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(Securities code: 6849)
June 5, 2024

To Shareholders with Voting Rights

Hirokazu Ogino
Representative Director,
President and Chief Executive Officer
NIHON KOHDEN CORPORATION
31-4, Nishiochiai 1-chome, Shinjuku-ku,
Tokyo, Japan

NOTICE OF THE 73RD ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We hereby announce that the 73rd Ordinary General Meeting of Shareholders of NIHON KOHDEN CORPORATION (the "Company") will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures to provide you with the materials for the General Meeting of Shareholders electronically and posted matters to be provided electronically on the following website.

The Company's website:

<https://www.nihonkohden.co.jp/ir/stock/meeting.html>

In addition, the matters to be provided electronically have also been posted on the following website:

Website of the Tokyo Stock Exchange:

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

(Please refer to the information by entering either the Company's name or securities code, and selecting "Basic information" and "Documents for public inspection/PR information".)

If you are unable to attend the meeting, you may exercise your voting rights via the Internet, etc. or in writing. We would appreciate it if you could review the Reference Documents for the General Meeting of Shareholders (described hereinafter) and **exercise your voting rights by no later than 5:10 p.m. on Tuesday, June 25, 2024 (JST), via the internet, etc. or by posting the enclosed Voting Rights Exercise Form with indications of your vote for or against the Company's proposals.**

- 1. Date and Time:** Wednesday, June 26, 2024 at 10:00 a.m. (JST)
- 2. Venue:** Fourth floor hall, No. 1 building of the Company's head office, 31-4, Nishiochiai 1-chome, Shinjuku-ku, Tokyo, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 73rd Fiscal Year (from April 1, 2023 to March 31, 2024), and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee
 2. Non-Consolidated Financial Statements for the Company's 73rd Fiscal Year (from April 1, 2023 to March 31, 2024)

Proposals to be resolved:

- Proposal No.1:** Distribution of Surplus
- Proposal No.2:** Election of Nine Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)
- Proposal No.3:** Election of Two Directors Serving as Audit & Supervisory Committee Members
- Proposal No.4:** Election of One Substitute Director Serving as Audit & Supervisory Committee Member
- Proposal No.5:** Revision of the Amount of Remuneration to Outside Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)
- Proposal No.6:** Determination of Remuneration to Directors (Excluding Directors Serving as Audit & Supervisory Committee Members and Outside Directors) for Allotment of Performance-linked Post-delivery Restricted Stock

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- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk for the General Meeting of Shareholders.
 - Any correction or update of the materials for the General Meeting of Shareholders (the matters to be provided electronically), will be posted on the websites mentioned above.

Proposal No.2: Election of Nine Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

The terms of office for all (eight) Directors (excluding Directors serving as Audit & Supervisory Committee Members) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, in order to further reinforce the management structure of the Company, an increase in the number of Directors by one and the election of nine Directors (excluding Directors serving as Audit & Supervisory Committee Members) is proposed.

The nomination of candidates for the Directors (excluding Directors serving as Audit & Supervisory Committee Members) was resolved by the Board of Directors, after deliberation by the Nominating & Compensation Committee, which has been established for the purpose of securing transparency and objectivity of the management as an optional advisory body for the Board of Directors, which consists of three Outside Directors and which is chaired by one of such Outside Directors.

The candidates are as follows:

No.	Name	Current Position at the Company	Years served as Director
1	Hirokazu Ogino (Male) (Reappointment)	Representative Director	12years
2	Takashi Tamura (Male) (Reappointment)	Representative Director	16years
3	Tadashi Hasegawa (Male) (Reappointment)	Corporate Director	9years
4	Eiichi Tanaka (Male) (Reappointment)	Corporate Director	7years
5	Yasuhiro Yoshitake (Male) (Reappointment)	Corporate Director	7years
6	Shigeru Kawatsuhara (Male) (New Appointment) Outside Director/ Independent Director	Outside Director (serving as an Audit & Supervisory Committee Member)	8years
7	Hidemitsu Sasaya (Male) (Reappointment) Outside Director/ Independent Director	Outside Director	2years
8	Sumie Morita (Female) (New Appointment) Outside Director/ Independent Director	—	—
9	Danny Risberg (Male) (New Appointment) Outside Director/ Independent Director	—	—

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1	Hirokazu Ogino (May 28, 1970) (Male) (Reappointment)	April 1995 April 2007 April 2011 June 2011 June 2012 April 2013 June 2013 October 2013 June 2015 June 2017	Joined the Company President of Nihon Kohden Europe GmbH General Manager of Marketing Strategy Department Operating Officer Corporate Director and Operating Officer General Manager of International Operations Corporate Director and Senior Operating Officer CEO of Nihon Kohden America, Inc. Representative Director, President and COO Representative Director, President and Chief Executive Officer (current position)	44,443 shares
(Reasons for nomination of the candidate for Director) Mr. Hirokazu Ogino has abundant experience and achievements acquired through his career in the Company and its group companies, including the President of foreign sales subsidiaries and the General Manager of Marketing Strategy and International Operations. In addition, he has been responsible for management of the Company since 2015 as the President and been devoted to increasing the corporate value through creating the Company's Long-term Vision and implementing the Company's Three-year Business Plan. We anticipate that he will make the most of his expertise and experience of management he has accumulated to date for reinforcement of the Board of Director's decision-making and supervision of management. Accordingly, we propose that he be nominated in the position of Director continuously.				
2	Takashi Tamura (March 22, 1959) (Male) (Reappointment)	April 1983 April 2003 April 2007 June 2007 June 2008 April 2011 April 2013 April 2014 June 2015 April 2016 June 2017 April 2024	Joined the Company President of Nihon Kohden Kansai Corporation General Manager of Sales Operations Operating Officer Corporate Director and Operating Officer General Manager of International Operations General Manager of Service Business Division General Manager of Customer Service Operations Corporate Director and Senior Operating Officer General Manager of Sales Operations Representative Director and Executive Operating Officer Representative Director (current position)	32,890 shares
(Reasons for nomination of the candidate for Director) Mr. Takashi Tamura has served as the President of domestic sales subsidiaries and the General Manager of Domestic Operations, International Operations and Customer Service and has abundant experience and achievements. We anticipate that he will make the most of his expertise and experience he has accumulated to date for reinforcement of the Board of Director's decision-making and supervision of management. Accordingly, we propose that he be nominated in the position of Director continuously.				

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	<p>Tadashi Hasegawa (June 17, 1959)</p> <p>(Male)</p> <p>(Reappointment)</p>	<p>April 1983 Joined Saitama Bank Ltd.</p> <p>June 2009 Operating Officer of Saitama Resona Bank Limited</p> <p>June 2011 Senior Operating Officer of Saitama Resona Bank Limited</p> <p>June 2013 Corporate Director and Senior Operating Officer of Saitama Resona Bank Limited</p> <p>March 2014 Retired as Corporate Director and Senior Operating Officer of Saitama Resona Bank Limited</p> <p>April 2014 Joined the Company</p> <p>June 2014 Operating Officer (responsible for Internal Auditing Department)</p> <p>June 2015 Corporate Director and Senior Operating Officer</p> <p>April 2017 Chief Compliance Officer (current position)</p> <p>April 2020 General Manager of Global Corporate Administration Operations</p> <p>April 2022 Corporate Director and Executive Operating Officer</p> <p>April 2024 Corporate Director, Executive Operating Officer, Chief Administrative Officer, General Manager of Corporate Administration Operations (current position)</p>	<p>23,242 shares</p>
<p>(Reasons for nomination of the candidate for Director)</p> <p>Mr. Tadashi Hasegawa has plenty of knowledge of finance and accounting acquired through his abundant experience in banking institutions. After he joined the Company, he served as the Director responsible for Internal Auditing Department and he is currently the General Manager of Corporate Administration Operations and the Director responsible for Finance, Legal Affairs, Compliance, and Information Systems. We anticipate that he will make the most of his expertise and experience he has accumulated to date for reinforcement of the Board of Director's decision-making and supervision of management. Accordingly, we propose that he be nominated in the position of Director continuously.</p>			

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p>Eiichi Tanaka (July 15, 1962)</p> <p>(Male)</p> <p>(Reappointment)</p>	<p>April 1985 Joined the Company</p> <p>April 2002 General Manager of Marketing & Business Development Department</p> <p>October 2003 President of Nihon Kohden America, Inc.</p> <p>April 2008 General Manager of General Affairs and Human Re- sources Department</p> <p>June 2008 Operating Officer</p> <p>April 2011 General Manager of Accessories & Consumables Busi- ness Operations</p> <p>April 2013 Corporate Director & Senior Operating Officer of Nihon Kohden Tomioka Corporation</p> <p>April 2014 President of Nihon Kohden Tomioka Corporation</p> <p>April 2017 General Manager of Import Business Operations</p> <p>June 2017 Corporate Director and Operating Officer</p> <p>April 2019 General Manager of Corporate Strategy Division</p> <p>April 2020 General Manager of US Operations</p> <p>April 2022 Corporate Director and Senior Operating Officer</p> <p>January 2024 President of Nihon Kohden North America, Inc. (current position)</p> <p>April 2024 Corporate Director, Senior Operating Officer, Chief Re- gional Officer - North America, General Manager of North America Business Operations (current position)</p>	11,917shares
<p>(Reasons for nomination of the candidate for Director)</p> <p>Mr. Eiichi Tanaka is currently the General Manager of North America Business Operations after serving as the General Manager of Marketing & Business Development, General Affairs & Human Resources, Import Business Operations and Corporate Strategy as well as the President of a foreign and domestic sales subsidiary and a domestic manufacturing subsidiary, and has abundant experience and achievements. We anticipate that he will make the most of his expertise and experience he has accumulated to date for reinforcement of the Board of Director’s decision-making and supervision of management. Accordingly, we propose that he be nominated in the position of Director continuously.</p>			

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	Yasuhiro Yoshitake (March 20, 1966) (Male) (Reappointment)	April 1988 Joined the Company October 2003 President of Nihon Kohden Europe GmbH April 2007 General Manager of Sales Promotion Division, International Operations April 2008 Managing Director of Nihon Kohden Trading (Shanghai) Co., Ltd. April 2011 General Manager, China Operations June 2011 Operating Officer April 2013 General Manager, Asia and Middle East Operations April 2015 General Manager of International Business Operations (current position) June 2017 Corporate Director and Operating Officer February 2019 President and CEO of Nihon Kohden America, Inc. April 2022 Corporate Director and Senior Operating Officer (current position) April 2024 Chief Regional Officer - International (current position)	8,989 shares
<p>(Reasons for nomination of the candidate for Director)</p> <p>Mr. Yasuhiro Yoshitake is currently the General Manager of International Business Operations after serving as the President of foreign sales subsidiaries and the General Manager of Asia and Middle East Operations, and has abundant experience and achievements. We anticipate that he will make the most of his expertise and experience he has accumulated to date for reinforcement of the Board of Director's decision-making and supervision of management. Accordingly, we propose that he be nominated in the position of Director continuously.</p>			

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
	Shigeru Kawatsuhara (February 14, 1952) (Male) (New Appointment) Candidate for Outside Director / Independent Director	April 1975 Joined Toko, Inc. April 2002 Senior Manager of Sales Department 1, Sales Operations, Toko, Inc. April 2004 General Manager of Sales Center, Toko, Inc. June 2005 Corporate Director and General Manager of Sales Center, Toko, Inc. April 2008 President of Toko, Inc. May 2014 Chairman of Toko, Inc. March 2015 Senior Advisor of Toko, Inc. April 2016 Part-time Advisor of Toko, Inc. June 2016 Outside Director (serving as an Audit & Supervisory Committee Member) (current position)	 0 shares
6	(Reason for nomination of the candidate for Outside Director and overview of expected roles) Mr. Shigeru Kawatsuhara is a candidate for Outside Director. (1) We anticipate that he will make the most of his excellent expertise and abundant experience of the management of a company acquired through his carrier as a global business executive for providing objective and neutral advice and independent supervision of the Company's management. Accordingly, we propose that he be nominated in the position of Outside Director. He will have been in office as Outside Director serving as an Audit & Supervisory Committee Member of the Company for eight years at the conclusion of this General Meeting of Shareholder. (2) The Company has concluded a liability limitation agreement with Mr. Shigeru Kawatsuhara to limit his liability under the provisions of Article 423, Paragraph 1 of the Companies Act up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act. If his election is approved, we will continue the liability limitation agreement with him. (3) The Company has filed with the Tokyo Stock Exchange a notification to establish that Mr. Shigeru Kawatsuhara is an independent director as provided by the Exchange, because he satisfies the requirements therefor. If his election is approved, the Company will notify the Tokyo Stock Exchange again that he is an Independent Director.		

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
	<p>Hidemitsu Sasaya (May 24, 1953)</p> <p>(Male)</p> <p>(Reappointment) Candidate for Outside Director / Independent Director</p>	<p>April 1977 Joined the Ministry of Agriculture and Forestry (currently Ministry of Agriculture, Forestry and Fisheries)</p> <p>July 2005 Councillor, Minister's Secretariat, the Ministry of the Environment</p> <p>August 2006 Councillor, Minister's Secretariat, the Ministry of Agriculture, Forestry and Fisheries</p> <p>July 2007 Director-General of the Kanto Regional Forest Office</p> <p>March 2008 Retired the Ministry of Agriculture, Forestry and Fisheries</p> <p>May 2008 Joined ITO EN, LTD.</p> <p>July 2010 Corporate Director of ITO EN, LTD.</p> <p>July 2014 Managing Executive Officer of ITO EN, LTD.</p> <p>December 2018 Representative Director of Office Sasaya Co., Ltd. (current position)</p> <p>April 2019 Retired as Advisor of ITO EN, LTD.</p> <p>April 2019 Visiting Professor at the Graduate School of Information & Communication (currently the Graduate School of Social Design)</p> <p>April 2020 Professor at Platform for Arts and Science, Chiba University of Commerce</p> <p>June 2022 Outside Director (current position)</p> <p>April 2024 Visiting Professor at Chiba University of Commerce (current position)</p>	<p>0 shares</p>
7	<p>(Reasons for nomination of the candidate for Outside Director and overview of expected roles)</p> <p>Mr. Hidemitsu Sasaya is a candidate for Outside Director.</p> <p>(1) Mr. Hidemitsu Sasaya had been engaged in corporate management as a corporate director and an executive officer and had mainly promoted ESG/SDGs after holding important positions in the area of public administration of agriculture, forestry and fisheries and environment. He is currently a professor at a university specializing in policy research on SDGs, etc. We anticipate that he will make the most of his expertise and insight in the public and private sectors as well as academia for improving the role and function of the Board of Directors in promoting sustainability and providing objective and neutral advice and independent supervision of the Company's management. Accordingly, we propose that he be nominated in the position of Outside Director continuously. He will have been in office as an Outside Director of the Company for two years at the conclusion of this General Meeting of Shareholders.</p> <p>(2) The Company has concluded a liability limitation agreement with Mr. Hidemitsu Sasaya to limit his liability under the provisions of Article 423, Paragraph 1 of the Companies Act up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act. If his election is approved, we will continue the liability limitation agreement with him.</p> <p>(3) The Company has filed with the Tokyo Stock Exchange a notification to establish that Mr. Hidemitsu Sasaya is an Independent Director as provided by the Exchange, because he satisfies the requirements therefor. If his re-election is approved, the Company will notify the Tokyo Stock Exchange again that he is an Independent Director. No material conflict of interest exists between the Company and Chiba University of Commerce where he holds the significant concurrent position. He is the Representative Director of Office Sasaya Co., Ltd., which delivered a lecture on sustainability to executive officers and employees of the Company, but the amount of remuneration paid to Office Sasaya Co., Ltd. in the 73rd fiscal year is less than 10 million yen.</p>		

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
9	<p>Danny Risberg (November 20, 1962)</p> <p>(Male)</p> <p>(New Appointment) Candidate for Outside Director / Independent Director</p>	<p>July 1995 Established Suruga Inc. August 1996 Established Metran America Inc. July 1999 Joined Respiroics Inc., as Director APAC responsible for overseeing Asia-Pacific and International Division April 2005 Joined Fuji Respiroics Co. Ltd., President and CEO, with responsibility for overseeing Asia-Pacific and International Division May 2009 Executive Officer of the Healthcare Business Division and COO of Philips Electronics Japan, Ltd. January 2010 President and CEO, Chairman and CEO of Philips Electronics Japan, Ltd April 2010 Chairman of Medical Devices and IVD Committee at the European Business Council in Japan June 2010 Director of Japan Medical Imaging and Radiological Systems Industries Association June 2012 Vice Chairman of Japan Medical Imaging and Radiological Systems Industries Association February 2014 Chairman of the European Business Council in Japan March 2017 Chairman and Director of Philips Electronics Japan, Ltd March 2018 Retired as Chairman and Director of Philips Japan, Ltd May 2018 Deputy Co-Chair of EU-Japan Business Round Table September 2018 President and Representative Director of Baxter Limited October 2018 Director of American Medical Devices and Diagnostics Manufacturers' Association December 2022 Retired as President and Representative Director of Baxter Limited</p>	0 shares
<p>(Reasons for nomination of the candidate for Outside Director and overview of expected roles)</p> <p>Mr. Danny Risberg is a candidate for Outside Director.</p> <p>(1) Mr. Danny Risberg has entrepreneurial experience and had been engaged in corporate management, primarily in the medical device industry, for many years. He is also well-versed in activities as a representative of industry associations. We anticipate that he will make the most of his extensive expertise and insight as a global business executive for providing objective and neutral advice and independent supervision of the Company's management. Accordingly, we propose that he be nominated in the position of Outside Director.</p> <p>(2) If his election is approved, the Company will conclude a liability limitation agreement with Mr. Danny Risberg to limit his liability under the provisions of Article 423, Paragraph 1 of the Companies Act up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act.</p> <p>(3) The Company will file with the Tokyo Stock Exchange a notification to establish that Mr. Danny Risberg is an Independent Director as provided by the Exchange, because he satisfies the requirements therefor.</p>			

Proposal No.3: Election of Two Directors Serving as Audit & Supervisory Committee Members

Of the three Directors serving as Audit & Supervisory Committee Members, the terms of office for Mr. Shigeru Kawatsuhara and Kazuo Shimizu will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of two Directors serving as Audit & Supervisory Committee Members is proposed.

The Audit & Supervisory Committee has consented to this proposal.

The candidate is as follows:

No.	Name	Current Position at the Company	Years served as Director
1	Kazuo Shimizu (Male) (Reappointment) Candidate for Outside Director /Independent Director	Outside Director (serving as an Audit & Supervisory Committee Member)	4years
2	Ikumi Sato (Female) (New appointment) Candidate for Outside Director /Independent Director	—	—

No.	Name (Date of birth)	Career summaries, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
	<p>Kazuo Shimizu (May 16, 1959)</p> <p>(Male)</p> <p>(Reappointment)</p> <p>Candidate for Outside Director / Independent Director</p>	<p>April 1983 Joined Nippon Yusen Kabushiki Kaisha</p> <p>October 1989 Joined Asahi Audit Corporation (currently KPMG AZSA LLC)</p> <p>October 1992 Joined Shimizu Susumu Certified Tax Accountant Office</p> <p>March 1993 Registered as a certified public accountant</p> <p>May 1994 Registered as a certified tax accountant</p> <p>January 2003 Joined Ernst & Young Shinnihon Tax (currently Ernst & Young Tax Co.)</p> <p>September 2013 Joined Shimizu Accounting Office (to present)</p> <p> Representative Partner of Ryoh-koh Audit Corporation (current position)</p> <p>June 2020 Outside Director (serving as an Audit & Supervisory Committee Member) (current position)</p>	<p>0 shares</p>
2	<p>(Reason for nomination of the candidate for Outside Director serving as an Audit & Supervisory Committee Member and overview of expected roles)</p> <p>Mr. Kazuo Shimizu is a candidate for Outside Director.</p> <p>(1) Although Mr. Kazuo Shimizu has not been engaged in corporate management in any capacity other than as an Outside Director or Outside Audit & Supervisory Board Member, we anticipate that in his work with the Company's audit system he will make the most of his excellent expertise and abundant experience acquired through his career as a certified public accountant and a certified tax accountant for independent audit and supervision of the Company's management. Accordingly, we propose that he be nominated in the position of Outside Director serving as an Audit & Supervisory Committee Member continuously. He will have been in office as Outside Director serving as an Audit & Supervisory Committee Member of the Company for four years at the conclusion of this General Meeting of Shareholder.</p> <p>(2) The Company has concluded a liability limitation agreement with Mr. Kazuo Shimizu to limit his liability under the provisions of Article 423, Paragraph 1 of the Companies Act up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act. If his re-election is approved, we will continue the liability limitation agreement with him.</p> <p>(3) The Company has filed with the Tokyo Stock Exchange a notification to establish that Mr. Kazuo Shimizu is an independent director as provided by the Exchange, because he satisfies the requirements therefor. If his re-election is approved, the Company will notify the Tokyo Stock Exchange again that he is an Independent Director. No material conflict of interest exists between the Company and Shimizu Accounting Office and Ryoh-koh Audit Corporation where he holds the significant concurrent position.</p>		

Proposal No. 4: Election of One Substitute Director Serving as an Audit & Supervisory Committee Member

The election of One Substitute Director serving as an Audit & Supervisory Committee Member is proposed in order to prepare for the contingency that the number of Directors serving as Audit & Supervisory Committee Members falls below the required number stipulated by laws and regulations.

If this election is approved, the effectiveness of the election may be cancelled by a resolution of the Board of Directors with the consent of the Audit & Supervisory Committee only before the newly elected Substitute Director serving as an Audit & Supervisory Committee Member assumes office as Director serving as an Audit & Supervisory Committee Member.

The Audit & Supervisory Committee has consented to this proposal.

The candidate is as follow:

Name (Date of birth)	Career summaries, positions, and significant concurrent positions		Number of shares of the Company held
Sumio Moriwaki (March 3, 1957) (Male) Candidate for Outside Director/ Independent Director	April 1981	Registered as an attorney (Daini Tokyo Bar Association) Joined Ishii Law Office	0 shares
	April 1991	Partner, Ishii Law Office (current position)	
	June 2007	Member of the Independent Committee of the Company	
	June 2011	Outside Substitute Audit & Supervisory Board Member	
	June 2016	Outside Substitute Director (serving as an Audit & Supervisory Committee Member) (current position)	
	June 2017	Outside Audit & Supervisory Board Member of JSR Corporation Outside Director of Topy Industries, Limited	
March 2023	Outside Audit & Supervisory Board Member of Kobayashi Pharmaceutical Co., Ltd. (current position)		

(Reason for nomination of the candidate for Substitute Outside Director serving as an Audit & Supervisory Committee Member, etc. and overview of expected roles)

Mr. Sumio Moriwaki is a candidate for Substitute Outside Director serving as an Audit & Supervisory Committee Member.

- (1) Although Mr. Sumio Moriwaki has not been engaged in corporate management in any capacity other than an Outside Director or Outside Audit & Supervisory Board Member, he is closely acquainted with corporate legal affairs as an attorney. We anticipate that in his work with the Company's audit system he will make the most of the expertise and experience he has accumulated to date for independent supervision of the Company's management. Accordingly, we propose that he be nominated in the position of Substitute Outside Director serving as an Audit & Supervisory Committee Member.
- (2) If Mr. Sumio Moriwaki assumes office as Outside Director serving as an Audit & Supervisory Committee Member, the Company intends to conclude a liability limitation agreement with him to limit his liability under the provisions of Article 423, Paragraph 1 of the Companies Act up to the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act.
- (3) If Mr. Sumio Moriwaki assumes office as Outside Director serving as an Audit & Supervisory Committee Member, the Company will file with the Tokyo Stock Exchange a notification to establish that Mr. Sumio Moriwaki is an Independent Director as provided by the Exchange because he satisfies the requirements therefor. No material conflict of interest exists between the Company and Ishii Law Office and Kobayashi Pharmaceutical Co., Ltd. where he holds the significant concurrent position.

Notes:

1. No material conflict of interest exists between the Company and Mr. Sumio Moriwaki.
2. The Company has concluded a directors and officers liability insurance agreement as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The summary of the insurance agreement is described in "4. Directors and Operating Officers, (3) Summary of Directors and Officers (D&O) Liability Insurance Agreement" of the Business Report. If Mr. Sumio Moriwaki assumes office as Director serving as Audit & Supervisory Committee Member, he will be included in the insured persons under the insurance agreement. The Company intends to renew the insurance agreement with the same terms at the next renewal.

【Reference】 Skill Matrix (Scheduled for after this Ordinary General Meeting of Shareholders)

The Board of Directors consists of twelve members including six independent outside directors with expertise. Directors utilize their knowledge, experience, and abilities to make decisions and supervise the business executions in order to realize the Long-term Vision and the Three-year Business Plan.

In addition to the expertise and experience of each director, all directors are engaged in management from the perspective of sustainability. The Company will continue our efforts to further strengthen sustainability.

Name	Position	Corporate Management	Global Experience	Sales/ Marketing	Production/ Technology/ R&D	Legal/ Risk Management	Finance/ Accounting/ M&A	HR/ HR Development	ESG/ SDGs
Hirokazu Ogino	Representative Director President and Chief Executive Officer	●	●	●			●		●
Takashi Tamura	Representative Director	●		●					
Tadashi Hasegawa	Corporate Director & Executive Operating Officer		●			●	●	●	●
Eiichi Tanaka	Corporate Director & Senior Operating Officer	●	●	●	●			●	
Yasuhiro Yoshitake	Corporate Director & Senior Operating Officer	●	●	●					
Shigeru Kawatsuhara	Outside Director Nomination & Remuneration Committee Member	●	●	●					
Hidemitsu Sasaya	Outside Director		●						●
Sumie Morita	Outside Director		●		●				●
Danny Risberg	Outside Director	●	●	●					
Shigeru Hirata	Corporate Director Full-time Audit & Supervisory Committee Member			●			●	●	
Kazuo Shimizu	Outside Director Audit & Supervisory Committee Member Nomination & Remuneration Committee Member					●	●		
Ikumi Sato	Outside Director Audit & Supervisory Committee Member Nomination & Remuneration Committee Member		●			●		●	●

Proposal No.5: Revision of the Amount of Remuneration to Outside Directors (Excluding Directors Serving as Audit & Supervisory Committee Members)

With respect to the amount of Remuneration to Directors (in this Proposal No.5, such term “Directors” excludes Directors serving as Audit & Supervisory Committee Members), it was approved at the 65th Ordinary General Meeting of Shareholders held on June 28, 2016, that the total amount shall be within the limit of 400 million yen per year (including the total amount of remuneration to Outside Directors, which shall be within the limit of 30 million yen per year) and has remained unchanged up to the present day.

In light of various circumstances, including the enhancement of corporate governance, and to respond to the changes in the environment surrounding Outside Directors, we propose to revise only the portion of the Remuneration to Outside Directors to be within the limit of 80 million yen per year, without changing the total amount of Remuneration to Directors (within the limit of 400 million yen per year). As before, the total amount does not include portions of the Directors’ salary as employees of the Company.

This proposal was decided by the resolution of the Board of Directors, after deliberations by the Nomination & Remuneration Committee, by comprehensively taking into consideration the Company’s business scale, Directors’ remuneration system and payment levels, the current number of Directors, and future trends. The Company considers that this proposal is appropriate in light of the “Policy for Determining the Amounts and Calculation Methods of Remuneration to Directors” (as described at the end of Proposal No.6, Reference 3).

For reference, currently, the Company has eight Directors (excluding Directors serving as Audit & Supervisory Committee Members and including two Outside Directors). If the Proposal No.2 is approved as proposed, the Company will have nine Directors (excluding Directors serving as Audit & Supervisory Committee Members and including four Outside Directors).

Proposal No.6: Determination of Remuneration to Directors (Excluding Directors Serving as Audit & Supervisory Committee Members and Outside Directors) for Allotment of Performance-linked Post-delivery Restricted Stock

It was previously approved at the Company's 65th Ordinary General Meeting of Shareholders held on June 28, 2016 that the total amount of remuneration to Directors (excluding Directors serving as Audit & Supervisory Committee Members) be limited to within the limit of 400 million yen per year (including the maximum amount of Remuneration to Outside Directors, within the limit of 30 million yen per year, which will be within the limit of 80 million yen per year if the Proposal No.5 is approved, but excluding the total amount of the Directors' salaries as employees of the Company). It was also previously approved at the Company's 69th Ordinary General Meeting of Shareholders held on June 25, 2020 that the maximum amount of monetary compensation receivables to be paid to Directors (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors) in respect of restricted stock be limited to within 100 million yen per year.

To provide incentives for Directors (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors; "Eligible Directors") to strengthen its remuneration governance and further improve the Company's corporate value to achieve its Three-year Business Plan, BEACON 2030 Phase II, starting from FY2024, the Company hereby proposes to introduce a plan ("Performance-linked Post-delivery Restricted Stock Remuneration Plan") to allot a number of shares of restricted stock ("Performance Stock") based on the degree of achievement of numerical targets for business performance during the relevant performance evaluation period, which is each fiscal year, to Eligible Directors.

Therefore, the Company hereby proposes to set the maximum amount of monetary compensation receivables that may be issued in respect of Performance Stock within the limit of 300 million yen for each period (defined in (1) below), separate from the above Director's remuneration and the total amount of monetary compensation receivables provided as remuneration related to existing restricted stock.

The Company considers the allotment of Performance Stock appropriate, given that it will be determined in accordance with the degree of achievement of numerical targets for business performance set by the Board of Directors for the relevant performance evaluation period and dilution rate is minimal as the maximum number of shares of Performance Stock for each period, combined with the previously determined maximum number of existing restricted stock, accounts for approximately 0.35% (approximately 3.5% if the maximum number of shares of Performance Stock and existing restricted stock is issued over ten years).

In revising the Company's stock remuneration plan, the Board of Directors resolved on May 21, 2024, to amend the "Policy for Determining the Amounts and Calculation Methods of Remuneration to Directors", subject to the approval of this Proposal No.6. The amended "Policy for Determining the Amounts and Calculation Methods of Remuneration to Directors" is described in Reference 3 below.

For reference, currently, the Company has eight Directors (excluding Directors serving as Audit & Supervisory Committee Members and including two Outside Directors). If the Proposal No.2 is approved as proposed, the Company will have nine Directors (excluding Directors serving as Audit & Supervisory Committee Members and including four Outside Directors).

Overview of Performance-linked Post-delivery Restricted Stock Remuneration Plan

(1) Allotment and Payment of Performance Stock

The Company will grant monetary compensation receivables to grant Performance Stock to Eligible Directors in accordance with the degree of achievement of numerical targets for business performance, which are determined by the Board of Directors of the Company in each fiscal year, the performance evaluation period ("period"). Each Eligible Director will receive Performance Stock by making an in-kind contribution of all monetary compensation receivables.

Therefore, at the beginning of the period, it is not determined whether or not monetary compensation receivables will be paid and the number of shares of Performance Stock to be allotted to each Eligible Director ("number of allotted shares") is also not determined.

The above monetary compensation receivables will be granted to Eligible Directors on the condition that they agree to the above in-kind contribution and that they have concluded with the Company an agreement on allotting Performance-linked Post-delivery Restricted Stock containing the terms stipulated in (6) below.

The initial period is the 74th fiscal year (April 1, 2024 to March 31, 2025) and each fiscal year thereafter shall be a new period for allotting Performance Stock.

amount is not particularly favorable value to each Eligible Director, based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding to the date of the resolution regarding the allotment of Performance Stock at the Board of Directors of the Company (or the closing price on the immediately preceding trading day if the transaction is not concluded on the same day).

Grant Requirements

- (a) The Eligible Director has continuously held the position of Director or Operating Officer of the Company for the entire period.
- (b) The Eligible Director has not conducted certain violations stipulated by the Board of Directors of the Company.
- (c) The Eligible Director has satisfied other requirements deemed necessary by the Board of Directors of the Company.

Provided, however, that notwithstanding (a) above, if there are any Eligible Directors newly appointed during the period, the number of shares to be allotted to each Eligible Director shall be adjusted as necessary.

If an Eligible Director retires from both the position of Director or Operating Officer of the Company due to the expiration of the term of office or any other reasons, such as death, deemed justifiable by the Board of Directors of the Company during the period, the amount of money reasonably calculated by the Board of Directors of the Company as an equivalent amount in lieu of the allotment of Performance Stock shall be within the range of 300 million yen for each period. Payments (including payments to heirs who will succeed in the event of death) may be made within a certain period from the date of such retirement.

(5) Treatment in the Event of Reorganization

Before the grant date of Performance Stock, if proposals relating to a merger agreement in which the Company is the dissolving company, share exchange agreement or share transfer plan in which the Company becomes a wholly-owned subsidiary, or other reorganization, are approved at a General Meeting of Shareholders of the Company (or if approval at a General Meeting of Shareholders of the Company is not required in relation to the reorganization in question, approval by the Board of Directors of the Company), before the date on which the reorganization becomes effective, the Company may pay an amount of money reasonably calculated by the Board of Directors of the Company based on the period served as a Director or Operating Officer as an equivalent amount in lieu of the allotment of Performance Stock within the range of 300 million yen for each period.

(6) Details of the Agreement on Allotting Performance-linked Post-delivery Restricted Stock

The agreement on allotting Performance-linked Post-delivery Restricted Stock to be concluded between the Company and Eligible Directors who receive an allotment of Performance Stock based on a resolution of the Board of Directors of the Company shall contain the following terms.

- (a) Details of the restriction on the transfer of shares

Eligible Directors to whom Performance Stock is allotted may not transfer to a third-party, create a pledge or mortgage by transfer on, make an advancement, make a bequest, or otherwise dispose of Performance Stock allotted to them ("Allotted Stock") during the period from the grant date of the Performance Stock to the date when the Eligible Director retires from the position of Director or Operating Officer of the Company ("Transfer Restriction Period").

- (b) Acquisition of Performance Stock without compensation

If an Eligible Director who receives an allotment of Performance Stock retires from both the position of Director and Operating Officer of the Company, all of his or her Allotted Stock will automatically be acquired by the Company without consideration except in the case that the Board of Directors of the Company deems that the reason for the resignation is valid.

The Company will automatically acquire all Allotted Stock without consideration if the restriction on transfer of the Allotted Stock has not been lifted at the expiration of the Transfer Restriction Period in (a) above based on the terms provided in (c) "Lifting of transfer restriction" below.

- (c) Lifting of transfer restriction

The Company will lift the restriction on transfer of all of his or her Allotted Stock that an Eligible Director to whom Performance Stock was allotted holds at that time when the Transfer Restriction Period expires.

- (d) Treatment in the event of reorganization

During the Transfer Restriction Period, if proposals relating to a merger agreement in which the Company is the dissolving company, share exchange agreement or share transfer plan in which the Company

Committee to such directors and employees.

The Audit & Supervisory Committee Secretariat assists with the Audit & Supervisory Committee's duties when the Audit & Supervisory Committee requests or instructs.

Personnel changes of the Audit & Supervisory Committee Secretariat shall require prior consent of the Audit & Supervisory Committee.

The Audit & Supervisory Committee Secretariat is independent from the directors, excluding Audit & Supervisory Committee Members, line of command when they work under the instruction of the Audit & Supervisory Committee.

7) System for Reporting to the Audit & Supervisory Committee by Directors, excluding Audit & Supervisory Committee Members, and Employees of the Company Group

Directors, excluding Audit & Supervisory Committee Members, and employees of the Company Group shall promptly report to the Audit & Supervisory Committee concerning matters that may cause serious damage to the Company Group, material violations of laws and the Articles of Incorporation, unfair practices as well as results of internal audit. The Audit & Supervisory Committee may request reports of directors, excluding Audit & Supervisory Committee Members, and employees of the Company Group as necessary.

Directors, excluding Audit & Supervisory Committee Members, or employees who report to the Audit & Supervisory Committee will not be subjected to disadvantageous treatment because of such report. The Audit & Supervisory Committee audits the performance of the directors', excluding Audit & Supervisory Committee Members, duties by attending the important meetings such as the Management Council.

8) System to Ensure Effective Audit by the Audit & Supervisory Committee

Representative Directors have periodic meetings with the Audit & Supervisory Committee and exchange opinions regarding challenges that the Company should deal with, the audit environment of the Audit & Supervisory Committee, and other important audit issues. The Audit & Supervisory Committee shall maintain close contact and share information with the Accounting Auditor and Internal Auditing Department in order to ensure effective audit of the Company and Group companies.

The Company will promptly reimburse expenses invoiced by Audit & Supervisory Committee Members that are deemed necessary for the execution of their duties in accordance with Auditing Standards Conducted by the Audit & Supervisory Committee.

(2) Overview of the Operation of the System to Ensure the Appropriateness of Business

The following is a summary of the results of operations for FY2023.

1) Compliance

The Company ensures thorough compliance by distributing the Compliance Handbook to all executive officers and employees of the Group and conducting compliance training at the workplace level to ensure that they are fully aware of the Nihon Kohden Charter of Conduct and the Nihon Kohden Code of Ethical Conduct. In FY2023, the Compliance Committee was held five times to continuously supervise, evaluate and

improve the Group's compliance system and to confirm its operation of compliance-related consultations and reports. The Company has also strengthened its compliance structure by steadily implementing measures to prevent recurrence of the bribery case involving former employees of the Company in Japan in 2021 under the Compliance Committee.

2) Risk Management System

In accordance with the Risk Management Regulations, the Risk Management Supervisory Division improves and promotes a cross-organizational risk management system of the Nihon Kohden Group, and the specialized committees and divisions set for each risk are responsible for the individual risks associated with the execution of business. In FY2023, each committee such as the Quality Control Committee held regularly to evaluate and report on the effectiveness of each risk management framework, and reported to the Board of Directors on the progress of the Group's overall risk management system. The Risk Management Committee reported the identified significant risks to the Board of Directors as well as promoting to develop a sophisticated company-wide risk management framework. The Company also provided e-learning on risk management including information security to executive officers and employees.

As a medical equipment manufacturer, the Company improved the system to continue the smooth supply of products and services while ensuring the safety of employees and their families in the event of an emergency such as a large-scale natural disaster. In FY2023, the Company conducted evacuation drills and safety confirmation drills, as well as desktop exercises at domestic sales branch offices, to ensure that employees take appropriate action in the event of an emergency in accordance with the Disaster First Response Manual.

3) Execution of Duties by Directors

In accordance with the Board of Directors Rules and the Standards for Procedures for Requesting Deliberations and Making Decisions, the Board of Directors was held 16 times in FY2023, and resolved the matters pursuant to the laws, made decisions on the execution of important business for the Nihon Kohden Group, as well as supervised directors' performance of their duties. The Management Council, at which Directors and Operating Officers attend, was held 14 times to ensure prompt decision-making and flexible business operation. Outside Directors attended the important meetings such as the Management Council as necessary and provided their opinions from an objective and neutral standpoint if necessary and supervise the Company's management. In order to ensure sufficient time for deliberations at the Board of Directors Meetings, the Company reviewed its operation methods of Meetings and has held Meetings of the Management Council and the Board of Directors on different dates since FY2022.

The Company has introduced an operating officer system. The number of Operating Officers who do not serve as Directors is 16. This system clarifies the role of the business execution functions and strengthens its functions. In addition, the Company endeavors to ensure the effective business execution by establishing internal rules to clarify the allocation of duties, authority, responsibility and execution procedures of each director, operating officer and council.

4) Group Management System

The Company has established the management system to ensure the proper business execution of the Company Group in accordance with the internal rules, assigning responsibility for the appropriate management of each Group company to specific departments, receiving the periodic report regarding the business performance and other important matters from each Group company, and requiring Group companies to obtain prior approval from the Company before conducting important matters.

In FY2023, after deliberation about strengthening the governance of its overseas subsidiaries, the Company has implemented measures and has reported the progress to the Board of Directors once every six months to enhance governance functions in each subsidiary as the 1st defense, in each administrative department such as finance, legal, human resources, and quality control as the 2nd defense, and in the Internal Audit Department as the 3rd defense. The Company also revised and confirmed the operational and improvement status of the Global Business Management Policy, operation of which started in FY2021 so that the managers of overseas subsidiaries can strengthen risk management related to accounting, human resources, legal, and information security.

The Internal Audit Department conducted internal audits of the Company and its subsidiaries regarding compliance, and effectiveness and appropriateness of business executions, and reported the internal audit results to the President and the Audit & Supervisory Committee each time the internal audit is conducted. In addition, the internal audit results and progress of improvements were reported to Directors and Operating Officers at the Board of Directors Meetings every quarter.

The final assessment of internal control system for financial statements was conducted at the time of closing and was confirmed to be effective. In FY2023, the Company conducted J-SOX training (e-learning) for newly recruited employees, mid-career employees, and newly appointed managers. The Company also conducted online J-SOX training for administrative staff in domestic sales branch offices to ensure understanding and awareness of J-SOX.

5) Execution of Duties by the Audit & Supervisory Committee

The Audit & Supervisory Committee consists of three directors, including two outside directors and one full-time member. Each Audit & Supervisory Committee Member attends the important meetings such as the Management Council. Each Audit & Supervisory Committee Member audits the performance of the directors' duties by investigating the conduct of business operations and status of assets at the Company's main offices and subsidiaries through office visits in addition to reports on audit results from the Internal Audit Department. Those activities shall be in accordance with the audit policy and the audit plan for the term which is decided at the Audit & Supervisory Committee. In FY2023, the Audit & Supervisory Committee was held 20 times. The Audit & Supervisory Committee and the Internal Audit Department shared information and exchanged opinions on a monthly basis on the operation of the internal control system as well as on the method of audits, the content of audits, and audit results. The Audit & Supervisory Committee had two meetings with representative directors, seven meetings with the Accounting Auditor, and other meetings with directors on an irregular basis, in order to share information and exchange opinions on the operation of the internal control system and audit results.

(3) Basic Policy on Distribution of Profits and Dividends

Nihon Kohden recognizes that returning profits to shareholders is one of management's most important tasks. The basic policy on distribution of profits and dividends is to make investments for future business expansion and enhance shareholder returns as well as securing a sound financial foundation. The priority for distribution of profits is i) investment necessary for future business expansion used in R&D investments, capital investments, M&A or alliances, and development of human resources, and ii) shareholder returns. In terms of shareholder returns, the Company will increase dividends in a stable manner in line with growth in business performance. Share buybacks are conducted in a flexible manner, taking into account comprehensively the Company's future business deployment, investment plans, retained earnings, and stock price level. The Company has revised the indicators and targets for shareholder returns from a consolidated dividend payout ratio of 30% or more to a consolidated total return ratio of 35% or more.