

To Our Shareholders

3-9-4 Nihonbashi Ningyo-cho, Chuo-ku, Tokyo

SPACE CO., LTD.

Kohshi Shomura, Representative
Director, President

CONVOCAION NOTICE OF THE 54TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

SPACE CO., LTD. (“the Company”) is pleased to announce that its 54th Annual General Meeting of Shareholders will be held as described below.

In convening the General Meeting of Shareholders, the Company takes measures for providing information electronically, and posts the matters subject to electronic provision on the following website on the Internet.

Company website

<https://www.space-tokyo.co.jp/ir/library/> (in Japanese)



In addition to the above website, the information is also posted on the Tokyo Stock Exchange (“TSE”) website. Please access the TSE website (Listed Company Search) and enter “Issue name (company name)” or the securities code, and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.”

TSE website

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



If you are unable to attend the Meeting on the day, you may exercise your voting rights in writing or via the Internet, in which case we ask that you please exercise your voting rights by 6 p.m. on Tuesday, March 24, 2026 (Japan Time), after examining the reference documents for the General Meeting of Shareholders posted as matters subject to measures for electronic provision.

Please be advised that this General Meeting of Shareholders will not be streamed live or on-demand via the internet.

■ **Date and Time:** Wednesday, March 25, 2026 at 10 a.m. (Japan Time)
(Reception starts at 9:30 a.m.)

■ **Place:** 3-9-4 Nihonbashi Ningyo-cho, Chuo-ku, Tokyo
Main Hall, 8th Floor, Headquarters of SPACE CO., LTD.
As the venue differs from last year's meeting, we kindly ask you to check the location before attending.

■ **Meeting Agenda:** **Matters to be reported:**

1. Reports on the Business Report, the Consolidated Financial Statements for the 54th Fiscal Year (January 1, 2025 to December 31, 2025), and Results of Audits of the Consolidated Financial Statements by the Accounting Auditors and the Audit and Supervisory Committee
2. Reports on the Non-consolidated Financial Statements for the 54th Fiscal Year (January 1, 2025 to December 31, 2025)

Proposals to be resolved: Proposal 1: Appropriation of Surplus

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

Proposal 3: Election of Three Directors Who are Audit and Supervisory Committee Members

- If revisions to the matters subject to measures for electronic provision arise, the details of the revisions will be posted on the respective websites where the matters are posted.
- The following items are not included in the paper-based documents delivered to you in accordance with laws and regulations, and Article 18 of the Company's Articles of Incorporation. Accordingly, the documents sent to you are part of the documents included in the scope of audits by Audit and Supervisory Committee Members and Accounting Auditors when they prepare their respective audit reports.
 - "Status of Accounting Auditors" and "System and Policies of the Company" in the Business Report
 - "Consolidated Statements of Changes in Net Assets" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 - "Statements of Changes in Net Assets" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
- If you attend the Meeting in person, please kindly submit the enclosed Voting Rights Exercise Form at the reception desk. Please also bring this "Convocation Notice" to the Meeting with you to save resources.

Proposals and References

Proposal 1: Appropriation of Surplus

The Company's basic dividend policy is to maintain stable dividends by further improving profitability and strengthening its financial position, while aiming to strengthen its management base by enhancing internal reserves.

Based on this basic policy, the Company proposes to pay a year-end dividend of 51 yen per share for the fiscal year under review, consisting of 43 yen per share and a special dividend of 8 yen, to meet the expectations of all shareholders.

Matters concerning year-end dividends

1

Type of dividend property

Cash

2

Matters regarding the allocation of the dividend property to shareholders and the total amount

51 yen per common share of the Company, Total dividends 1,251,223,953 yen

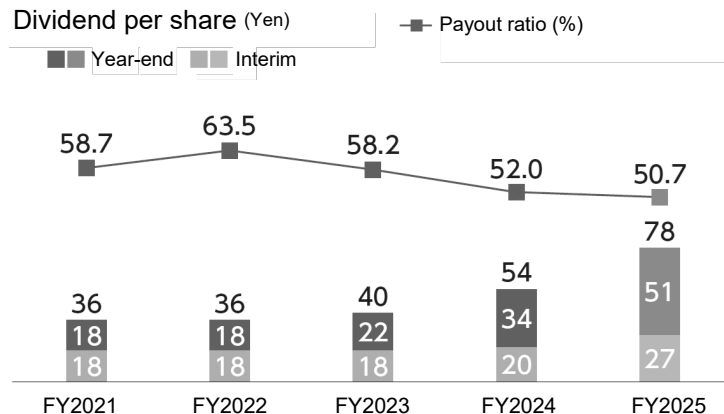
(Reference) The annual dividend including the interim dividend is 78 yen per share.

3

Date on which such distribution of dividends from surplus takes effect

March 26, 2026

(Reference)



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

The terms of office of all eight Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the closing of this General Meeting of Shareholders. Accordingly, the Company proposes the election of eight Directors (excluding Directors who are Audit and Supervisory Committee Members).

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows.

With regard to this Proposal, the Audit and Supervisory Committee has commented that the election of each candidate is appropriate and that there are no particular matters to be pointed out.

Candidate No.	Gender	Name	Current position and responsibility in the Company	
1	Male	Kohshi Shomura	Representative Director, President Head of Sales Supervisory Headquarters	Re-election
2	Male	Shoichi Morita	Director Managing Executive Officer, Head of Osaka Headquarters	Re-election
3	Male	Nobuyuki Matsuo	Director Managing Executive Officer, Head of Corporate Management Headquarters	Re-election
4	Male	Kazuyuki Ohashi	Senior Executive Officer, Head of Tokyo Headquarters	New
5	Male	Takumi Sawa	Senior Executive Officer, Head of Fukuoka Headquarters	New
6	Male	Chizuo Kato	Director	Re-election
7	Male	Hiroyuki Wakabayashi	Director	Re-election
8	Female	Hiroko Shimada	External Director	Re-election External Independent

**1****Kohshi Shomura** (Date of Birth: July 5, 1974)

Number of Shares of the Company Held: 26,754

Re-election

Tenure as Director: 7 years

Number of Attendances at Meetings of the Board of Directors: 13/13 (100%)

Career summary, position, responsibilities, and important concurrent positions

Apr. 1995	Joined the Company
Jan. 2014	Head of GMS Div. of CS Headquarters
Jan. 2017	Executive Officer, Head of Nagoya Div. Unit 3 of Nagoya Headquarters
Jan. 2019	Executive Officer, Head of Nagoya Headquarters
Mar. 2019	Director
Jan. 2021	Managing Director
Jan. 2021	Head of Sales Supervisory Headquarters and Head of Tokyo Headquarters I
Jan. 2022	Head of Business Strategy Office
Apr. 2022	Managing Executive Officer
Jan. 2023	Senior Managing Executive Officer, Head of Sales Supervisory Headquarters
Jan. 2025	Head of Business Strategy Office
Jan. 2026	Representative Director, President, and Head of Sales Supervisory Headquarters (current position)

Reason for nomination as a candidate for Director

Mr. Kohshi Shomura has held important positions in the sales division, including Head of Nagoya Headquarters and Head of Tokyo Headquarters I. After serving as Head of Sales Supervisory Headquarters, he assumed the role of Representative Director and President as of January 2026 and has since served as the chief executive officer responsible for business execution. He has broadened his perspective on overall management, and has strived for the sustainable growth and development of the Company by demonstrating excellent foresight and leadership. The Company has again nominated him as a candidate for Director as we judge that he is able to appropriately supervise decision-making and execution in the management of the Group.

**2****Shoichi Morita**

(Date of Birth: March 15, 1967)

Number of Shares of the Company Held:	28,959
Tenure as Director:	3 years
Number of Attendances at Meetings of the Board of Directors:	13/13 (100%)

Re-election

Career summary, position, responsibilities, and important concurrent positions

Sep. 2000	Joined the Company
Jan. 2010	Senior Manager of Creative & Engineering Laboratory of Osaka Headquarters
Jan. 2015	Executive Officer, Head of Commercial Environment Planning & Design Labs. of Tokyo Headquarters
Jan. 2019	Executive Officer, Head of Commercial Environment Planning & Design Labs.
Mar. 2019	Director
May 2020	Executive Officer, Head of Commercial Environment Planning & Design Labs. and Head of Project Supervision Headquarters
Apr. 2022	Executive Officer, Head of Osaka Headquarters
Jan. 2023	Managing Executive Officer, Head of Osaka Headquarters (current position)
Mar. 2023	Director (current position)

Reason for nomination as a candidate for Director

Mr. Shoichi Morita has been engaged in planning and design, by serving as Head of Commercial Environment Planning & Design Labs., Head of Project Supervision Headquarters, and Head of Osaka Headquarters, and has abundant business experience. After assuming the position of Director, he has strived for the sustainable growth and development of the Company by utilizing his excellent foresight and insight. The Company has again nominated him as a candidate for Director as we judge that he is able to appropriately supervise decision-making and execution in the management of the Group.

**3****Nobuyuki Matsuo**

(Date of Birth: March 23, 1972)

Number of Shares of the Company Held:	44,808
Tenure as Director:	3 years
Number of Attendances at Meetings of the Board of Directors:	13/13 (100%)

Re-election

Career summary, position, responsibilities, and important concurrent positions

Apr. 1992	Joined the Company
Jan. 2001	Manager of Shizuoka Office
Jul. 2013	Deputy Head of CVS Div. of CS Headquarters
Jan. 2015	Head of CVS Div. of CS Headquarters
Jan. 2018	Deputy Head of Administration Headquarters and Senior Manager of Human Resources Dept.
Jan. 2019	Executive Officer, Head of Human Resources & Planning Headquarters
Mar. 2019	Director
Jan. 2021	Executive Officer, Head of Planning & Management Headquarters
Jan. 2022	Executive Officer, Head of Business Administration Headquarters and General Manager of Planning & Administration Div.
Apr. 2022	Executive Officer, Head of Business Administration Headquarters
Jan. 2023	Managing Executive Officer, Head of Business Administration Headquarters
Mar. 2023	Director (current position)
Jan. 2026	Managing Executive Officer, Head of Corporate Management Headquarters (current position)

Reason for nomination as a candidate for Director

Mr. Nobuyuki Matsuo has been engaged in business administration operations, by serving as Head of Human Resources & Planning Headquarters, Head of Planning & Management Headquarters, and Head of Business Administration Headquarters, and has abundant business experience. After assuming the position of Director, he has strived for the sustainable growth and development of the Company by utilizing his excellent insight and abundant experience and knowledge. The Company has again nominated him as a candidate for Director as we judge that he is able to appropriately supervise decision-making and execution in the management of the Group.

**4****Kazuyuki Ohashi** (Date of Birth: October 21, 1981)

Number of Shares of the Company Held: 10,267

New

Tenure as Director: -

Number of Attendances at Meetings of the Board of Directors: -

Career summary, position, responsibilities, and important concurrent positions

Apr. 2004	Joined the Company
Jul. 2015	Manager of Sales Section of GMS Div.
Jan. 2017	Senior Manager of Sales Dept. of Nagoya Div. Unit 3
Jan. 2018	Head of Nagoya Div. Unit 4 of Nagoya Headquarters
Jan. 2019	General Manager of Design & Engineering Nagoya Div. Unit 1 of Nagoya Headquarters
Jan. 2023	Executive Officer, Head of Tokyo Headquarters
Jan. 2026	Senior Executive Officer, Head of Tokyo Headquarters (current position)

Reason for nomination as a candidate for Director

Mr. Kazuyuki Ohashi has held important positions in the sales function at the Nagoya Headquarters. After gaining experience as Head of Tokyo Headquarters, he is currently engaged in the Group's business operation as Senior Executive Officer and Head of Tokyo Headquarters, and possesses extensive professional experience. Based on the judgment that he will be able to appropriately supervise decision-making and business execution within the Group by leveraging the experience and insight he has cultivated in the business strategy and marketing fields, the Company has newly nominated him as a candidate for Director.

**5****Takumi Sawa**

(Date of Birth: February 23, 1975)

Number of Shares of the Company Held: 3,986

New

Tenure as Director: -

Number of Attendances at Meetings of the Board of Directors: -

Career summary, position, responsibilities, and important concurrent positions

Apr. 1997	Joined the Company
Jan. 2010	Manager of SD Office of Supervisory Div. Unit 1 of Osaka Headquarters
Jan. 2013	Senior Manager of Sales Dept. of Osaka Headquarters
Jan. 2019	General Manager of Design & Engineering Osaka Div. Unit 3 of Osaka Headquarters
Jan. 2023	Head of Fukuoka Headquarters
Jan. 2025	Executive Officer, Head of Fukuoka Headquarters
Jan. 2026	Senior Executive Officer, Head of Fukuoka Headquarters (current position)

Reason for nomination as a candidate for Director

Mr. Takumi Sawa has held important positions in the sales and creative fields at the Osaka Headquarters. After gaining experience as Head of Fukuoka Headquarters, he is currently engaged in the Group's business operation as Senior Executive Officer and Head of Fukuoka Headquarters, and possesses extensive professional experience. Based on the judgment that he will be able to appropriately supervise decision-making and business execution within the Group by leveraging the experience and insight he has cultivated in the creative and design fields, the Company has newly nominated him as a candidate for Director.



6

Chizuo Kato

(Date of Birth: April 14, 1958)

Number of Shares of the
Company Held:

1,355,300

Re-election

Tenure as Director:

37 years
and 3 monthsNumber of Attendances at
Meetings of the Board of Directors:

13/13 (100%)

Career summary, position, responsibilities, and important concurrent positions

Mar. 1981	Joined the Company
Jan. 1987	Manager of Shizuoka Office
Dec. 1988	Director (current position)
Dec. 1991	Managing Director
Jan. 1993	Head of Administration Headquarters
Mar. 1995	Senior Managing Director
Mar. 1997	Representative Director, Senior Managing Director
Mar. 1999	Representative Director, Vice President
Mar. 2001	Representative Director, President
Mar. 2013	Representative Director, Chairman of the Board

Reason for nomination as a candidate for Director

Mr. Chizuo Kato has held important positions in sales and administration functions, and served as Representative Director, President, and Representative Director, Chairman of the Board. He has abundant experience and a thorough knowledge of the Company's business in general. After assuming the position of Director, he has strived for the sustainable growth and development of the Company by utilizing his abundant experience and knowledge. The Company has again nominated him as a candidate for Director as we judge that he is able to appropriately supervise decision-making and execution in the management of the Group.



7

Hiroyuki Wakabayashi (Date of Birth: February 16, 1959)

Number of Shares of the
Company Held:

1,196,943

Re-election

Tenure as Director:

34 years and 8 months

Number of Attendances at
Meetings of the Board of Directors:

13/13 (100%)

Career summary, position, responsibilities, and important concurrent positions

Mar. 1982	Joined the Company
Jul. 1985	Deputy Manager of Planning Office of Tokyo SPACE CO., LTD.
Dec. 1988	Director of Tokyo SPACE CO., LTD.
Jan. 1991	Senior Manager of General Affairs Dept. of the Company
Jul. 1991	Director (current position)
Jan. 1996	Head of Administration Headquarters
Mar. 1997	Managing Director
Jan. 2006	Representative Director, Vice President
May 2006	Senior Managing Director
Jan. 2009	Head of Administration Supervisory Headquarters
Mar. 2013	Representative Director, President

Reason for nomination as a candidate for Director

Mr. Hiroyuki Wakabayashi has held important positions in administrative functions, including Senior Manager of General Affairs Dept., Head of Administration Headquarters, and Head of Administration Supervisory Headquarters. In addition, he served as Representative Director, President, and has abundant experience and a thorough knowledge of the Company's business in general. After assuming the position of Director, he has strived for the sustainable growth and development of the Company by utilizing his excellent foresight from a company-wide perspective and specialized knowledge and experience. The Company has again nominated him as a candidate for Director as we judge that he is able to appropriately supervise decision-making and execution in the management of the Group.



8

Hiroko Shimada

(Date of Birth: February 13, 1964)

Re-election

Number of Shares of the
Company Held:

1,200

External

Tenure as Director:

3 years

Independent

Number of Attendances at
Meetings of the Board of Directors:

13/13 (100%)

Career summary, position, responsibilities, and important concurrent positions

Apr. 1986	Joined the National Personnel Authority
Jun. 1990	Long-term overseas researcher in the United Kingdom
Apr. 1994	Assistant Counselor, Bureau of Personnel Affairs, Management and Coordination Agency (currently Ministry of Internal Affairs and Communications)
Apr. 2000	First Secretary, the Permanent Mission of Japan to the International Organizations in Geneva, Ministry of Foreign Affairs of Japan
Apr. 2013	Director, General Affairs Division, Secretariat of National Personnel Authority
Apr. 2015	Professor, Graduate School of Public Policy, Ritsumeikan University
Apr. 2017	Deputy Director General, Remuneration Bureau, National Personnel Authority
Apr. 2018	Deputy Director General, Human Resources Bureau, National Personnel Authority
Apr. 2019	Professor, School of Government, Kyoto University (current position)
Mar. 2023	Director of the Company (current position)
Jun. 2023	Director of CKD Corporation (current position)

Reasons for nomination as a candidate for External Director and outline of expected roles


Professor Hiroko Shimada has been involved in the planning and execution of personnel policies for government employees at the central government office and comparative research with the private sector and overseas though she has no previous direct experience in corporate management. Currently, she is engaged in education and research on personnel policy as a graduate school professor. The Company has again nominated her as a candidate for External Director, expecting her to ensure the appropriateness and adequacy of the Board of Directors' decision-making from a neutral standpoint by utilizing her extensive experience and knowledge as an expert in human resource issues.

- (Notes)
1. There is no special interest between each candidate and the Company.
 2. Professor Hiroko Shimada is a candidate for External Director. The Company has submitted notification to Tokyo Stock Exchange, Inc. ("TSE") that Professor Shimada has been designated as an independent officer as provided for by TSE. If this Proposal is approved, she will continue to be designated as an independent officer. Her independence is judged based on the independence criteria established by TSE.
 3. Professor Hiroko Shimada will have been in office as External Director for three years at the closing of this General Meeting of Shareholders.
 4. Mr. Shoichi Morita and Mr. Nobuyuki Matsuo served as Directors of the Company during the period from March 2019 to March 2022.
 5. The number of shares of the Company held by candidates for Directors is as of December 31, 2025. The number of shares of the Company held includes equity interests in the share ownership plan of directors and officers of SPACE.
 6. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Professor Hiroko Shimada to limit her liability for damages under Article 423, Paragraph 1 of the same Act. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations. If this Proposal is approved, the Company will continue this agreement.
 7. The Company has entered into a contract of directors and officers liability insurance with an insurance company pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act. The insurance agreement covers damages arising from the performance of duties by directors and officers, including claims seeking to hold them liable for such performance. Each candidate will be included as the insured under the insurance contract.
In addition, the Company intends to renew the contract with the same content at the time of renewal.

Proposal 3: Election of Three Directors Who are Audit and Supervisory Committee Members

The terms of office of Ms. Hiromi Maekawa, Professor Ryoko Wada, and Dr. Satoshi Taguchi who are Audit and Supervisory Committee Members will expire at the closing of this General Meeting of Shareholders. Accordingly, the Company proposes the election of three Directors who are Audit and Supervisory Committee Members. The consent of the Audit and Supervisory Committee has been obtained for this Proposal.

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

	1	Ryoko Wada	(Date of Birth: September 3, 1964)	Re-election
		Number of Shares of the Company Held:	7,477	External
		Tenure as Director:	10 years	Independent
		Number of Attendances at Meetings of the Board of Directors:	13/13 (100%)	

Career summary, position, responsibilities, and important concurrent positions

Apr. 1999	Full-time Lecturer, Faculty of Economics, Keiai University
Sep. 2006	Part-time Lecturer, Faculty of Policy Management, Keio University
Oct. 2009	Professor, Faculty of Economics, Keiai University (current position)
Mar. 2012	Director of the Company
Mar. 2016	Director (Audit and Supervisory Committee Member) (current position)
Mar. 2021	Visiting Researcher, Kyoto Institute of Economic Research

Reasons for nomination as a candidate for External Director and outline of expected roles

Professor Ryoko Wada studies experimental economics and behavioral economics as a professor though she has no previous direct experience in corporate management. The Company has again nominated her as a candidate for External Director, expecting her to ensure the appropriateness and adequacy of the Board of Directors' decision-making from a neutral standpoint by utilizing her extensive experience and knowledge in economics and industry as an expert in economics.



2 Satoshi Taguchi

(Date of Birth: May 7, 1974)

Re-election

Number of Shares of the
Company Held: 2,423

External

Tenure as Director: 10 years

Independent

Number of Attendances at
Meetings of the Board of Directors: 13/13 (100%)

Career summary, position, responsibilities, and important concurrent positions

Apr. 2003	Joined Shin Nihon & Co. (currently Ernst & Young ShinNihon LLC)
Apr. 2004	Associate Professor, School of Management and Information Sciences, Tama University
Oct. 2004	Director and Manager of Investigation and Research Department of Glory Total Management Co., Ltd.
Apr. 2007	Associate Professor, Faculty of Commerce, Doshisha University
Oct. 2010	Director and Manager of Quality Management Department of Glory Total Management Co., Ltd.
Mar. 2012	Corporate Auditor of the Company
Apr. 2013	Professor, Faculty of Commerce, Doshisha University
Apr. 2013	Director and Manager of Business Administration Department of Glory Total Management Co., Ltd. (current position)
Mar. 2016	Director (Audit and Supervisory Committee Member) of the Company (current position)
Mar. 2016	Registered as a certified public accountant
Apr. 2016	Professor, Graduate School of Commerce, Doshisha University (current position)

Reasons for nomination as a candidate for External Director and outline of expected roles

Dr. Satoshi Taguchi studies accounting as a graduate school professor, serves as a director of Glory Total Management Co., Ltd., and has knowledge of finance and accounting as a certified public accountant. The Company has again nominated him as a candidate for External Director, expecting him to ensure the appropriateness and adequacy of the Board of Directors' decision-making from a neutral standpoint by utilizing his extensive experience and knowledge as an accounting expert.



3 Hiroko Oda

(Date of Birth: May 15, 1977)

New

Number of Shares of the Company Held: -

External

Tenure as Director: -

Independent

Number of Attendances at Meetings of the Board of Directors: -

Career summary, position, responsibilities, and important concurrent positions

Oct. 2012	Joined the Nagoya Legal Affairs Bureau (part-time employee)
Jan. 2021	Joined NAGOYA CENTRAL LAW OFFICE (current position)
Apr. 2022	Registered as an attorney
Apr. 2023	Specially Appointed Researcher, Companies Act Case Study Project, Chukyo University (current position)
Jun. 2024	Director of Legal Assist Inc. (current position)

Reasons for nomination as a candidate for External Director and outline of expected roles

Ms. Hiroko Oda, in addition to her practical experience as an attorney at NAGOYA CENTRAL LAW OFFICE, has also served as a director of other companies. As an attorney, she is well versed in a comprehensive range of legal matters, including the Companies Act, and possesses advanced expertise in legal risks inherent in corporate activities. The Company has newly nominated her as a candidate for External Director who is an Audit and Supervisory Committee Member, expecting her contribution to ensure the appropriateness and adequacy of the Board of Directors' decision-making from a neutral and independent standpoint by utilizing her extensive experience and knowledge as an expert in legal affairs and risk management.

- (Notes)
1. There is no special interest between each candidate and the Company.
 2. Professor Ryoko Wada, Dr. Satoshi Taguchi and Ms. Hiroko Oda are candidates for External Directors. The Company has submitted notification to Tokyo Stock Exchange, Inc. ("TSE") that Professor Wada and Dr. Taguchi have been designated as independent officers as provided for by TSE. If this Proposal is approved, they will both continue to be designated as independent officers. Their independence is judged based on the independence criteria established by TSE. Furthermore, the Company has determined that Ms. Oda satisfies the requirements for an independent officer as provided for by TSE, and intends to designate her as an independent officer once elected.
 3. Professor Ryoko Wada will have been in office as Director who is an Audit and Supervisory Committee Member for 10 years and as External Director for 14 years at the closing of this General Meeting of Shareholders.
 4. Dr. Satoshi Taguchi will have been in office as Director who is an Audit and Supervisory Committee Member and External Director for 10 years at the closing of this General Meeting of Shareholders.
 5. The number of shares of the Company held by candidates for Directors who are Audit and Supervisory Committee Members is as of December 31, 2025. The number of shares of the Company held includes equity interests in the share ownership plan of directors and officers of SPACE.
 6. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Professor Ryoko Wada and Dr. Satoshi Taguchi to limit their liability for damages under Article 423, Paragraph 1 of the same Act. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations. If this Proposal is approved, the Company will continue this agreement. In addition, the Company intends to enter into the same agreement with Ms. Hiroko Oda once elected.
 7. The Company has entered into a contract of directors and officers liability insurance with an insurance company pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act. The insurance agreement covers damages arising from the performance of duties by directors and officers, including claims seeking to hold them liable for such performance. Each candidate will be included as the insured under the insurance contract. In addition, the Company intends to renew the contract with the same content at the time of renewal.

[Reference]

Board policies and procedures in the appointment/dismissal of the senior management and the nomination of candidate for Directors and Directors who are Audit and Supervisory Committee Members based on Corporate Governance Code

In the appointment of the senior management and the nomination of candidates for Directors, the Company's basic policy is to nominate those who have a strong will and ability to implement its mission, vision and values, and who have ethics and integrity, in order to realize sustainable improvement of corporate value. In addition, the Company has established nomination criteria for Directors, Directors who are Audit and Supervisory Committee Members, and External Directors, and nominates those who meet these criteria. The Company defines areas of knowledge and experience that are deemed to be important in the required supervisory and business execution capabilities, considers diversity based on such definition, and strives to build a balanced structure as a whole to strengthen its business execution capabilities and management supervisory functions. In making a decision, the Nomination and Remuneration Committee, which is an advisory body to the Board of Directors, deliberates and reports to the Board of Directors, and the Board of Directors makes a decision based on the report.

In case of dismissal, if it is found that the criteria for dismissal specified by the Company are met, the Nomination and Remuneration Committee shall obtain necessary information and submit a report to the Board of Directors based on objective facts. The Board of Directors shall make a decision after fully respecting the report.

Skill Matrix of the Board of Directors after the General Meeting of Shareholders

	Independence (External)	Corporate management/ Management strategies	Finance/ Accounting	Legal/ Risk management	Supply chain/ Products	Human resources/ Human resource development/ Labor management	Economy/ Industry	Creativity/ Design	Business strategy/ Marketing
Kohshi Shomura		●			●			●	●
Shoichi Morita		●			●			●	●
Nobuyuki Matsuo		●	●	●		●			
Kazuyuki Ohashi					●				●
Takumi Sawa								●	●
Chizuo Kato		●					●		
Hiroyuki Wakabayashi		●	●			●	●		
Hiroko Shimada	●					●			
Kazuhisa Mishina			●	●					
Ryoko Wada	●						●		
Satoshi Taguchi	●		●						
Hiroko Oda	●			●					

(Note) The above list does not represent all of the experience and knowledge held by Directors, and marks the main items.

Item	Descriptions
Corporate management/Management strategies	Skills to define the Company's mission, vision, and values, and to create and drive a framework and evaluation criteria (KPI) to realize them, based on their experience in corporate management
Finance/Accounting	Skills to prevent accounting fraud, ensure corporate accounting compliance, and propose the optimal equity ratio and financing methods based on their knowledge of finance
Legal/Risk management	Skills to respond appropriately to potential internal and external risks
Supply chain/Products	Skills to manage construction sites, costs/quality/delivery of products and works, and the network of partner companies (entire process, including outsourcing to partner companies)
Human resources/Human resource development/Labor management	Skills to build a personnel system that enables employees to achieve self-fulfillment and secure talented people
Economy/Industry	Skills to create multiple scenarios in an environment of industrial structure changes, and to construct macro models and conduct statistical estimation necessary for establishing action guidelines under such scenarios
Creativity/Design	Skills to draw and promote visions of creating and developing value-added space that the Company may provide
Business strategy/Marketing	Skills to create and promote superior businesses and increase sales and profits through sales, development, alliances, and partnerships in each department's business