Payment and Conditions of Remuneration)

Performance-linked remuneration shall be cash compensation that reflects performance indicators in order to raise awareness of performance improvement for each fiscal year. Specifically, it will consist of a portion determined based on the level of consolidated ordinary income for the current fiscal year and a portion determined based on the amount of change in consolidated ordinary income compared to the previous fiscal year, and the amount calculated based on the actual results of consolidated ordinary income shall be paid annually at a predetermined time as a bonus.

4. Policy on Determination of Non-Monetary Compensation, etc.

Non-monetary compensation shall be used as stock-based remuneration by stock benefit trust in order to provide incentive to improve the Company's medium- to long-term performance and increase corporate value. Points based on the position will be granted at a predetermined time every year and the Company's shares will be paid at the time of a Member of the Board's resignation according to the number of points he/she earned during their term of office after their term of office ends.

5. Policy on Determining the Ratio of the Amount of Basic Remuneration and Performance-linked Remuneration to the Total Amount of Individual Member of the Board Remuneration

The ratio of basic remuneration, performance-linked remuneration, non-monetary remuneration, etc. shall be an appropriate ratio in accordance with sharing benefits with shareholders and continuously improving corporate value.

6. Matters concerning Decisions on the Content of Remuneration of Individual Member of the Board

With regard to the amount of remuneration for individuals in 2, 3, and 4 above, based on the resolution of the Board of Directors, the determination of the specific content shall be delegated to consultations of the Representative Member of the Board based on deliberations by the Nomination and Remuneration Committee.