

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities code: 2004

June 3, 2024

To our shareholders

President and CEO Hideyuki Tsukagoshi  
**Showa Sangyo Co., Ltd.**  
2-2-1, Uchikanda, Chiyoda-ku, Tokyo

## **Notice of the 123rd Annual General Meeting of Shareholders**

We would like to take this opportunity to express our sincere gratitude for your continued support of our Company. Notice is hereby given that the 123rd Annual General Meeting of Shareholders of Showa Sangyo Co., Ltd. (the “Company”) will be held as set forth below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on the Company website. Please access the following website to view the information.

The Company’s website:

<https://www.showa-sangyo.co.jp/ir/library/shareholders/> (in Japanese)

In addition to the Company’s website mentioned above, the matters subject to measures for electronic provision are also posted on the Tokyo Stock Exchange (TSE) website below.

TSE website (Listed Company Search):

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

Confirm by accessing the above website, entering “Showa Sangyo” in the “Issue name (company name)” field or “2004” in the “Code” field, and clicking “Search;” then clicking “Basic information” and selecting “Documents for public inspection/PR information;” and then checking the “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” in “Filed information available for public inspection.”

**If you are unable to attend the meeting, you may exercise your voting rights via the Internet, etc. or in writing, so please review the reference documents for the General Meeting of Shareholders shown below and exercise your voting rights by 5:45 p.m. on June 24, 2024 (JST).**

**1. Date and time:** Tuesday, June 25, 2024, at 10:00 a.m. (registration starts at 9:00 a.m. (JST))

**2. Venue:** Nikkei Building 3F Nikkei Hall

1-3-7, Otemachi, Chiyoda-ku, Tokyo

(Please refer to the Guide Map to the Venue for the Annual General Meeting of Shareholders attached at the end.) (available in Japanese only)

**3. Purpose of the meeting**

**Matters to be reported:**

1. Business Report and Consolidated Financial Statements for the 123rd fiscal year (from April 1, 2023 to March 31, 2024) and audit results of the Consolidated Financial Statements by the financial auditor and the Audit and Supervisory Committee
2. Report on the non-consolidated financial statements for the 123rd fiscal year (from April 1, 2023 to March 31, 2024)

**Matters to be resolved:**

**Proposal 1** Appropriation of Surplus

**Proposal 2** Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

**Proposal 3** Election of One Director Who is a Substitute Audit and Supervisory Committee Member

**Proposal 4** Revision to the Amount of Remuneration, etc., for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

**4. Matters to be decided upon convocation**

- (1) Please note that should you exercise your voting rights in writing (by post), in the event it is not indicated whether you approve or disapprove of a proposal on your voting form, it will be deemed that approval was indicated.
- (2) If exercising your voting rights by proxy, you may appoint one other shareholder with voting rights to attend the General Meeting of Shareholders as your proxy. Please note, however, that you will be required to submit a written document certifying the proxy's authority.

- If attending the meeting in person, please present your voting form at the reception desk.
- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the above websites.
- Paper-based documents stating matters subject to measures for electronic provision are sent to shareholders who have requested the delivery of paper-based documents; however those documents do not include the following matters in accordance with the provisions of laws and regulations and Article 15 of the Company's Articles of Incorporation.

(i) "System for ensuring the appropriateness of business operations and status of operation" and "Basic Policy on Control of the Company" in the Business Report

(ii) "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" of the Consolidated Financial Statements

(iii) "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" of the Non-consolidated Financial Statements

Therefore, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements stated in these documents are a part of the scope of documents audited by the financial auditor in preparing the financial audit report and the Audit and Supervisory Committee in preparing the Audit Report.

## **Information on Exercise of Voting Rights**

Exercise of voting rights at the Company's General Meeting of Shareholders is shareholders' important right.

Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders below.

There are three methods to exercise your voting rights as indicated below.

### **Exercise of voting rights by attending the Annual General Meeting of Shareholders**

You are kindly requested to exercise your voting rights by submitting a voting form to the reception desk at the meeting.

Date and time: **Tuesday, June 25, 2024, at 10:00 a.m. (registration starts at 9:00 a.m. (JST))**

### **Exercising voting rights by postal mail**

Please indicate on the voting form your approval or disapproval of each proposal and return the completed form.

Deadline for exercise of voting rights: **No later than Monday, June 24, 2024, at 5:45 p.m. (JST)**

### **Exercise of voting rights via the Internet**

Please indicate whether you approve or disapprove of each proposal following the instructions on the next page.

Deadline for exercise of voting rights: **All data entry to be completed no later than Monday, June 24, 2024, at 5:45 p.m. (JST)**

## **How to Fill Out Your Voting Form**

**Please indicate whether you approve or disapprove of each proposal.**

Proposals 1, 3, and 4

- If you approve, **put a circle in the box marked 賛[Approve].**
- If you disapprove, **put a circle in the box marked 否[Disapprove].**

Proposal 2

- To mark your approval for all candidates, **put a circle in the box marked 賛[Approve].**
- To mark your disapproval for all candidates, **put a circle in the box marked 否[Disapprove].**
- To mark your disapproval for certain candidates, **put a circle in the box marked 賛[Approve] and write the number of the candidate(s) you wish to disapprove.**

### **Method of Exercise of Voting Rights via the Internet, etc.**

Deadline for exercise of voting rights via the Internet, etc.: Monday, June 24, 2024, at 5:45 p.m. (JST)

### **Method of Exercise of Voting Rights via Smartphone, etc.**

1. Please scan QR Code provided on the voting form.

※ “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

2. Please tap the “Exercise Voting Rights” button on the Portal of Shareholders’ Meeting site screen.

3. The Smart Vote® screen will appear. Please follow the directions that appear on the screen to input approval or disapproval to each proposal.

### **Method of Exercise of Voting Rights via PC, etc.**

Please gain access by entering the login ID and password given on the voting form from the following URL. After logging in, please follow the directions that appear on the screen to input approval or disapproval to each proposal.

The Portal of Shareholders’ Meeting site URL: <https://www.soukai-portal.net>

It is still possible to use the Voting website (available in Japanese only):

<https://www.web54.net>

Institutional investors may use the Electronic Voting Platform for institutional investors operated by ICJ, Inc.

### **Cautions**

- If you need to make a correction to the content of your vote after you have exercised your voting rights, it is necessary to enter your voting code and password printed on the voting form.
- If you exercise your voting rights both via the Internet, etc., and in writing, the vote made via the Internet, etc., shall be deemed effective. If you exercise your voting rights more than once via the Internet, etc., only the last vote shall be deemed effective.
- This cannot be used between 12:00 a.m. - 5:00 a.m. on the first Monday of January, April, July, and October due to maintenance.

### **Inquiries**

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Web Support Hotline

0120-652-031

(Business hours: 9:00 a.m. – 9:00 p.m. (JST))

Please also refer to the Q&A section.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal 1           Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

##### Year-end dividends

The Company recognizes the return of profits to shareholders as one of its important management issues, along with growth investment and capital investment, which will be the source of corporate value in the future, and its basic policy is to stabilize the management base while aiming to maintain stable dividends over the long term.

Taking into consideration factors such as the fiscal year's business results and strong financial standing, future business development, as well as the maintenance of stable dividends, the Company proposes a year-end dividend of ¥50 per share for the fiscal year as follows. Accordingly, including the interim dividend of ¥30 per share, the annual dividend will total ¥80 per share, an increase of ¥15 per share from the previous fiscal year.

- (1) Type of dividend property  
To be paid in cash.
- (2) Allotment of dividend property to shareholders and their aggregate amount  
¥50 per common share of the Company  
Total payment: ¥1,673,444,100
- (3) Effective date of dividends of surplus  
June 26, 2024

**Proposal 2 Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

At the conclusion of this General Meeting of Shareholders, the terms of office of all eight Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply to this proposal), Kazuhiko Niitsuma, Hideyuki Tsukagoshi, Junji Kokuryo, Tatsuya Yamaguchi, Masashi Ohno, Yoshihiro Hosoi, Takashi Yanagiya, and Naoko Mikami, will expire.

Therefore, the Company proposes the election of eight Directors. Moreover, the number of internal Directors has been reduced by one, and the number of outside Directors has been increased by one in order to strengthen the supervisory function of the Board of Directors.

With respect to the submission of this proposal, the Audit and Supervisory Committee of the Company has determined that all the candidates for Directors are appropriate in light of each candidate's business execution and performance during the current fiscal year.

The candidates for Director are as follows:

Candidate No.	Name	Current position and responsibilities in the Company	Candidate attributes
1	<b>Kazuhiko Niitsuma</b> Reelection	Chairman	
2	<b>Hideyuki Tsukagoshi</b> Reelection	President and CEO	
3	<b>Tatsuya Yamaguchi</b> Reelection	Director Managing Officer In charge of Business Management & Sales Division	
4	<b>Masashi Ohno</b> Reelection	Director Managing Officer In charge of Technical Division	
5	<b>Yoshihiro Hosoi</b> Reelection	Director Managing Officer In charge of Corporate Division; General Manager, Planning Management Department	
6	<b>Naoko Mikami</b> Reelection	Outside Director	Outside Director Independent Officer
7	<b>Akira Karasawa</b> New election	Outside Director	Outside Director Independent Officer
8	<b>Mami Taira</b> New election	Outside Director	Outside Director Independent Officer

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<b>Kazuhiko Niitsuma</b> (October 1, 1957) [Reelection]	Apr. 1981      Joined the Company	68,332 shares
		June 2001      General Manager, Sales Integration Department	
Nov. 2006      General Manager, Flour Milling Department			
June 2009      Officer			
June 2012      Managing Director			
June 2014      Senior Managing Director			
Apr. 2016      President			
Apr. 2020      President and CEO			
Apr. 2023      Chairman (current position)			
<b>Reasons for nomination as candidate for Director</b> The Company has nominated Kazuhiko Niitsuma as a candidate for Director because he has appropriately fulfilled his role as Chairman of the Company, and the Company judges that he is a candidate who will contribute to the sustainable growth and enhancement of the corporate value of the Company.			
2	<b>Hideyuki Tsukagoshi</b> (December 19, 1965) [Reelection]	Feb. 1992      Joined the Company	15,625 shares
		June 2013      General Manager, Fukuoka Branch	
Apr. 2015      General Manager, Management Planning Department			
Apr. 2018      Officer			
Apr. 2021      Managing Officer			
June 2021      Director Managing Officer			
Apr. 2023      President and CEO (current position)			
<b>Reasons for nomination as candidate for Director</b> The Company has nominated Hideyuki Tsukagoshi as a candidate for Director because he has appropriately fulfilled his role as President and CEO of the Company, and the Company judges that he is a candidate who will contribute to the sustainable growth and enhancement of the corporate value of the Company.			
3	<b>Tatsuya Yamaguchi</b> (May 30, 1960) [Reelection]	Apr. 1984      Joined the Company	28,523 shares
		Apr. 2007      General Manager, Sapporo Branch	
June 2009      General Manager, Household Foods Department			
June 2014      Officer			
Apr. 2018      Managing Officer			
June 2018      Director Managing Officer (current position)			
Apr. 2023      In charge of Ingredients Sales Department, Food Process Sales Department, Retailer Sales Department, and Branch Offices			
Apr. 2024      In charge of Business Management & Sales Division (current position)			
<b>Reasons for nomination as candidate for Director</b> The Company has nominated Tatsuya Yamaguchi as a candidate for Director because he has appropriately fulfilled his role as Director Managing Officer in charge of the Business Management & Sales Division, and the Company judges that he is a candidate who will contribute to the sustainable growth and enhancement of the corporate value of the Company.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
4	<b>Masashi Ohno</b> (November 2, 1964) [Reelection]	Apr. 1987	Joined the Company	8,866 shares
		Apr. 2016	General Manager, Funabashi Plant	
		Apr. 2019	Officer	
		Apr. 2022	Managing Officer	
		June 2022	Director Managing Officer (current position)	
		Apr. 2023	In charge of Technical Division (current position)	
<b>Reasons for nomination as candidate for Director</b> The Company has nominated Masashi Ohno as a candidate for Director because he has appropriately fulfilled his role as Director Managing Officer in charge of Technical Division, and the Company judges that he is a candidate who will contribute to the sustainable growth and enhancement of the corporate value of the Company.				
5	<b>Yoshihiro Hosoi</b> (January 20, 1962) [Reelection]	Apr. 1985	Joined the Company	5,461 shares
		May 2011	General Manager, Real Estate Department	
		Apr. 2016	General Manager, Information System Department	
		Apr. 2018	Officer	
		Apr. 2022	Managing Officer	
		Apr. 2023	In charge of Corporate Division (current position)	
		June 2023	Director Managing Officer (current position)	
<b>Reasons for nomination as candidate for Director</b> The Company has nominated Yoshihiro Hosoi as a candidate to continue as Director because he has appropriately fulfilled his role as Director Managing Officer in charge of the Corporate Division, and the Company judges that he is a candidate who will contribute to the sustainable growth and enhancement of the corporate value of the Company.				
6	<b>Naoko Mikami</b> (March 12, 1961) [Reelection] [Outside]	Apr. 1983	Joined Ajinomoto Co., Inc.	1,100 shares
		Apr. 2007	Visiting Professor of Musashino University	
		Jan. 2010	Joined C'BON COSMETICS Co., Ltd.	
		June 2011	Executive Officer, in charge of Production Department	
		June 2012	Director, in charge of Production Department	
		Apr. 2017	In charge of Administration Division	
		June 2017	Managing Director and Executive Officer	
		June 2019	Representative Director, Vice President, and Executive Officer	
		Jan. 2020	Representative Director, Vice President, in charge of Product Development Division	
		June 2021	Outside Director of the Company (current position)	
		Mar. 2022	Outside Director of Earth Corporation (current position)	
		Mar. 2024	Outside Director of Kuraray Co., Ltd. (current position)	
<b>Reasons for nomination as candidate for Outside Director and outline of expected role</b> Naoko Mikami has been nominated as a candidate for Outside Director because she has experience in corporate management and extensive knowledge, and the Company expects her to continue to contribute to strengthening the decision-making function and supervisory function of the Board of Directors by utilizing her knowledge. If she is elected, she is expected to be involved in the selection of candidates for the Company's officers and decisions on officers' remuneration, etc. from an objective and neutral standpoint as a member of the Management Advisory Committee and the Remuneration Advisory Committee.				



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	<b>Akira Karasawa</b> (January 19, 1960) [New election] [Outside]	<p>Apr. 1983      Joined the Ministry of Agriculture, Forestry and Fisheries</p> <p>Apr. 2010      Director-General of Fisheries Policy Planning Department, Fisheries Agency</p> <p>July 2014      Director-General of Crop Production Policy Department, Agricultural Production Bureau</p> <p>Oct. 2015      Director-General of Crop Production Bureau</p> <p>July 2019      Ambassador Extraordinary and Plenipotentiary residing in the Republic of Palau</p> <p>Feb. 2023      Executive Advisor of The Norinchukin Bank (current position)</p>	0 shares
<p><b>Reasons for nomination as candidate for Outside Director and outline of expected role</b></p> <p>Akira Karasawa has been nominated as a candidate for Outside Director because he has experience serving as Director-General of Crop Production Bureau of the Ministry of Agriculture, Forestry and Fisheries, and as an Ambassador Extraordinary and Plenipotentiary, has special knowledge related to policies for agriculture, forestry and fisheries, and the food industry. The Company expects that he will contribute to strengthening the decision-making function and supervisory function of the Board of Directors by utilizing his knowledge. If he is elected, he is expected to be involved in the selection of candidates for the Company's officers and decisions on officers' remuneration, etc. from an objective and neutral standpoint as a member of the Management Advisory Committee and the Remuneration Advisory Committee. Although he has never been involved in company management other than as an outside officer, for the reasons mentioned above, the Company has determined that he is capable of properly carrying out his duties as an Outside Director.</p>			
8	<b>Mami Taira</b> (February 20, 1962) [New election] [Outside]	<p>Oct. 1987      Joined Tohmatsu Awoki &amp; Sanwa (currently Deloitte Touche Tohmatsu LLC)</p> <p>Oct. 1990      Joined Yoshio Hayakawa Tax Accountant Office</p> <p>Sept. 1991      Registered as a certified public accountant</p> <p>Apr. 1992      Registered as a tax accountant</p> <p>Oct. 2002      Partner of Hayakawa/Taira Tax Accountant Office (current position)</p> <p>May 2011      Outside Audit and Supervisory Board Member of Aeon Mall Co., Ltd.</p> <p>May 2014      Outside Director</p> <p>Mar. 2016      Outside Audit and Supervisory Board Member of ISEKI &amp; CO., LTD. (current position)</p> <p>June 2016      Outside Director, Audit and Supervisory Committee Member, Suzuden Corporation (current position)</p> <p>June 2020      Outside Director, Audit and Supervisory Committee Member, Sushiro Global Holdings Co., Ltd. (currently FOOD &amp; LIFE COMPANIES Ltd.) (current position)</p>	0 shares
<p><b>Reasons for nomination as candidate for Outside Director and outline of expected role</b></p> <p>Mami Taira has been nominated as a candidate for Outside Director based on her experience as a certified public accountant and tax accountant, expertise related to finance and accounting, and deep understanding of corporate governance. The Company expects that she will contribute to strengthening the decision-making function and supervisory function of the Board of Directors by utilizing her knowledge. If she is elected, she is expected to be involved in the selection of candidates for the Company's officers and decisions on officers' remuneration, etc. from an objective and neutral standpoint as a member of the Management Advisory Committee and the Remuneration Advisory Committee. Although she has never been involved in company management other than as an outside officer, for the reasons mentioned above, the Company has determined that she is capable of properly carrying out her duties as an Outside Director.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
  2. Naoko Mikami, Akira Karasawa, and Mami Taira are candidates for Outside Directors and independent officers as stipulated by Tokyo Stock Exchange, Inc. because they are judged to ensure the soundness of management from an outside perspective that is not controlled or interfered with by management.
  3. At the conclusion of this meeting, Naoko Mikami's tenure as Outside Director of the Company will have been three years.
  4. The Company has entered into a limited liability agreement with Naoko Mikami with respect to her liability in relation to Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of the Articles of Incorporation of the Company, which limits the amount of liability to the amount prescribed by laws and regulations. If her election is approved, the Company plans to continue the said limited liability agreement. In addition, if the elections of Akira Karasawa and Mami Taira are approved, the Company plans to enter into similar limited liability agreements with them.
  5. The Company has entered into a liability insurance agreement with an insurance company for officers, etc., as provided for in Article 430-3, paragraph (1) of the Companies Act, which provides that the insured, including Directors of the Company, shall not be liable for any loss or damage that may be incurred as a result of being held liable for the execution of their duties or being subject to a claim for the pursuit of such liability (excluding, however, those that fall under the exemption grounds stipulated in the insurance policy). The full amount of the insurance premiums for this insurance agreement is borne by the Company. In the event that each candidate is elected and assumes office as a Director, he or she will become an insured under this insurance agreement. The insurance agreement is scheduled to be renewed with the same terms and conditions upon resolution of the Board of Directors at the next renewal.

**Proposal 3 Election of One Director Who is a Substitute Audit and Supervisory Committee Member**

The Company proposes the election of one Director who is a Substitute Audit and Supervisory Committee Member to fill the vacancy in the number of Directors who are Audit and Supervisory Committee Members stipulated in laws and regulations.

The validity of the election can be nullified by resolution of the Board of Directors if the consent of the Audit and Supervisory Committee Board has been obtained; provided, however, that it is only in a time before assuming office. In addition, the consent of the Audit and Supervisory Committee has been obtained for the submission of this proposal. The candidate for the role of Director who is a Substitute Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
<b>Yoshiki Takahashi</b> (April 13, 1959) [Outside]	Apr. 1993 Registered as a lawyer Sept. 2011 Established Daiju Law Office (current position)	0 shares
<p><b>Reasons for nomination as candidate for Outside Director who is a Substitute Audit and Supervisory Committee Member and outline of expected role</b></p> <p>The Company has nominated Yoshiki Takahashi as a candidate for Outside Director who is a Substitute Audit and Supervisory Committee Member because he has legal expertise and a high level of insight into corporate governance as a lawyer, and the Company expects him to contribute to the sound management of the Company and the maintenance and improvement of its social credibility. If he is elected as Outside Director who is an Audit and Supervisory Committee Member, he is expected to be involved in the selection of candidates for the Company's officers and decisions on officers' remuneration, etc. from an objective and neutral standpoint as a member of the Management Advisory Committee and the Remuneration Advisory Committee. Although he has never been involved in company management other than as an outside officer, for the reasons mentioned above, the Company has determined that he is capable of properly carrying out his duties as an Outside Director who is an Audit and Supervisory Committee Member.</p>		

- Notes:
1. There is a legal advisory agreement between the candidate and the Company.
  2. In the event that Yoshiki Takahashi assumes the office of Outside Director who is an Audit and Supervisory Committee Member, the Company plans to enter into a limited liability agreement with him to limit his liability in relation to Article 423, paragraph (1) of the Companies Act to the amount prescribed by laws and regulations in accordance with the Company's Articles of Incorporation.
  3. The Company has entered into a liability insurance agreement with an insurance company for officers, etc., as provided for in Article 430-3, paragraph (1) of the Companies Act, which provides that the insured shall not be liable for any loss or damage that may be incurred as a result of being held liable for the execution of their duties or being subject to a claim for the pursuit of such liability (excluding, however, those that fall under the exemption grounds stipulated in the said insurance policy). The full amount of the insurance premiums for this insurance agreement is borne by the Company. In the event that Yoshiki Takahashi is elected and assumes office as a Director who is an Audit and Supervisory Committee Member, he will become an insured under this insurance agreement. The insurance agreement is scheduled to be renewed with the same terms and conditions upon resolution of the Board of Directors at the next renewal.

**Proposal 4            Revision to the Amount of Remuneration, etc., for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

The current amount of remuneration, etc., for Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereafter in this proposal) was approved at the 116th Annual General Meeting of Shareholders held on June 28, 2017 to be not more than 350 million yen annually (of this, not more than 30 million yen for outside Directors), and has applied until now. There are currently eight Directors (including two outside Directors). If Proposal 2 “Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” is approved as drafted, the number of Directors will be eight (including three outside Directors).

Therefore, the Company proposes that the amount of remunerations, etc., for Directors be not more than 350 million yen annually (of this, not more than 50 million yen for outside Directors) where the maximum amount for outside Directors is increased out of consideration for social circumstances. Please note that, same as in the past, the amount of remuneration, etc. for Directors does not include the salary of Directors who are also employees.

**(Reference) Management structure after Proposal 2 is approved (Skill matrix)**

Based on the Group’s corporate philosophy of “Contributing to healthy, rich, and varied meals,” the Group, as a “Grain Solution Company,” has formulated its long-term vision “SHOWA Next Stage for 2025,” with fiscal 2025 as the final year, and is currently implementing a three-year Medium-term Management Plan in a three-stage. Through the achievement of these goals, the Group is working to achieve sustainable growth and enhance the corporate value in order to respond to the mandate of all stakeholders.

The Company believes that the Company’s Directors have the necessary knowledge, experience, etc. and can be expected to demonstrate their expertise in pursuing this initiative. The skill matrix is as follows.

All of the Directors have the skills to promote ESG management, which aims to enhance corporate value, while the Group achieves solutions to social issues through its business from the perspective of CSV strategy.

Name	Position and responsibilities in the Company	Attributes
<u>Male</u> Kazuhiko Niitsuma	Chairman	
<u>Male</u> Hideyuki Tsukagoshi	President and CEO	
<u>Male</u> Tatsuya Yamaguchi	Director Managing Officer In charge of Business Management & Sales Division	
<u>Male</u> Masashi Ohno	Director Managing Officer In charge of Technical Division	
<u>Male</u> Yoshihiro Hosoi	Director Managing Officer In charge of Corporate Division; General Manager, Planning Management Department	
<u>Female</u> Naoko Mikami	Outside Director	<u>Outside Director</u> <u>Independent Officer</u>
<u>Male</u> Akira Karasawa	Outside Director	<u>Outside Director</u> <u>Independent Officer</u>
<u>Female</u> Mami Taira	Outside Director	<u>Outside Director</u> <u>Independent Officer</u>
<u>Male</u> Susumu Oyanagi	Director (Standing Audit and Supervisory Committee Member)	
<u>Male</u> Toshihiro Teshima	Outside Director (Audit and Supervisory Committee Member)	<u>Outside Director</u> <u>Independent Officer</u>
<u>Male</u> Joji Sugo	Outside Director (Audit and Supervisory Committee Member)	<u>Outside Director</u> <u>Independent Officer</u>

[Skill Matrix Items]

Skill item	Expected knowledge and experience
Corporate management	The Company expects Internal Directors to serve or have served as directors in management positions, including those of the Company's group companies, or to have knowledge of such positions, and to demonstrate their expertise as Directors of the Company. On the other hand, the Company expects Outside Directors to have the knowledge and experience of having served as directors in management positions at other companies and to demonstrate their expertise as Directors of the Company.
Business strategy	The Company, as a "Grain Solution Company," procures material grains from overseas to support the Japanese diet and contributes to society through its business. In addition to its familiarity with overseas material grain conditions and knowledge and experience in close collaboration with national organizations and related organizations, the Company expects Directors to have the knowledge and experience in building relationships with various stakeholders while grasping market trends in the food industry in order for the Company to implement its management strategies, and to demonstrate their expertise as Directors of the Company.
Overseas business	The Company expects Directors to have the knowledge and experience, etc., in negotiating on behalf of a company with an overseas company to enter into a contract for business alliances, etc., and to demonstrate their expertise as Directors of the Company.
Research and development	In order for the Group to implement its management strategies and achieve sustainable growth and increase corporate value, the Company expects Directors not only to be well versed in the relevant fields but also to have the knowledge and experience to properly manage and supervise the Company, and to demonstrate their expertise as Directors of the Company.
Production technology and logistics	
Accounting & finance	
Governance and risk management	
Digital	

\*In particular, the skills that are expected to demonstrate their expertise are listed.

	Expected knowledge and experience							
	Corporate management	Business strategy	Overseas business	Research and development	Production technology and logistics	Accounting & finance	Governance and risk management	Digital
Kazuhiko Niitsuma	●	●	●				●	
Hideyuki Tsukagoshi	●	●					●	
Tatsuya Yamaguchi	●	●						
Masashi Ohno	●			●	●			
Yoshihiro Hosoi	●					●	●	●
Naoko Mikami	●			●	●			
Akira Karasawa		●	●				●	
Mami Taira	●					●	●	
Susumu Oyanagi	●					●	●	●
Toshihiro Teshima	●					●	●	
Joji Sugo	●					●	●	