This document is an excerpt translation of the Japanese original document and is only for reference purposes. In the event of any discrepancy between this translated document and the Japanese original document, the latter shall prevail.

Securities code: 3201
January 31, 2025
(Electronic provision measures start on: January 30, 2025)

To Our Shareholders

Yutaka Nagaoka
President and Chief Executive Officer
THE JAPAN WOOL TEXTILE CO., LTD.
47 Akashi-machi, Chuo-ku, Kobe, Hyogo
(Head Office: 3-10, 3-Chome, Kawara-machi, Chuo-ku, Osaka)

Notice of the 194th Annual General Meeting of Shareholders

We are pleased to announce the 194th Annual General Meeting of Shareholders (the "Meeting") of The Japan Wool Textile Co., Ltd. (hereinafter referred to as Nikke) will be held as described below.
In convening this Meeting, we have adopted measures for the electronic provision of information, and posted the information subject to electronic provision measures titled "Notice of the 194th Annual General Meeting of Shareholders" on the website below:

Nikke website:
https://www.nikke.co.jp/investor/ (in Japanese)

In addition to the above, information subject to electronic provision measures are also posted on the website of the Tokyo Stock Exchange (TSE). Please access the following website (Listed Company Search), enter "THE JAPAN WOOL TEXTILE" in the "Issue name (company name)" box or "3201" in the "Code" box to search, click on "Basic information," and go to "Documents for public inspection/PR information" to view this information.

TSE website (Listed Company Search):
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

Shareholders who are not attending the Meeting are kindly requested to exercise their voting rights in writing (by mail) or via the Internet, etc. by 5:55 pm on Thursday, February 20, 2025, after reviewing the "Reference Documents for the General Meeting of Shareholders" provided under electronic provision measures.
We kindly ask you to carefully decide whether to attend the Meeting, taking into consideration the prevalence of epidemics (COVID-19, influenza, etc.) at the time of the Meeting and your physical condition.

1 Date and time: Friday, February 21, 2025, at 10:00 am (Reception commences at 9:00 am.)

2 Venue: Conference Hall, 2nd Floor, Nikke Osaka Building
3-10, 3-Chome, Kawara-machi, Chuo-ku, Osaka

3 Agenda of the Meeting:

Matters to be reported:
1 The Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements for the 194th Fiscal Year (from December 1, 2023 to November 30, 2024)
2 The Report on the Results of the Audit of the Consolidated Financial Statements for the 194th Fiscal Year (from December 1, 2023 to November 30, 2024) by the Accounting Auditor and the Audit and Supervisory Board

Matters to be resolved:
Proposal No. 1 Election of Eight Directors
Proposal No. 2 Election of One Audit and Supervisory Board Member
Proposal No. 3 Election of One Substitute Audit and Supervisory Board Member

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- Please note that any revisions to the information subject to electronic provision measures will be posted on the websites shown above.
- Following the implementation of the system under the amended Companies Act to provide the reference documents for the general meeting of shareholders electronically, only the reference documents for the general meeting of shareholders that serve as a reference for the resolution of the proposals are sent with the notice of the Meeting to shareholders who have not requested a paper copy.
- Pursuant to the provisions of laws and regulations and Article 17 of Nikke's Articles of Incorporation, the following matters are not included in the paper document sent to shareholders who have requested a paper copy. The paper document is therefore part of the documents audited by the Audit and Supervisory Board Members and the Accounting Auditor in preparing the Audit Report.

<< Business Report >>

I. Matters Regarding the Current Status of the Group: "10. Principal Offices," "11. Status of Employees," and "12. Principal Lenders"
II. Matters Regarding the Company: "2. Matters Regarding Stock Acquisition Rights, Etc.," and "4. Status of the Accounting Auditor"
III. System for Ensuring the Appropriateness of Operations and the Status of Operation of the System
IV. Basic Policy Regarding the Control of the Corporation
V. Basic Policy on Determining Dividend of Surplus, Etc.

<< Consolidated Financial Statements >> Consolidated Statement of Changes in Net Assets and Notes to the Consolidated Financial Statements

<< Non-Consolidated Financial Statements >> Non-Consolidated Balance Sheet, Non-Consolidated Statement of Income, Non-Consolidated Statement of Changes in Net Assets, and Notes to the Non-Consolidated Financial Statements

<< Audit Report >> Audit Report by the Accounting Auditor

Reference Documents for the General Meeting of Shareholders

Agenda and reference matters

Proposal No. 1 Election of Eight Directors

In accordance with the Articles of Incorporation, the term of office of Directors is set at one year in order to emphasize their management responsibility and to seek the confidence of shareholders in the Directors each year. In addition, in order to keep the Board of Directors small, the number of Directors is limited to eight in accordance with the Articles of Incorporation. In that regard, as the term of office of all eight Directors will expire at the conclusion of this Meeting, the election of eight Directors, including three Outside Directors, is hereby proposed. If this Proposal is approved as originally proposed, the ratio of Outside Directors to Nikke's Directors will be more than one third.

The candidates for Directors are as follows:

Candidate No.	Name	Current position and responsibilities in Nikke Group	Candidate attributes
1	Kazuya Tomita	Chairman Chairman of the Board of Directors Advisory Board Member (Chairman)	Reappointment
2	Yutaka Nagaoka	President and Chief Executive Officer Advisory Board Member	Reappointment
3	Yoshirou Kawamura	Director and Managing Executive Officer General Manager of Human & Future Development Division	Reappointment
4	Takehiro Okamoto	Director and Managing Executive Officer Director of Corporate Strategy Center	Reappointment
5	Yoshiyasu Kaneda	Managing Executive Officer General Manager of Textile & Clothing Materials Division	New appointment
6	Yasuhiro Wakamatsu	Outside Director Advisory Board Member	Reappointment, Outside, Independent
7	Seishi Miyajima	Outside Director Advisory Board Member	Reappointment, Outside, Independent
8	Yukihiro Kato	Outside Director Advisory Board Member	Reappointment, Outside, Independent

New appointment: Director candidate for new appointment
Reappointment: Director candidate for reappointment
Outside: Outside Director candidate
Independent: Independent Officer pursuant to the provisions of the stock exchange

Candidate No. 1

Kazuya Tomita

Reappointment



Date of birth
April 3, 1959
Number of Nikke shares held
104,539
Years in office
12 years
Attendance at Board of Directors meetings
12/12 meetings

[Brief history, positions and responsibilities at Nikke]

April 1984	Joined Nikke
February 2007	Manager of Community Service Business Group, Nikke
December 2008	General Manager of Community Service Business, Nikke
February 2009	Executive Officer, General Manager of Community Service Business, Nikke
December 2011	Executive Officer, General Manager of Community Service Business, General Manager of Administrative Department, and General Manager of Communication/New Service Department, Nikke
December 2012	Managing Executive Officer, General Manager of Human & Future Development Division, General Manager of Consumer Business Division, General Manager of Administrative Department, and General Manager of Communication/New Service Department, Nikke
February 2013	Director, Managing Executive Officer, General Manager of Human & Future Development Division, General Manager of Consumer Business Division, General Manager of Administrative Department, and General Manager of Communication/New Service Department, Nikke
June 2014	Director and Managing Executive Officer, Director of Corporate Strategy Center, Nikke
February 2016	President and Chief Executive Officer, Nikke
February 2022	Chairman, Chairman of the Board of Directors, Nikke (current position)

[Reasons for nomination as a Director candidate]

Mr. Kazuya Tomita has been supervising the management appropriately as Chairman and strived to effectively steer Board of Directors meetings from an independent standpoint as Chairman of the Board of Directors. In addition, he has extensive experience as he is a former President and Chief Executive Officer of Nikke and has been involved in all aspects of management for many years, formulating and promoting the medium- to long-term vision named Nikke Group RN 130 (Renewal Nikke 130) Vision. Based on these achievements, we believe that he is an appropriate person to realize the sustainable enhancement of Nikke Group's corporate value, and therefore we request your support in reappointing him as a Director. In addition, there are no special interests between him and Nikke.

Candidate No. 2

Yutaka Nagaoka

Reappointment



Date of birth
September 7, 1961
Number of Nikke shares held
60,951
Years in office
5 years
Attendance at Board of Directors meetings
12/12 meetings

[Brief history, positions and responsibilities at Nikke]

April 1984	Joined Nikke
December 2008	General Manager of Gifu Mill, Textile & Clothing Materials Division, Nikke
December 2010	General Manager of Innami Mill, Textile & Clothing Materials Division, Nikke
February 2012	General Manager of Textile & Clothing Materials Division, Nikke (in charge of special missions for overseas business)
February 2014	General Manager of Gifu Mill, Textile & Clothing Materials Division, Nikke
September 2015	President and Chief Executive Officer, Nikke Machine Manufacturing Corp.
February 2018	Executive Officer, Nikke President and Chief Executive Officer, Nikke Machine Manufacturing Corp.
February 2020	Director and Managing Executive Officer, General Manager of Human & Future Development Division, Nikke
February 2021	Director and Managing Executive Officer, General Manager of Human & Future Development Division, and General Manager of Development Division, Nikke
February 2022	President and Chief Executive Officer, Nikke (current position)

[Reasons for nomination as a Director candidate]

Mr. Yutaka Nagaoka has been supervising the management and making decisions on important matters appropriately as President and Chief Executive Officer. Furthermore, he formulated the RN 130 Third Medium-Term Management Plan, which is the final phase of the plan to achieve the Nikke Group RN 130 Vision. In FY2024, the first year of the RN 130 Third Medium-Term Management Plan, he achieved increases in sales and operating income for the fourth consecutive year, with record-high operating income and net income attributable to owners of parent. Based on these achievements, we believe that he is an appropriate person to realize the sustainable enhancement of Nikke Group's corporate value, and therefore we request your support in reappointing him as a Director. In addition, there are no special interests between him and Nikke.

Candidate No. 3

Yoshirou Kawamura

Reappointment



Date of birth
November 15, 1960
Number of Nikke shares held
45,830
Years in office
6 years
Attendance at Board of Directors meetings
12/12 meetings

[Brief history, positions and responsibilities at Nikke]

April 1983	Joined Nikke
December 2005	General Manager of Jiangyin Nikke Worsted Spinning Co., Ltd. and General Manager of Jiangyin Nikke Dyeing Co., Ltd.
December 2008	General Manager of Research and Development Office II, Research & Development Center, Nikke
May 2010	General Manager of Engineering Division, Nikke
February 2013	President and Chief Executive Officer, Nikke Machine Manufacturing Corp.
September 2015	General Manager of Manufacturing Control Department, Textile & Clothing Materials Division, Nikke
February 2016	Executive Officer, General Manager of Manufacturing Control Department, Textile & Clothing Materials Division, Nikke
June 2017	Executive Officer, General Manager of Manufacturing Control Department, Textile & Clothing Materials Division, and General Manager of Fabric Business, Nikke
February 2019	Director and Managing Executive Officer, General Manager of Textile & Clothing Materials Division, Nikke
February 2022	Director and Managing Executive Officer, General Manager of Human & Future Development Division, Nikke (current position)

[Reasons for nomination as a Director candidate]

As a Director, Mr. Yoshirou Kawamura has supervised management and made decisions on important matters appropriately, and as a Managing Executive Officer, he has served as General Manager of the Human & Future Development Division, actively making investments including the redevelopment of the Tokyo building and promoting the selection and concentration of businesses and improvement of asset efficiency. In addition, as chairman of Nikke Group Global Environment Committee, he recognized the importance of global environmental conservation and has been working to raise awareness throughout the Group. Based on these achievements, we believe that he is an appropriate person to realize the sustainable enhancement of Nikke Group's corporate value, and therefore we request your support in reappointing him as a Director. In addition, there are no special interests between him and Nikke.

Candidate No. 4

Takehiro Okamoto

Reappointment



Date of birth
June 9, 1961
Number of Nikke shares held
41,430
Years in office
3 years
Attendance at Board of Directors meetings
12/12 meetings

[Brief history, positions and responsibilities at Nikke]

August 2005	Joined Nikke
December 2008	General Manager of Finance & Accounting Department, Corporate Strategy Center, Nikke
March 2013	General Manager of Administrative Department, Industrial Machinery & Materials Division, Nikke
December 2014	General Manager of Business Research & Planning Department, Corporate Strategy Center, Nikke
February 2016	Executive Officer, General Manager of Business Research & Planning Department, Corporate Strategy Center, Nikke
February 2019	Managing Executive Officer, Director of Corporate Strategy Center, Nikke
June 2021	Outside Director, Kawanishi Warehouse Co., Ltd.
February 2022	Director and Managing Executive Officer, Director of Corporate Strategy Center, Nikke (current position)

[Reasons for nomination as a Director candidate]

As a Director, Mr. Takehiro Okamoto has supervised management and made decisions on important matters appropriately, and as a Managing Executive Officer, he has served as the Director of Corporate Strategy Center, formulating and promoting management strategies, establishing corporate governance, advancing finance, human resources, investor relations and M&A strategies for the entire Group, and promoting medical related businesses. In addition, as chairman of the Sustainability Committee, he has been working on initiatives for the realization of a permanent growth of Nikke Group and a sustainable society. Based on these achievements, we believe that he is an appropriate person to realize the sustainable enhancement of Nikke Group's corporate value, and therefore we request your support in reappointing him as a Director. In addition, there are no special interests between him and Nikke.

Candidate No. 5

Yoshiyasu Kaneda

New appointment



Date of birth
January 11, 1965
Number of Nikke shares held
32,401
Years in office
—
Attendance at Board of Directors meetings
—

[Brief history, positions and responsibilities at Nikke]

April 1987	Joined Nikke
February 2010	General Manager of First Sales Department, Textile & Clothing Materials Division, Nikke
April 2014	General Manager of Uniform Business, Textile & Clothing Materials Division, and General Manager of School Uniform Department, Nikke
February 2015	President and Chief Executive Officer, Nakahiro Corporation
April 2018	General Manager in Charge of Special Missions for Global Business, Uniform Business, Textile & Clothing Materials Division, Nikke, and on loan to Nikke (Shanghai) Management Co., Ltd.
January 2019	General Manager in Charge of Special Missions for Global Business, Uniform Business, Textile & Clothing Materials Division, Nikke, and General Manager of Qingdao Nikke Fabric Co., Ltd. Shanghai Branch
February 2019	Executive Officer, General Manager of Sales Control Department, Textile & Clothing Materials Division, Nikke, and General Manager of Qingdao Nikke Fabric Co., Ltd. Shanghai Branch
December 2021	Executive Officer, General Manager of Sales Control Department, Textile & Clothing Materials Division, and General Manager of Uniform Department, Nikke
February 2022	Managing Executive Officer, General Manager of Textile & Clothing Materials Division, General Manager of Sales Control Department, and General Manager of Uniform Department, Nikke
October 2024	Managing Executive Officer, General Manager of Textile & Clothing Materials Division, General Manager of Sales Control Department, General Manager of Uniform Department, and General Manager of Sales Promotion Department, Nikke (current position)

[Reasons for nomination as a Director candidate]

As a Managing Executive Officer, Mr. Yoshiyasu Kaneda has served as General Manager of Textile & Clothing Materials Division, working on the maximization of profit from domestic businesses and the expansion of overseas businesses and promoting profitability improvement of the Textile & Clothing Materials business. In addition, as chairman of the Group Human Resource Strategy Committee, he has been pursuing human resource strategies and measures that contribute to the promotion of human resource management across the Group. Based on these achievements, we believe that he is an appropriate person to realize the sustainable enhancement of Nikke Group's corporate value, and therefore we request your support in appointing him as a new Director. In addition, there are no special interests between him and Nikke.

Candidate No. 6

Yasuhiro Wakamatsu

Reappointment Outside Independent



Date of birth
August 6, 1954
Number of Nikke shares held
—
Years in office
3 years
Attendance at Board of Directors meetings
12/12 meetings

[Brief history, positions and responsibilities at Nikke]

April 1977	Joined Kawanishi Warehouse Co., Ltd.
June 2006	Director, General Manager of Kobe Branch, Kawanishi Warehouse Co., Ltd.
April 2011	Director, Kawanishi Warehouse Co., Ltd.
June 2011	Director, General Manager of International Department, Kawanishi Warehouse Co., Ltd.
June 2011	Managing Director, Deputy General Manager of Sales Division, and General Manager of International Department, Kawanishi Warehouse Co., Ltd.
April 2013	Managing Director, Deputy General Manager of Sales Division, Kawanishi Warehouse Co., Ltd.
June 2013	President and Chief Executive Officer, General Manager of Sales Division, Kawanishi Warehouse Co., Ltd.
September 2015	President and Chief Executive Officer, Kawanishi Warehouse Co., Ltd.
April 2021	Chairman, Kawanishi Warehouse Co., Ltd. (current position)
February 2022	Outside Director, Nikke (current position)

[Material concurrent positions]

Chairman, Kawanishi Warehouse Co., Ltd.

[Reasons for nomination as an Outside Director candidate and overview of expected roles]

Mr. Yasuhiro Wakamatsu has management experience at another company. He has been supervising the Board of Directors of Nikke from an independent standpoint based on his achievements and extensive experience in the warehousing-related industry. In addition, as an Outside Member of the Advisory Board that provides advice on the nomination and remuneration of Officers and matters related to the foundation of corporate management that are presented by the Representative Director, he is also actively involved in improving the corporate governance of Nikke Group. Based on these achievements and his extensive experience, we believe that he can help realize the sustainable enhancement of the corporate value of Nikke Group and supervise Group management, and therefore we request your support in reappointing him as an Outside Director. In addition, there are no special interests between him and Nikke.

Candidate No. 7

Seishi Miyajima

Reappointment | Outside | Independent



Date of birth
January 11, 1960
Number of Nikke shares held
—
Years in office
3 years
Attendance at Board of Directors meetings
12/12 meetings

[Brief history, positions and responsibilities at Nikke]

April 1983	Joined Nomura Real Estate Development Co., Ltd.
June 2001	General Manager of Corporate Sales Department, Nomura Real Estate Development Co., Ltd.
June 2006	Director, Deputy General Manager of Corporate Company, Nomura Real Estate Development Co., Ltd.
April 2009	Director and Managing Executive Officer, General Manager of Corporate Company, Nomura Real Estate Development Co., Ltd.
April 2012	Representative Director and Senior Executive Officer, General Manager of Corporate Company, Nomura Real Estate Development Co., Ltd.
May 2012	Executive Officer, Head of Property Brokerage & CRE Business Unit, Nomura Real Estate Holdings, Inc.
April 2013	President and Chief Executive Officer, Nomura Real Estate Urban Net Co., Ltd.
April 2016	Chairman, Nomura Real Estate Urban Net Co., Ltd.
June 2018	Director, Executive Vice President, and Executive Officer, Shinnihon Corporation
February 2022	Outside Director, Nikke (current position)

[Reasons for nomination as an Outside Director candidate and overview of expected roles]

Mr. Seishi Miyajima has management experience at other companies. He has been supervising the Board of Directors at Nikke from an independent standpoint based on his achievements and extensive experience in the real estate-related industry. In addition, as an Outside Member of the Advisory Board that provides advice on the nomination and remuneration of Officers and matters related to the foundation of corporate management that are presented by the Representative Director, he is also actively involved in improving the corporate governance of Nikke Group. Based on these achievements and his extensive experience, we believe that he can help realize the sustainable enhancement of the corporate value of Nikke Group and supervise Group management, and therefore we request your support in reappointing him as an Outside Director. In addition, there are no special interests between him and Nikke.

Candidate No. 8

Yukihiro Kato

Reappointment | Outside | Independent



Date of birth
January 3, 1959
Number of Nikke shares held
—
Years in office
1 year
Attendance at Board of Directors meetings
10/10 meetings

[Brief history, positions and responsibilities at Nikke]

April 1984	Joined NIPPONDENSO CO., LTD. (currently DENSO CORPORATION)
January 2005	General Manager of IC Technology Department II, DENSO CORPORATION
June 2010	Managing Executive Officer, DENSO CORPORATION
April 2017	Senior Managing Executive Officer, DENSO CORPORATION
June 2019	President and Chief Executive Officer, DENSO TEN Limited
May 2023	President and Chief Executive Officer, Yukiya ConCon Limited (current position)
August 2023	Outside Director, Japan Process Development Co., Ltd. (current position)
February 2024	Outside Director, Nikke (current position)

[Material concurrent positions]

Outside Director, Japan Process Development Co., Ltd.

[Reasons for nomination as an Outside Director candidate and overview of expected roles]

Mr. Yukihiro Kato has management experience at other companies. He has been supervising the Board of Directors at Nikke from an independent standpoint based on his achievements and extensive experience in the automobile-related industry. In addition, as an Outside Member of the Advisory Board that provides advice on the nomination and remuneration of Officers and matters related to the foundation of corporate management that are presented by the Representative Director, he is also actively involved in improving the corporate governance of Nikke Group. Based on these achievements and his extensive experience, we believe that he can help realize the sustainable enhancement of the corporate value of Nikke Group and supervise Group management, and therefore we request your support in reappointing him as an Outside Director. In addition, there are no special interests between him and Nikke.

Notes 1. In order to enhance objectivity in the decision of candidates for Director, Nikke has established an "Advisory Board" that functions as a Nomination and Remuneration Committee, and the Board of Directors decides on candidates based on the results of deliberations by the Advisory Board.

2. Mr. Yasuhiro Wakamatsu, Mr. Seishi Miyajima, and Mr. Yukihiro Kato are candidates for Outside Director who meet the requirements for the position.
Mr. Yasuhiro Wakamatsu, Mr. Seishi Miyajima, and Mr. Yukihiro Kato have been designated as Independent Officers in accordance with the provisions of Tokyo Stock Exchange, Inc. and will continue to be so upon approval of their reappointment.

3. Conclusion of liability limitation agreement
Nikke has entered into an agreement with Mr. Yasuhiro Wakamatsu, Mr. Seishi Miyajima, and Mr. Yukihiro Kato, candidates for Outside Directors, to limit their liability as outlined below, pursuant to Article 427, Paragraph 1 of the Companies Act. If their reappointment is approved, Nikke plans to continue the said liability limitation agreement with them. The outline of the agreement is as follows:
   - In the event that Outside Directors are liable to Nikke for damages as provided for in Article 423, Paragraph 1 of the Companies Act due to negligence of their duties, they shall be liable up to the minimum liability amount as provided for in Article 425, Paragraph 1 of the Companies Act.
   - The aforementioned limitation of liability shall be applied only when the Outside Directors concerned have performed their duties that caused the liability in good faith and without gross negligence.

4. Nikke has concluded a liability insurance agreement for directors and officers as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, and the said insurance agreement is outlined in "(3) Outline of Directors and Officers Liability Insurance Agreement, etc." in the Business Report. If the Director candidates are elected and take office, they will be covered by the said insurance. Nikke plans to renew the policy with the same terms and conditions at the next expiry.

[Reference] Nikke's views on Independent Outside Officers

Independent Outside Directors shall provide advice that contributes to the enhancement of medium- to long-term corporate value, supervise management, monitor conflicts of interest, and reflect the opinions of stakeholders in the Board of Directors. Independent Outside Audit and Supervisory Board Members shall conduct audits from their independent standpoint and express their opinions as appropriate.

- Nikke shall hold liaison meetings between Independent Outside Directors and Audit and Supervisory Board Members as needed so that Independent Outside Officers can actively participate in the discussions of the Board of Directors, in order to exchange information and share understanding from an objective standpoint.
- Nikke shall select candidates for Independent Outside Officers by setting its own criteria for independence as follows, in order to substantially ensure the compliance with the independence criteria set forth in the Financial Instruments and Exchange Act.
  Candidates shall
  (a) Not be a major shareholder of Nikke or its business executor.
  A major shareholder is defined as an entity who holds 10% or more of the total voting rights.
  (b) Not be a major business partner of Nikke Group or its business executor.
  A major business partner is defined as an entity whose payments or receipts for transactions with Nikke Group in the immediately preceding fiscal year exceed 2% of the consolidated net sales of Nikke Group or the group to which the entity belongs.
  (c) Not be a consultant, accounting expert or legal expert who receives a large amount of money or other property from Nikke Group other than remuneration as an officer.
  A large amount of money is defined as an amount equal to the higher of 10 million yen or 2% of the person's net sales or total income in the immediately preceding fiscal year, and not exceeding the amount of the person's remuneration as an officer.

In addition, the Advisory Board shall be consulted by the Representative Director and verify the candidate's independence.

Excerpt from the "Nikke Corporate Governance Guidelines"

Proposal No. 2 **Election of One Audit and Supervisory Board Member**

As Audit and Supervisory Board Member Mr. Kazuhiro Ohashi will resign at the conclusion of this Meeting, the election of one Audit and Supervisory Board Member is hereby proposed.
Please note that the submission of this Proposal has been approved by the Audit and Supervisory Board in advance.
The candidate for Audit and Supervisory Board Member is as follows:

Candidate **Yoshiko Matsumoto** New appointment



Date of birth
November 15, 1966

Number of Nikke shares held
22,712

[Brief history and positions at Nikke]

April 1989	Joined Nikke
February 2020	General Manager of Audit Department, and General Manager of Internal Audit Department, Nikke
April 2020	General Manager of Internal Audit Department, Nikke
December 2021	General Manager of General and Legal Affairs & Public Relations Department, Corporate Strategy Center, Nikke
February 2024	General Manager of Administrative Department, Consumer Goods & Services Division, Nikke (current position)

[Reasons for nomination as Audit and Supervisory Board Member candidate]

Ms. Yoshiko Matsumoto has extensive experience in the administrative department of each business, and therefore possesses considerable knowledge in Nikke Group's business. In addition, she has experience in finance, accounting, and internal control departments for the entire Group. We believe that she is an appropriate person to audit the company to ensure its soundness and therefore we request your support in appointing her as a new Audit and Supervisory Board Member. In addition, there are no special interests between her and Nikke.

Notes 1. Ms. Yoshiko Matsumoto is proposed to be elected as a substitute for Mr. Kazuhiro Ohashi. Her term of office will therefore be until the expiration of the term of office of the retiring Audit and Supervisory Board Member, pursuant to the provisions of Nikke's Articles of Incorporation.
2. The number of Nikke shares held by Ms. Yoshiko Matsumoto includes the shares she holds in Nikke Employee Stock Ownership Association.
3. Nikke has concluded a liability insurance agreement for directors and officers as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, and the said insurance agreement is outlined in "(3) Outline of Directors and Officers Liability Insurance Agreement, etc." in the Business Report. If the Audit and Supervisory Board Member candidate is elected and takes office, she will be covered by the said insurance. Nikke plans to renew the policy with the same terms and conditions at the next expiry.

[Reference] Skills matrix of Officers after the conclusion of this general meeting of shareholders

The following skills matrix shows the skills of each Officer, provided that the candidates are appointed as proposed in Proposals No. 1 and No. 2.

Position (Note 1)	Name	Principal specialized area of experience								Business experience at Nikke			
		Corporate management	Sales	R&D of technology	Finance/ Accounting	HR/ Labor	Legal/ Risk management	Sustainability	M&A	Global experience	Textile & Clothing Materials	Industrial Machinery & Materials	Human & Future Development	Consumer Goods & Services
Director	Kazuya Tomita	●	●		●	●	●		●		●		●	●
	Yutaka Nagaoka	●		●		●				●	●	●	●	●
	Yoshirou Kawamura	●		●				●		●	●	●	●	●
	Takehiro Okamoto		●		●	●	●	●	●			●	●	
	Yoshiyasu Kaneda	●	●			●				●	●			
	Yasuhiro Wakamatsu	●	●				●			●				
	Seishi Miyajima	●	●			●								
	Yukihiro Kato	●		●		●	●							
Audit and Supervisory Board Member	Hiroshi Fujiwara				●		●		●		●		●	
	Yoshiko Matsumoto				●		●			●	●	●	●	●
	Michiko Uehara					●	●							
	Junichi Kato				●									

Details of the skill properties are as follows.

Corporate management	Experience in management of business companies including Nikke Group companies, and knowledge of corporate management
Sales	Experience in sales, marketing, and brand strategy
R&D of technology	Experience in the areas of production engineering, quality control, and research and development
Finance/Accounting	Expertise in finance, accounting, capital policy, and taxation, etc.
HR/Labor	Knowledge of human capital management including human resources management, labor management, and respect for human rights
Legal/Risk management	Expertise in legal affairs, intellectual property, risk management, etc.
Sustainability	Insight into various issues surrounding sustainability and experience and expertise as a person in charge of ESG activities
M&A	Experience in the formulation and execution of strategies for M&As, alliances, etc.
Global experience	Experience working overseas and in business activities on a global basis

Notes 1. Mr. Yasuhiro Wakamatsu, Mr. Seishi Miyajima, and Mr. Yukihiro Kato are Outside Directors as defined in Article 2, Item 15 of the Companies Act. Ms. Michiko Uehara and Mr. Junichi Kato are Outside Audit and Supervisory Board Members as defined in Article 2, Item 16 of the Companies Act.

2. The above list does not represent all the knowledge and experience possessed by each Officer.

Proposal No. 3 Election of One Substitute Audit and Supervisory Board Member

We request the appointment of one substitute Audit and Supervisory Board Member in the event that the number of Audit and Supervisory Board Members falls short of the number stipulated by laws and regulations. The pre-election of the substitute Audit and Supervisory Board Member will be effective until the beginning of the next annual general meeting of shareholders.
Please note that the submission of this Proposal has been approved by the Audit and Supervisory Board in advance.
The candidate for substitute Audit and Supervisory Board Member is as follows:

Candidate Eiko Katsui

Substitute | Outside | Independent



Date of birth
November 2, 1968

Number of Nikke shares held
—

[Brief history]

April 1995	Registered as attorney-at-law, joined Nakagawa Law Office (current position)
April 1995	Member of the Children's Rights Committee, Osaka Bar Association (current position)
April 2005	Member of the Legal Education Committee, Osaka Bar Association (current position)
June 2012	Member of the Legal Education for Citizens Committee, Japan Federation of Bar Associations (current position)
April 2014	School lawyer, Board of Education, Osaka Prefecture (current position)
June 2018	Vice Chair, Legal Education for Citizens Committee, Japan Federation of Bar Associations (current position)

[Material concurrent positions]

Attorney-at-law (Nakagawa Law Office)

[Reasons for nomination as a candidate for substitute Outside Audit and Supervisory Board Member]

Although Ms. Eiko Katsui has not been engaged in the management of a company in the past, we would like her to perform appropriate audits from an independent standpoint by utilizing her experience as an attorney-at-law familiar with legal affairs, and therefore we request your support in appointing her as a candidate for substitute Outside Audit and Supervisory Board Member. In addition, there are no special interests between her and Nikke.

Notes 1. Ms. Eiko Katsui is a candidate for substitute Outside Audit and Supervisory Board Member who meets the requirements for that position.

2. In the event that the number of Audit and Supervisory Board Members falls short of the number stipulated by laws and regulations and Ms. Eiko Katsui takes office as an Outside Audit and Supervisory Board Member, she will be designated as an Independent Officer as she meets the requirements for Independent Officers as stipulated by Tokyo Stock Exchange, Inc.

3. In the event that the number of Audit and Supervisory Board Members falls short of the number stipulated by laws and regulations and Ms. Eiko Katsui takes office as an Outside Audit and Supervisory Board Member, Nikke plans to enter into a liability limitation agreement with her in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. The outline of the agreement is as follows:
   - In the event that Outside Audit and Supervisory Board Members are liable to Nikke for damages as provided for in Article 423, Paragraph 1 of the Companies Act due to negligence of their duties, they shall be liable up to the minimum liability amount as provided for in Article 425, Paragraph 1 of the Companies Act.
   - The aforementioned limitation of liability shall be applied only when the Outside Audit and Supervisory Board Members concerned have performed their duties that caused the liability in good faith and without gross negligence.

4. Nikke has concluded a liability insurance agreement for directors and officers as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, and the said insurance agreement is outlined in "(3) Outline of Directors and Officers Liability Insurance Agreement, etc." in the Business Report. In the event that the number of Audit and Supervisory Board Members falls short of the number stipulated by laws and regulations and Ms. Eiko Katsui takes office as an Outside Audit and Supervisory Board Member, she will be covered by the said insurance.