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(Stock Exchange Code 7705)

June 5, 2023

(Date of commencement of measures for electronic provision: May 30, 2023)

**To Shareholders with Voting Rights:**

Yoshihiro Nagami  
President  
GL Sciences Inc.  
6-22-1 Nishi-Shinjuku, Shinjuku-ku,  
Tokyo

NOTICE OF  
THE 56th ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We are pleased to inform you that the 56th Annual General Meeting of Shareholders of GL Sciences Inc. (the “Company”) will be held for the purposes as described below.

In convening this year’s Annual General Meeting of Shareholders, the Company has taken measures for electronic provision and posted matters subject to measures for electronic provision as “Notice of the 56th Annual General Meeting of Shareholders” on the websites indicated below.

The Company’s website

[https://www.gls.co.jp/company/ir/shareholder\\_meeting.html](https://www.gls.co.jp/company/ir/shareholder_meeting.html) (in Japanese)

The matters subject to measures for electronic provision are also posted on the Tokyo Stock Exchange (TSE) website in addition to the website indicated above. Access the TSE website (TSE Listed Company Search), enter the Company’s name “GL Sciences” in the “Issue name (company name)” field or the Company’s securities code “7705” in the “Code” field and click “Search,” select “Basic information,” and then “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click the “Click here for access” button below [Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting] and you can find the notice of convocation.

Tokyo Stock Exchange website

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

If you are unable to attend the meeting, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders included in the matters subject to measures for electronic provision, and exercise your voting rights no later than 5:15 p.m. Japan time on Wednesday, June 21, 2023.

- 1. Date and Time:** Thursday, June 22, 2023 at 10:30 a.m. Japan time  
(Reception starts at 9:50 a.m.)
- 2. Place:** Bellesalle Shinjuku Grand, Conference Center  
5F, Sumitomo Fudosan Shinjuku Grand Tower  
8-17-1, Nishi-shinjuku, Shinjuku-ku, Tokyo, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 56th Fiscal Year (April 1, 2022 to March 31, 2023) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company's 56th Fiscal Year (April 1, 2022 to March 31, 2023)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal 3:** Election of Three (3) Directors who are Audit and Supervisory Committee Members
- Proposal 4:** Election of One (1) Substitute Director who is an Audit and Supervisory Committee Member
- Proposal 5:** Presentation of Retirement Benefits to a Retiring Director (excluding Director who is an Audit and Supervisory Committee Member)
- Proposal 6:** Presentation of Retirement Benefits to a Retiring Director who is an Audit and Supervisory Committee Member
- 4. Matters Determined for Convocation:**
- (1) If neither a vote for nor against a proposal is indicated, it shall be deemed a vote for.
  - (2) If you exercise your voting rights in duplicate via the Internet and in writing, the vote via the Internet shall be treated as valid. If you exercise your voting rights more than once via the Internet, the last vote exercised shall be treated as valid.

<Notice on matters subject to measures for electronic provision>

- ◎ Information materials for a general meeting of shareholders (Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements, and Audit Reports) were previously sent to shareholders in the form of a paper copy. In line with the introduction of the system for electronic provision pursuant to the amendment of the Companies Act, the Company has changed the method of provision to the posting of the information materials on websites. Please access the websites indicated in this Notice of Convocation to review the information materials. For your convenience, the Reference Documents for the General Meeting of Shareholders are attached to this Notice of Convocation so that you can refer to the proposals submitted to the General Meeting of Shareholders.
- ◎ The paper copy sent to shareholders who have requested it does not include the matters listed below in accordance with the provisions of laws and regulations as well as Article 14 of the Company's Articles of Incorporation.
  - 1) Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements, which are part of the Consolidated Financial Statements
  - 2) Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial Statements, which are part of the Non-consolidated Financial StatementsThe above-mentioned documents are part of the documents audited by the Audit and Supervisory Committee in preparing the Audit Report and by the Accounting Auditor in preparing the Accounting Audit Report.
- ◎ Should the matters subject to electronic provision require revisions, the revised versions will be posted on each of the websites indicated above.

<To shareholders attending the meeting>

- ◎ We will neither hold a reception for shareholders nor distribute souvenirs. We appreciate the understanding of our shareholders.
- ◎ We will not hold the briefing session of the Overview of this Year's Plan we previously held. The information materials for the briefing on the financial results for the fiscal year ended March 31, 2023 and its video will be made available on the Company's website as soon as they are ready. Please refer to them.

The Company's website

<https://www.gls.co.jp/company/ir/ir-release.html> (in Japanese)

- ◎ We would like to ask shareholders to check the status of the epidemic situation of COVID-19 and their health condition and make a careful decision whether to attend the meeting.
- ◎ It is up to attending shareholders whether to wear masks. Please note that we may request you to wear masks that we provide, depending on the situation.
- ◎ Employees engaged in the operation of the Annual General Meeting of Shareholders will check their physical condition in advance. They may take measures such as wearing masks to prevent the spread of infectious diseases.

Should there be any major change in the operation of the Annual General Meeting of Shareholders due to future circumstances, information will be posted on the following website.

[https://www.gls.co.jp/company/ir/shareholder\\_meeting.html](https://www.gls.co.jp/company/ir/shareholder_meeting.html)

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

The Company intends to distribute profits by comprehensively taking into consideration its financial position, profit level, dividend payout ratio, and other factors, while securing internal funds for future business expansion and ensuring stable dividends to shareholders over the long term. Our policy is to maintain stable dividends from a long-term perspective while making capital investments in response to rapid technological innovation and to maintain and enhance competitiveness.

Consolidated net sales and all profit items on a consolidated basis for the fiscal year ended March 31, 2023 achieved record highs. Based on the above policy, and taking into consideration such business results comprehensively, it is proposed that the year-end dividend for the fiscal year ended March 31, 2023 be paid as follows.

1. Matters concerning year-end dividends
  - (1) Type of dividend property  
Cash
  - (2) Matters related to the allotment of dividend property to shareholders and the total amount thereof  
65 yen per share of common stock of the Company  
Total amount: 666,885,440 yen  
(Ordinary dividend of 60 yen and special dividend of 5 yen)
  - (3) Effective date of distribution of surplus  
June 23, 2023
2. Other matters concerning appropriation of surplus  
Not applicable

**Proposal 2:** Election of Four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)

The terms of office of all five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, by reducing the number by one (1), the election of four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members) is proposed.

The Audit and Supervisory Committee comprehensively reviewed the status of execution of duties, performance, and other matters during the fiscal year under review for each of the candidates. As a result, it judged that the candidates are suitable for serving as the Company's Directors.

The candidates for Directors are as follows.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Yoshihiro Nagami (August 12, 1959)  [Reappointment]	<p>April 1982      Joined the Company</p> <p>April 2006      Manager, Sales Section 2, Osaka Branch Office</p> <p>April 2007      Manager attached to Sales Division</p> <p>October 2007    Seconded overseas; Executive Vice President, SHIMADZU-GL SCIENCES (SHANGHAI) LABORATORY SUPPLIES CO., LTD.</p> <p>July 2012      Operating Officer, in charge of overseas, the Company</p> <p>October 2012    Operating Officer; Deputy Executive Senior Manager, Sales Division</p> <p>April 2013      Operating Officer; Deputy Executive Senior Manager, Sales Division; Chief Manager, Affiliated-Abroad Company Administrative Office</p> <p>June 2013      Director; Executive Senior Manager, Sales Division; Chief Manager, Sales Administration Dept.; Chief Manager, Affiliated- Abroad Company Administrative Office</p> <p>July 2013      Director; Executive Senior Manager, Sales Division; Chief Manager, Affiliated-Abroad Company Administrative Office</p> <p>April 2015      Director; Chief Manager, Management Planning Office, the Company Director, GL Solutions Inc.</p> <p>June 2015      President; Chief Manager, Internal Audit Office; Chief Manager, Management Planning Office, the Company</p> <p>July 2015      President; Chief Manager, Internal Audit Office</p> <p>April 2018      President</p> <p>October 2018    President, GL Sciences (Shanghai) Limited (incumbent)</p> <p>June 2019      President; Chief Manager, Management Planning Office, the Company</p> <p>July 2019      President (incumbent)</p> <p>October 2020    Director, AGI Glass Academy Co., Ltd. (incumbent)</p> <p>[Significant concurrent positions] President, GL Sciences (Shanghai) Limited Director, AGI Glass Academy Co., Ltd.</p>	33,778 shares
[Reason for nomination as candidate for Director] Mr. Yoshihiro Nagami is responsible for overall management as the Company's President. He has a wealth of knowledge and insight through his experience in domestic and overseas sales. Therefore, the Company judges that he is capable of appropriately fulfilling duties as a Director of the Company, and thus nominates him as a candidate for Director.			
[Special interests between the candidate for Director and the Company] None			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company	
2	Toshio Kurokawa (September 12, 1958)  [Reappointment]	April 1981	Joined the Company	36,662 shares
		April 2005	Deputy Manager, Kita kanto Sales Office	
		November 2005	Manager, Kita kanto Sales Office	
		December 2011	Chief Manager, Management Planning Office	
		July 2012	Operating Officer; Chief Manager, Management Planning Office	
		April 2013	Director, GL Solutions Inc.	
		June 2013	Director; Chief Manager, Management Planning Office, the Company	
		April 2015	Director; Executive Senior Manager, Sales Division; Chief Manager, Affiliated-Abroad Company Administrative Office	
		April 2016	Director; Executive Senior Manager, Sales Division (incumbent)	
		October 2018	Director, GL Sciences (Shanghai) Limited (incumbent)	
		[Significant concurrent positions]		
		Director, GL Sciences (Shanghai) Limited		
[Reason for nomination as candidate for Director] Mr. Toshio Kurokawa is thoroughly conversant with the market through his many years of experience in domestic sales. He also has in-depth knowledge and insight about the Company's overall management through his experience as Chief Manager of Management Planning Office and Affiliated-Abroad Company Administrative Office. Currently, as the person responsible for the sales sector, he is spearheading the Company's management. The Company judges that he is capable of appropriately fulfilling duties as a Director of the Company, and thus nominates him as a candidate for Director.				
[Special interests between the candidate for Director and the Company] None				
3	Osamu Serizawa (May 25, 1960)  [Reappointment]	April 1983	Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)	2,558 shares
		May 2009	General Manager, Kanda-Ekimaie Branch	
		September 2011	General Manager, On-site Credit Supervision Office, Credit Division	
		June 2013	Audit & Supervisory Board Member, SEIKAGAKU CORPORATION	
		June 2014	Director; General Manager, Business Administration Dept., SEIKAGAKU CORPORATION	
		April 2017	Advisor to Administrative Division, the Company	
		June 2018	Director; Executive Senior Manager, Administrative Division (incumbent)	
		October 2018	Director, GL Sciences (Shanghai) Limited (incumbent)	
		[Significant concurrent positions]		
		Director, GL Sciences (Shanghai) Limited		
[Reason for nomination as candidate for Director] Mr. Osamu Serizawa worked at listed companies, including a financial institution. He has abundant managerial experience and a wealth of knowledge and experience concerning financial and administrative aspects. The Company judges that he is capable of appropriately fulfilling duties as a Director of the Company, and thus nominates him as a candidate for Director.				
[Special interests between the candidate for Director and the Company] None				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company	
4	Yoshitaka Honda (August 29, 1963)  [Reappointment]	April 1986	Joined the Company	14,440 shares
		April 2010	Manager, Chemical Section 1	
		January 2012	Manager, Marketing Section	
		April 2014	Manager, Technical Marketing Section	
		July 2015	Chief Manager, Marketing and Sales Promotion Dept.	
		April 2017	Chief Manager, Manufacturing Dept. 3	
		July 2018	Operating Officer; Chief Manager, Manufacturing Dept. 3	
June 2020	Operating Officer; Manager, Fukushima factory; Chief Manager, Manufacturing Dept. 3			
April 2021	Operating Officer; Manager, Fukushima Factory; Chief Manager, Security Trade Control Office; Chief Manager, Manufacturing Dept. 3			
June 2021	Director; Executive Senior Manager; Production Division; Manager, Fukushima Factory; Chief Manager, Security Trade Control Office; Chief Manager, Manufacturing Dept.3			
July 2021	Director; Executive Senior Manager, Production Division (incumbent)			
[Reason for nomination as candidate for Director] Mr. Yoshitaka Honda has experience in manufacturing and marketing sections. He has in-depth knowledge and experience concerning the Company's products and the user needs. Currently, he is responsible for the Production Division. The Company judges that he is capable of appropriately fulfilling duties as a Director of the Company, and thus nominates him as a candidate for Director.				
[Special interests between the candidate for Director and the Company] None				

(Notes)

1. The number of shares of the Company held by candidates for Directors is as of March 31, 2023 and includes the number of shares held in the name of the Company's Director Shareholding Association.
2. The Company has entered into a directors and officers liability insurance agreement as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance agreement shall cover compensation for damages, including litigation expenses to be borne by Directors resulting from their duties. Each candidate has already been insured by the said insurance agreement and will continue to be insured after their reelection. Also, the said insurance contract will be renewed in October 2023.

**Proposal 3:** Election of Three (3) Directors who are Audit and Supervisory Committee Members

The terms of office of all three (3) Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of three (3) Directors who are Audit and Supervisory Committee Members is proposed.

The Audit and Supervisory Committee has previously given its approval to this proposal.

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

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Takahiro Saito (December 25, 1963) [New appointment] [Outside]	<p>April 1987      Joined The Sanwa Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>May 2005      Deputy General Manager, Singapore Branch, UFJ Bank Limited (currently MUFG Bank, Ltd.)</p> <p>November 2008      General Manager, Corporate Banking Department No. 2, Shibuya Branch, MUFG Bank, Ltd.</p> <p>February 2011      General Manager, Esaka Branch, MUFG Bank, Ltd.</p> <p>April 2013      General Manager, Aoyama Branch, MUFG Bank, Ltd.</p> <p>July 2016      Retired from MUFG Bank, Ltd.</p> <p>September 2016      President and Representative Director, Solution Design Co., Ltd.</p> <p>June 2023      Retired from Solution Design Co., Ltd.</p>	- shares
[Reason for nomination as candidate for Outside Director and expected roles] Mr. Takahiro Saito has extensive experience and knowledge gained through his service at financial institutions, engagement in management of an investment fund management company, and service as an outside director at several investees. The Company judges that Mr. Takahiro Saito will provide management supervision and advise from a global viewpoint and from a neutral and objective perspective and contribute to the enhancement of the functions of the Board of Directors and the sustainable growth of the Company, and thus nominates him as a candidate for Outside Director who is an Audit and Supervisory Committee Member.			
[Special interests between the candidate for Director and the Company] None			
2	Kazuaki Kagohara (March 4, 1967) [Reappointment] [Outside]	<p>March 1995      Joined Asahi Audit Corporation (currently KPMG AZSA LLC)</p> <p>October 2001      Established Kagohara Certified Public Accountant Office, President (incumbent)</p> <p>June 2011      Representative Director, Business Solution Partners Co., Ltd. (currently Corporate Finance Research Institute Co., Ltd.) (incumbent)</p> <p>June 2015      Audit and Supervisory Board Member of the Company Director, Audit and Supervisory Committee Member, the Company (incumbent)</p> <p>September 2022      Director, Audit and Supervisory Committee Member, Dualtap Co., Ltd. (incumbent)</p> <p>[Significant concurrent positions] President, Kagohara Certified Public Accountant Office Representative Director, Corporate Finance Research Institute Co., Ltd. Director, Audit and Supervisory Committee Member, Dualtap Co., Ltd.</p>	- shares
[Reason for nomination as candidate for Outside Director and expected roles] With extensive knowledge and experience as a certified public accountant, Mr. Kazuaki Kagohara has provided management supervision and advice from a neutral and objective perspective and contributed to the enforcement of the effectiveness of audits and the sustainable growth of the Company as expected. The Company judges that he is capable of appropriately fulfilling expected duties going forward, and thus nominates him as a candidate for Outside Director who is an Audit and Supervisory Committee Member.			
[Special interests between the candidate for Director and the Company] None			



No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	Yumiko Nagasawa (November 6, 1959)  [Reappointment]  [Outside]	<p>April 1984      Joined Nikko Securities Co., Ltd. (currently SMBC Nikko Securities Inc.)</p> <p>July 1997      Vice President, Individual Investment Division, Citibank N.A. (Tokyo)</p> <p>June 2000      Vice President, SSB Citi Asset Management Co., Ltd. (currently Franklin Templeton Japan Co., Ltd.)</p> <p>December 2004      Director General, Foster Forum</p> <p>June 2018      Facilitator, Foster Forum (incumbent)</p> <p>June 2018      Representative Director and Vice Chairperson, Nippon Association of Consumer Specialists (incumbent)</p> <p>June 2018      Outside Director, Yamaguchi Bank, Ltd.</p> <p>June 2019      Director, Japan Industrial Association (incumbent)</p> <p>June 2020      Outside Director, Yamaguchi Financial Group, Inc. (incumbent)</p> <p>June 2020      Vice Chairperson, NPO Consumer Organization of Japan (incumbent)</p> <p>June 2021      Outside Director, Yakult Honsha Co., Ltd. (incumbent) Director, Audit and Supervisory Committee Member, the Company (incumbent)</p> <p>September 2022      Audit and Supervisory Board Member, I-O Wealth Advisors, Inc. (incumbent)</p> <p>[Significant concurrent positions] Outside Director, Yamaguchi Financial Group, Inc. Outside Director, Yakult Honsha Co., Ltd.</p>	- shares
[Reason for nomination as candidate for Outside Director and expected roles] With extensive experience and knowledge at financial institutions and incorporated associations as well as experience as outside directors at business corporations, Ms. Yumiko Nagasawa has provided management supervision and advice from a neutral and objective perspective and contributed to the enhancement of the functions of the Board of Directors and the sustainable growth of the Company. The Company judges that she is capable of appropriately fulfilling expected duties going forward, and thus nominates her as a candidate for Outside Director who is an Audit and Supervisory Committee Member.			
[Special interests between the candidate for Director and the Company] None			

## (Notes)

- Mr. Takahiro Saito, Mr. Kazuaki Kagohara, and Ms. Yumiko Nagasawa are candidates for Outside Directors.
- The Company has submitted Mr. Kazuaki Kagohara and Ms. Yumiko Nagasawa as independent directors to the Tokyo Stock Exchange as prescribed by the said Exchange. If reappointment of them is approved, the Company will continue to appoint them as independent directors. If election of Mr. Takahiro Saito is approved, the Company will submit him as an independent director to the Tokyo Stock Exchange as prescribed by the Exchange.
- Mr. Takahiro Saito had been an executor of business of MUFG Bank, Ltd., which is a specified associated service provider (major trading partner) of the Company in the past 10 years. Although MUFG Bank, Ltd. is positioned as the main bank of the Company, the Company has transactions with another five or so banks and the share of borrowings from MUFG Bank, Ltd. is approximately 35% of the Bank's total borrowings, which is not extremely significant. During his service at MUFG Bank, Ltd., he never worked at its branch with which the Company has transactions. The Company has neither a capital relationship nor a transaction relationship with Solution Design Co., Ltd. where he served as representative director after he retired from the bank. The Company judges that he is independent.
- The Company has neither a capital relationship nor a transaction relationship with the certified public accountant office established by Mr. Kazuaki Kagohara or Dualtap Co., Ltd. where he serves as a director, audit and supervisory committee member. The Company judges that he is independent.
- Although Yamaguchi Financial Group, Inc. of which Ms. Yumiko Nagasawa acts as an outside director, is a major shareholder of the Company, and a financial holding company which holds Yamaguchi Bank, Ltd., a major lender to the Company, under its umbrella, she is not an executor of business of the said company and there is no conflict of interests with general shareholders. Although the Company recorded sales to Yakult Honsha Co., Ltd. at which she serves as an outside director, the Company judges that she is independent, since the amount of sales is marginal at less than 1% of the consolidated sales of the Company.
- Mr. Kazuaki Kagohara will have served as Outside Director who is Audit and Supervisory Committee Member of the Company for eight years at the conclusion of this year's Annual General Meeting of Shareholders.
- Ms. Yumiko Nagasawa will have served as Outside Director who is Audit and Supervisory Committee Member of the Company for two years at the conclusion of this year's Annual General Meeting of Shareholders.
- The Company has entered into agreements with Mr. Kazuaki Kagohara and Ms. Yumiko Nagasawa in accordance with the provision of Article 427, Paragraph 1 of the Companies Act to limit their liability for

damages pursuant to Article 423 Paragraph 1 of the said act. The amount of liability for damages in accordance with this agreement is limited to the minimum liability amount stipulated in Article 425 Paragraph 1 of the said act. The Company will enter into a similar agreement with Mr. Takahiro Saito if his election is approved.

9. The Company has entered into a directors and officers liability insurance agreement as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance agreement shall cover compensation for damages, including litigation expenses to be borne by Directors who are Audit and Supervisory Committee Members resulting from their duties. Candidates for reappointment have already been insured by the said insurance agreement and will continue to be insured after their reelection. The new candidate will be included in the insured after he is elected. Also, the said insurance contract will be renewed in October 2023.

(Reference) Skill Matrix of the Board of Directors

The Company structures the Board of Directors based on the idea of ensuring diversity and balance with a focus on Directors' knowledge, experience, ability, as well as gender and internationality.

If Proposal 2 and Proposal 3 are approved as originally proposed at this Annual General Meeting of Shareholders, the expertise and experience of each Director will be shown as follows.

Name	Positions/ Responsibilities at the Company	Corporate management	ESG SDGs	International business	Industry knowledge and insight/ Marketing	R&D/ Industrial engineering	Finance & accounting/ HR/ Legal affairs	Compliance/ Risk management
Yoshihiro Nagami	President	●		●	●			
Toshio Kurokawa	Director		●		●			
Osamu Serizawa	Director	●					●	
Yoshitaka Honda	Director				●	●		
Takahiro Saito	Director Full-time Audit and Supervisory Committee Member (Outside Director)	●		●			●	●
Kazuaki Kagohara	Director Audit and Supervisory Committee Member (Outside Director)						●	●
Yumiko Nagasawa	Director Audit and Supervisory Committee Member (Outside Director)		●					●

\* The above table shows major areas in which Directors will be able to demonstrate their ability based on each person's experience and responsibilities and therefore does not represent all of the expertise and experience they possess.

**Proposal 4:** Election of One (1) Substitute Director who is an Audit and Supervisory Committee Member

In order to ensure that the number of incumbent Audit and Supervisory Committee Members does not fall below that required by laws and regulations, the election of one (1) substitute Director who is an Audit and Supervisory Committee Member is proposed.

The effectiveness of the election in this Proposal may be cancelled by a resolution of the Board of Directors, only before the candidate assumes the position of Director who is an Audit and Supervisory Committee Member.

The Audit and Supervisory Committee has previously given its approval to this proposal.

The candidate for substitute Director who is an Audit and Supervisory Committee Member is as follows.

Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
Hideki Yamamoto (August 25, 1958)  [Outside]	April 1984 Assistant, Faculty of Engineering, Kansai University April 1996 Assistant Professor, Faculty of Engineering April 2004 Professor, Faculty of Engineering April 2007 Professor, Faculty of Environmental and Urban Engineering (incumbent) October 2008 Director, Admissions Center October 2016 Dean, Faculty of Environmental and Urban Engineering October 2016 Dean, Graduate School of Science and Engineering October 2016 Director, Kansai University October 2020 Vice President, Kansai University (incumbent)	- shares
[Reason for nomination as candidate for substitute Audit and Supervisory Committee Member (candidate for Outside Director) and expected roles] With extensive knowledge of main business of the Company, involvement in school management as director and Vice President, and wide range of experience including as a member of committees related to governmental agencies, chairperson of committees composed of external experts, and an advisor to private corporations, Mr. Hideki Yamamoto will provide management supervision and advice from a neutral and objective perspective. The Company judges that he will contribute to the sustainable growth of the Company, and thus nominates him as a candidate for substitute Outside Director who is an Audit and Supervisory Committee Member.		
[Special interests between the candidate for Director and the Company] None		

(Notes)

- Mr. Hideki Yamamoto is a candidate for substitute Audit and Supervisory Committee Member (candidate for Outside Director).
- If Mr. Hideki Yamamoto assumes the position of Audit and Supervisory Committee Member, the Company intends to enter into an agreement with him in accordance with the Company's Articles of Incorporation to limit his liability to the amount stipulated by laws and regulations.
- If Mr. Hideki Yamamoto assumes the position of Audit and Supervisory Committee Member, the Company intends to submit him as an independent director to the Tokyo Stock Exchange. Although the Company recorded sales to Kansai University at which he assumes office as Vice President and Head of collaborative research between the Company and the University, the Company judges that he is independent, since the amount of sales and expenses of collaborative research (shouldered by the Company) combined is marginal at less than 0.1% of the consolidated sales of the Company.
- The Company has entered into a directors and officers liability insurance agreement as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The insurance agreement shall cover compensation for damages, including litigation expenses to be borne by Directors who are Audit and Supervisory Committee Members resulting from their duties. If Mr. Hideki Yamamoto assumes office as an Outside Director who is an Audit and Supervisory Committee Member, he will be included in the insured.

**Proposal 5:** Presentation of Retirement Benefits to a Retiring Director (excluding a Director who is an Audit and Supervisory Committee Member)

Director Mr. Takao Tamura will retire upon expiration of his term of office at the conclusion of this year's Annual General Meeting of Shareholders. To reward his service during his term of office, the Company proposes to present retirement benefits to him in accordance with the standards determined by the Company. The Company proposes that the amount, time, method, etc. be determined at the sole discretion of the Board of Directors.

The retirement benefits will be presented in appreciation for his efforts in improving performance and corporate value of the Company as well as appropriate execution of his duties as a Director. The amount is determined by a resolution of the Board of Directors, calculated pursuant to the retirement benefits calculation standard for Directors in accordance with his positions held and term of office, etc., based on the "Provisions of Retirement Benefits for Directors (excluding Directors who are Audit and Supervisory Committee Members)" of the Company. The Company has not re-entrusted the matter to the discretion of the Representative Director.

Therefore, the Company judges that the content of the Proposal is reasonable.

The retiring Director's career summary is as follows.

Name (Date of birth)	Career summary
Takao Tamura	June 2017 Director, the Company (incumbent)

**Proposal 6:** Presentation of Retirement Benefits to a Retiring Director who is an Audit and Supervisory Committee Member

Director who is an Audit and Supervisory Committee Member Mr. Shoji Takaoka will retire upon expiration of his term of office at the conclusion of this year's Annual General Meeting of Shareholders. To reward his service during his term of office including that as an Audit and Supervisory Board Member, the Company proposes to present retirement benefits to him in accordance with the standards determined by the Company. The Company proposes that the amount, time, method, etc. be determined through deliberation by Directors who are Audit and Supervisory Committee Members.

The retirement benefits will be presented in appreciation for his efforts in appropriate supervision and audit of the management of the Company as well as appropriate execution of his duties as an Audit and Supervisory Committee Member. The amount is calculated, pursuant to the retirement benefits calculation standard for Directors in accordance with his term of office, etc., based on the "Provisions for Retirement Benefits for Directors who are Audit and Supervisory Committee Members" of the Company.

Therefore, the Company judges that the content of the Proposal is reasonable.

Career summary of the retiring Director who is an Audit and Supervisory Committee Member is as follows.

Name (Date of birth)	Career summary
Shoji Takaoka	June 2015 Director, Audit and Supervisory Committee Member, the Company (incumbent)