



The 160th Business Year Notice of Convocation of the Ordinary General Shareholders' Meeting



Time and Date

Friday, June 23, 2023
10:00 a.m.



Venue

**1st Floor hall, Head of Techno Center,
Nikko Co., Ltd.**

1013-1, Eigashima, Okubo-cho, Akashi, Hyogo Prefecture

Please refer to the map of the venue at the
end of this notice in attending the Meeting.

Resolutions

- Proposal 1:** Appropriation of Surplus from the 160th Business Year
Proposal 2: Election of Nine Directors
Proposal 3: Election of Three Audit & Supervisory Board Members
Proposal 4: Election of One Substitute Audit & Supervisory Board Member

Deadline for exercising voting rights via the internet or in writing (mail)

Thursday, June 22, 2023
Till 5 p.m.

[Notice]

If the spread of COVID-19 infections results in changes to the operation, etc. of the General Shareholders' Meeting, the Company will post a notification on its website to inform the shareholders. Please kindly check the site for notifications. (<https://www.nikko-net.co.jp/>)

You may also exercise your voting rights in advance via the internet, etc. and in writing (by post). You are requested to kindly also consider exercising your voting rights ahead of the meeting.



Main contents of this
convocation notice are
available on a PC or a
smartphone.
<https://p.sokai.jp/6306/>



To Shareholders:

(Tokyo Stock Exchange Code: 6306)
June 7, 2023

1013-1, Eigashima, Okubo-cho, Akashi, Hyogo Prefecture

Nikko Co., Ltd.

Representative Director and President Masaru Tsuji

Notice of Convocation of the 160th Ordinary General Shareholders' Meeting

We deeply thank you for your continued support.

We would like to notify you of the 160th Ordinary General Shareholders' Meeting of Nikko Co., Ltd., which will be held as described below.

If you are unable to attend the meeting, you may exercise your voting rights using one of the methods explained from page 3 onwards. Please consider the reference materials attached to this notice and exercise your voting rights.

Meeting Details


1	Time and Date	From 10:00 a.m., Friday, June 23, 2023	
2	Venue	1st Floor Hall, Techno Center, Nikko Co., Ltd. 1013-1, Eigashima, Okubo-cho, Akashi-shi, Hyogo Prefecture If you are attending the Meeting, please refer to the map of the venue at the end of this notice.	
3	Meeting agenda	Reports	1. Business report, consolidated financial statements, and non-consolidated financial statements for the 160th business year (from April 1, 2022 to March 31, 2023) 2. Results of the audits of the consolidated financial statements for the 160th business year (from April 1, 2022 to March 31, 2023) by the Independent Auditor and Audit & Supervisory Board
		Resolutions	Proposal 1: Appropriation of Surplus from the 160th Business Year Proposal 2: Election of Nine Directors Proposal 3: Election of Three Audit & Supervisory Board Members Proposal 4: Election of One Substitute Audit & Supervisory Board Member
4	Matters Regarding Measures for Electronic Provision	In convening this General Meeting of Shareholders, the Company has taken measures for the electronic provision of information contained in the reference documents for the general meeting of shareholders, etc. (matters subject to measures for the electronic provision of information), and has posted the information on each of the following websites. Please access either of the websites to view the information. https://www.nikko-net.co.jp/ir/meeting.html https://d.sokai.jp/6306/teiji/ In addition to the Company’s website, the matters subject to measures for electronic provision are also posted on the website of the Tokyo Stock Exchange (TSE; Listed Company Search). Access the TSE website by using the internet address shown below, enter “Nikko” in “Issue name (company name)” or the Company’s securities code “6306” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information” to view the information. https://www2.jp.x.co.jp/tseHpFront/JJK010010Action.do?Show=Show	

To Shareholders:

- ◎ When you arrive at the venue, please submit the enclosed Voting Rights Exercise Form at the reception desk at the venue.
- ◎ If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the websites listed on page 1 where the matters subject to measures for electronic provision are posted.
- ◎ Among the matters subject to measures for the electronic provision of information, the following matters are excluded from the paper-based documents delivered to shareholders who have made a request for delivery of such documents in accordance with relevant laws and regulations and the provisions of Article 16 of the Articles of Incorporation of the Company (we are sending the said documents also to the shareholders who have not requested them for this General Meeting of Shareholders). Therefore, the said materials are portions of the statements that were audited by the Audit & Supervisory Board Members and the Independent Auditors in their preparation of the accounting audit report.
 - (i) "Status of Agreement for Limitation of Liability" and "Summary of Directors and Officers Liability Insurance" under Company Executives of the Business Report
 - (ii) "Systems Necessary to Ensure That the Execution of the Duties by the Directors Complies with Applicable Laws and the Articles of Incorporation, and to Ensure That the Other Operations of Nikko Co., Ltd. and the Operations of the Group of Enterprises Consisting of Nikko Co., Ltd. and its Subsidiaries are Appropriate," "Overview of the Operation of the Internal Control System," "Basic Policy Regarding the Control by the Stock Company," and "Policy on Deciding Dividend of Surplus, etc." of the Company's System and Policy of the Business Report
 - (iii) "Consolidated Statements of Changes in Equity of the Consolidated Financial Statements" and "Notes to the Consolidated Statements"
 - (iv) "Non-Consolidated Statements of Changes in Equity of the Financial Statements" and "Notes to the Statements"

How to Exercise Voting Rights

Voting rights at an Ordinary General Shareholders' Meeting are an important right of the shareholders. We sincerely request you to consider the reference materials for the meeting, upon exercising your voting rights. The following three methods can be used for exercising voting rights.




Attending the Ordinary General Shareholders' Meeting in person

Please submit the enclosed Voting Rights Exercise Form at the reception desk.

Time and Date

Friday, June 23, 2023
10:00 a.m.
 (The reception desk opens at 9:00 a.m.)




Exercise of voting rights via the internet

Please enter your approval or disapproval of the proposals in accordance with the instructions in the next page.

Deadline for exercising voting rights:

Thursday, June 22, 2023
Input need to be completed by 5:00 p.m.



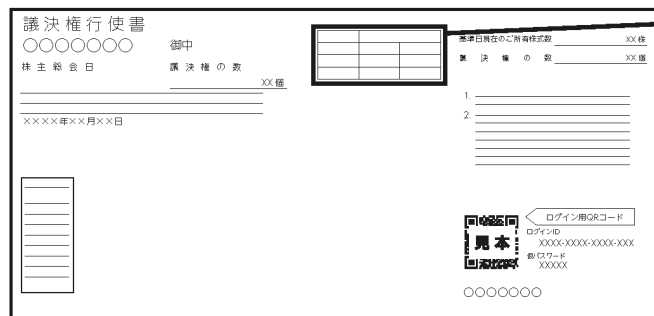
Exercise of voting rights in writing (postal mail)

Please indicate your approval or disapproval on each of the proposals on the enclosed Voting Rights Exercise Form and send it by mail. The form does not require a postal stamp.

Deadline for exercising voting rights:

Thursday, June 22, 2023
The voting rights arriving by 5:00 p.m. will be accepted.

How to fill the Voting Rights Exercise Form



The form is titled "議決権行使書" (Voting Rights Exercise Form). It includes fields for "御中" (To), "株主総会日" (General Meeting Date), and "議決権の数" (Number of Shares). There is a section for "承認" (Approval) and "反対" (Disapproval) with checkboxes. A "ログイン用QRコード" (QR code for login) is also present. The form is marked with "見本" (Sample) and "控え" (Copy).

*The Voting Rights Exercise Form is a representative image.

Enter your approval or disapproval here.

Proposal 2 and 3

- If you approve the election of all candidates >>> Draw a circle (○) in the **"Approve"** field.
- If you disapprove the election of all candidates >>> Draw a circle (○) in the **"Disapprove"** field.
- If you disapprove the election of some of the candidates >>> Draw a circle (○) in the **"Approve"** field and enter the number of the candidate you disapprove.

Proposals 1 and 4

- If you approve the proposal >>> Draw a circle (○) in the **"Approve"** field.
- If you disapprove the proposal >>> Draw a circle (○) in the **"Disapprove"** field.

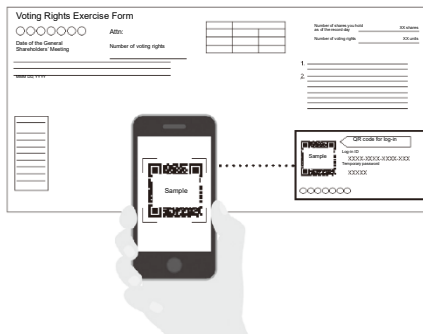
If you exercise your voting rights both via the internet and in writing (mail), the voting rights exercised via the internet are accepted as the valid exercise of voting rights. If you exercise your voting rights over several times via the internet, the final entry is accepted as the valid exercise of voting rights. If you exercise your voting rights in writing and in case that there is no indication of approval or disapproval for each proposal on the returned Voting Form, the vote will be regarded as having indicated approval for proposals made by the Company.

How to exercise voting rights via the internet

How to read the QR code

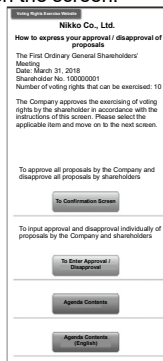
You may log in to the voting right exercise website without the log-in ID and temporary password in the Voting Rights Exercise Form.

- 1 Read the QR code printed in the Voting Rights Exercise Form.



*"QR code" is a registered trademark of Denso Wave Incorporated.

- 2 Please enter your approval or disapproval by following the instructions on the screen.



Should you have any question or inquiry on how to operate a PC or smartphone for exercising your voting rights via the internet, please contact the helpdesk using the telephone number on the right.

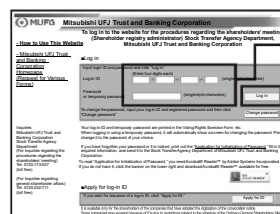
Help Desk, Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation
0120-173-027
(Toll free; from 9:00 to 21:00)

Institutional investors may use the voting rights electronic execution platform for institutional investors operated by ICJ, Inc.

How to enter login ID and temporary password

Voting right exercise website <https://evote.tr.mufig.jp/>

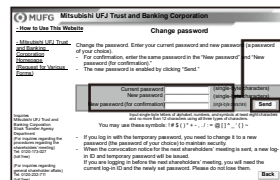
- 1 Access the voting right exercise website.
- 2 Enter the log-in ID and temporary password in the Voting Rights Exercise Form and click.



Input the login ID and temporary password.

Click "Log in."

- 3 Register a "new password."



Input the "new password."

Click "Send."

- 4 Please enter your approval or disapproval by following the instructions on the screen.

*The operation screen is a representative image.

**Reference Materials for the Ordinary
General Shareholders' Meeting
Proposals and Reference Items**

Proposal 1: Appropriation of Surplus from the 160th Business Year

The Company recognizes appropriate returns of profit to shareholders as one of the important management issues. Its basic policy is to decide the amount of dividends by comprehensively considering requirements for enhancement of internal reserve, etc., while intending, in principle, to pay dividends by reflecting its business performance for the concerned period.

Under this basic policy, the Company sets the year-end dividend for the current business year as described below.

Matters regarding year-end dividends

(1) Type of dividend property

Cash

(2) Matters regarding appropriation of the dividend property to shareholders and its total amount

15.00 yen per share of common stock 574,150,425 yen in total

(3) Effective date of dividend of surplus

June 26, 2023

As a result, annual dividend for the current fiscal year including interim dividend is 30.00 yen per share of common stock.

Proposal 2: Election of Nine Directors

The Company emphasizes on management responsibility of its Directors and its Articles of Incorporation set the term of their office at one year so as to ask shareholders confidence in them every business year.

The term of office of all nine Directors will expire at the conclusion of this Ordinary General Shareholders' Meeting, and Nikko Co., Ltd. requests to elect nine Directors once again.

Candidates for Directors are as described below.

The number of candidates and the candidates are determined at the Board of Directors upon consideration of a report by the Nomination and Remuneration Committee, which serves as an advisory body to the Board of Directors.

Candidate number	Name (Date of birth)	Brief personal history, position and responsibility at Nikko Co., Ltd. (Important concurrent position)		The number of shares the candidate holds in the Company
1	Takahisa Nishikawa (Date of birth: March 31, 1959) Reappointment	April 1982 June 2007 June 2008 June 2011 June 2012 April 2019	Joined Nikko Co., Ltd. Executive Officer of the Company Director of the Company Managing Director of the Company Representative Director and President of the Company Representative Director and Chairman of the Company (current) Affiliates in-charge and General Manager of Manufacturing Division of Nikko Co., Ltd. (current)	120,200 shares
	[Reason for nomination as candidate for Director] Takahisa Nishikawa has appropriately supervised the management and taken decisions on important matters as the Representative Director and President since 2012, Representative Director and Chairman since April 2019, and Director and Chairman since June 2021, and has been contributing to business expansion while working to improve the corporate value. Given his track record and based on the judgment that he is an appropriate human resource for realizing continuous improvement in its corporate values, the Company requests to elect him again as Director.			
2	Masaru Tsuji (Date of birth: June 4, 1960) Reappointment	September 1987 June 2007 June 2008 June 2011 June 2015 April 2016 April 2019	Joined Nikko Co., Ltd. Executive Officer of the Company Director of the Company Managing Director of the Company Senior Managing Director of the Company General Manager of Business Division of the Company Representative Director and President of the Company (current) Internal control in-charge and General Manager of Technology Division of the Company (current)	108,900 shares
	[Reason for nomination as candidate for Director] Since 2019, Masaru Tsuji has appropriately supervised the management and taken decisions on important matters as the Representative Director and President and has formulated and been implementing the Medium-Term Management Plan while working to improve the Company's corporate value. Given his track record and based on the judgment that he is an appropriate human resource for realizing continuous improvement in its corporate values, the Company requests to elect him again as Director.			

Candidate number	Name (Date of birth)	Brief personal history, position and responsibility at Nikko Co., Ltd. (Important concurrent position)		The number of shares the candidate holds in the Company
3	Hiroshi Fujii (Date of birth: January 16, 1959) Reappointment	April 1982	Joined Taiyo-Kobe Bank Limited (current Sumitomo Mitsui Banking Corporation)	66,400 shares
		April 2009	Manager of Kansai Corporate Solution Sales Department, SMBC Consulting Co., Ltd.	
		June 2011	Director of the Company	
		June 2018	Manager of Financial Department of the Company	
			Managing Director of the Company	
		April 2020	General Manager of Financial Division of the Company	
			General Manager of Financial Division and Security Export Control in-charge of the Company	
		April 2021	General Manager of Administrative Division, General Manager of Financial Department, and Security Export Control in-charge of the Company	
			General Manager of Administrative Division and Security Export Control in-charge of the Company (current)	
		May 2021	Senior Managing Director of the Company	
	April 2023	Representative Director and Vice President of the Company (current)		
<Important concurrent position>				
Representative Director and President, Nikko Kosan Co., Ltd.				
Representative Director and President, Nikko Baumaschinen GmbH				
[Reason for nomination as candidate for Director] Hiroshi Fujii has appropriately supervised the management and taken decisions on important matters as Director, been in charge of administration of corporate planning and taken initiatives in the financial strategy as Representative Director and Vice President, and been in charge of security export control and driven forward the management plan. Given his track record and based on the judgment that he is an appropriate human resource for realizing continuous improvement in its corporate values, the Company requests to elect him again as Director.				

Candidate number	Name (Date of birth)	Brief personal history, position and responsibility at Nikko Co., Ltd. (Important concurrent position)		The number of shares the candidate holds in the Company
4	Tomomi Nakayama (Date of birth: January 10, 1963) Reappointment	April 1982 January 2011 July 2013	Joined Nikko Co., Ltd. Branch Manager of Chubu Branch, the Company Manager, Asphalt Plant Sales Management Department, Tokyo Head Office, the Company	42,860 shares
		June 2015 April 2016 April 2018 April 2019 June 2019 June 2022 April 2023	Executive Officer of the Company Manager of Business Planning Department, Business Division, and Manager of Asphalt Plant Sales Management Department, Tokyo Head Office, the Company Manager of Business Planning Department, Business Division, Manager of Asphalt Plant Sales Management Department, and Director of AP Technology Center, the Company Manager of Business Planning Department, Business Division, Manager of Asphalt Plant Sales Management Department, Director of AP Technology Center, and Manager of Mobile Plant Business Department of the Company General Manager of Business Division, Manager of Business Planning Department, and Manager of Asphalt Plant Sales Management Department of the Company Director of the Company Managing Director of the Company (current) General Manager of Business Division, Manager of Business Planning Department of the Company (current)	
[Reason for nomination as candidate for Director] Tomomi Nakayama has appropriately supervised the management and taken decisions on important matters as Director, been in charge of the Business Division as Managing Director, taken initiatives in sales strategies, and driven forward management plans. Given his track record and based on the judgment that he is an appropriate human resource for realizing continuous improvement in its corporate values, the Company requests to elect him again as Director.				
5	Takeshi Sone (Date of birth: February 25, 1970) New appointment	April 1990 June 2012	Joined Nikko Co., Ltd. Director of Tokyo Service Center, Service Planning Department of the Company	8,495 shares
		October 2013 April 2015 April 2016 April 2018 April 2019 June 2019 June 2022 April 2023	Director of Tokyo Service Center, Service Planning Department, and Director of Wangan Service Station of the Company Deputy Manager of Service Planning Department and Director of TSC Center of the Company Branch Manager of Chubu Branch of the Company Branch Manager of Kanto Branch of the Company Branch Manager of Kanto Branch and Manager of Mobile Plant Business Department of the Company Executive Officer of the Company Senior Executive Officer of the Company (current) Manager of Service Planning Department and Mobile Plant Business Department of Business Division (current)	
[Reason for nomination as candidate for Director] Takeshi Sone has worked in the service division, which is the Company's mainstay division, for many years and is well versed in its operations as he has served as director of service center, branch manager, and department manager. In particular, he is contributing to the expansion of the business as the officer in charge of the mobile plant division. Given his track record and based on the judgment that he is an appropriate human resource for realizing continuous improvement in its corporate values, the Company requests to newly elect him as Director.				

Candidate number	Name (Date of birth)	Brief personal history, position and responsibility at Nikko Co., Ltd. (Important concurrent position)		The number of shares the candidate holds in the Company
6	Koichi Kawakami (Date of birth: July 8, 1965) <div>New appointment</div>	December 1988 March 2003	Joined Nikko Co., Ltd. General Manager of Corporate Planning Office, Administrative Division of the Company	3,700 shares
		April 2010 October 2014	General Manager of International Planning Office, International Business Department of the Company General Manager of General Affairs Office, General Affairs Department of the Company	
		April 2018 April 2021	Branch Manager of Chubu Branch of the Company Manager of President Office and Corporate Planning Section Manager, Secretary Section Manager, General Manager of Quality Assurance Office of the Company	
		June 2021 January 2022	Executive Officer of the Company (current) Manager of Corporate Planning Department and CEO's Office, DX Business Team Leader (CDO), Corporate Planning Section Manager, Secretary Section Manager, General Manager of Quality Assurance Office of the Company	
		October 2022	Manager of Corporate Planning Department and CEO's Office, DX Business Team Leader (CDO), Corporate Planning Section Manager, Secretary Section Manager of the Company	
		April 2023	Deputy General Manager of Administrative Division, Manager of Corporate Planning Department and CEO Office, and DX Business Team Leader (CDO) of the Company (current)	
[Reason for nomination as candidate for Director] Koichi Kawakami has worked in the Company's sales division, overseas business division, and administrative division and has experience in operations and management of diverse fields as he served as General Manager of Corporate Planning Office and General Affairs Department as well as branch managers, which have given him extensive knowledge and experience regarding the Company's management. Given his track record and based on the judgment that he is an appropriate human resource for realizing continuous improvement in its corporate values, the Company requests to newly elect him as Director.				
7	Masafumi Ishii (Date of birth: November 3, 1957) <div>Reappointment</div>	April 1980 February 2002 January 2004 July 2006 January 2013	Joined the Ministry of Foreign Affairs Private Secretary to the Minister for Foreign Affairs Minister, Embassy of Japan in the UK Minister, Embassy of Japan in the USA Director-General, International Legal Affairs Bureau, Ministry of Foreign Affairs	2,500 shares
		July 2014 March 2017	Ambassador Extraordinary and Plenipotentiary, Embassy of Japan in Belgium Ambassador Extraordinary and Plenipotentiary, Embassy of Japan in Indonesia	
		January 2021 June 2021	Retired from the Ministry of Foreign Affairs Outside Director of the Company (current)	
[Reason for nomination as candidate for Outside Director and expected roles] Having served in a number of key positions at the Ministry of Foreign Affairs over many years, Masafumi Ishii has extensive knowledge of international affairs based on his abundant international experience as well as understanding of the Asian region, where the Company aims to expand its business in the future. He is expected to offer diverse and wide-ranging advices and appropriately supervise its business execution. While he has not been involved in corporate management in the past, the Company requests to elect him again as Outside Director based on the judgment that he is an appropriate human resource for realizing continuous improvement in corporate values given the above reasons, track record, and expectations.				

Candidate number	Name (Date of birth)	Brief personal history, position and responsibility at Nikko Co., Ltd. (Important concurrent position)		The number of shares the candidate holds in the Company
8	Rika Saeki (Date of birth: February 27, 1961) <div>Reappointment</div>	April 2002 June 2021 June 2022	Established Usystem Limited (current Usystem Co., Ltd.) Representative Director, Usystem Co., Ltd. (current) Outside Director of the Company (current) Director, Kobe Commerce, Industry and Trade Center (current) <Important concurrent position> Representative Director, Usystem Co., Ltd. Director, Kobe Commerce, Industry and Trade Center	None
	[Reason for nomination as candidate for Outside Director and expected roles] Having been engaged in corporate management as the founder and manager of an operating company, Rika Saeki has extensive knowledge and experience, which the Company expects to be reflected in its management. Further, the Company believes that it is necessary for its future development to incorporate her knowledge of ICT, which is her main business, and her diverse opinions from the diversity perspective, and expects her to offer appropriate supervision of and advice on its business execution. Based on the above reasons, track record, and expectations, the Company has judged her to be an appropriate human resource for realizing continuous improvement in its corporate values and requests to elect her again as an Outside Director. If appointed, she is expected to engage in the selection of officer candidates and decision on the remuneration for officers as a Nomination and Remuneration Committee member from an objective and neutral standpoint.			
9	Shigeru Sadakari (Date of birth: September 22, 1957) <div>Reappointment</div>	April 1980 April 2010 May 2011 April 2013 June 2015 June 2016 June 2019 June 2022	Joined Taiyo-Kobe Bank Limited (current Sumitomo Mitsui Banking Corporation) Executive Officer and Manager of Internal Audit Department, Sumitomo Mitsui Banking Corporation Managing Executive Officer, The Minato Bank, Ltd. Senior Representative Managing Director and Senior Managing Executive Officer, The Minato Bank, Ltd. Representative Director and Vice President, Kobe Tochi Tatemono Co., Ltd. Representative Director and President, Kobe Maintenance of Building Co., Ltd. Outside Audit & Supervisory Board Member, the Company Outside Director of the Company (current)	2,500 shares
	[Reason for nomination as candidate for Outside Director and expected roles] Having been engaged in corporate management at financial institutions and operating companies over many years, Shigeru Sadakari has extensive knowledge and experience, which the Company expects to be reflected in its management. Further, the Company believes that it is necessary for its future development to incorporate his diverse opinions regarding financial and accounting, in which he is well-versed, and expects him to offer appropriate supervision of and advices on its business execution. Based on the above reasons, track record, and expectations, the Company requests to elect him again as Outside Director. If appointed, he is expected to continue to engage in the selection of officer candidates and decision on the remuneration for officers as a Nomination and Remuneration Committee member from an objective and neutral standpoint.			

(Notes)

1. There is no special interest between Nikko Co., Ltd. and each of the candidates.
2. Masafumi Ishii, Rika Saeki, and Shigeru Sadakari are candidates for Outside Director.
3. Nikko Co., Ltd. has reported to the Tokyo Stock Exchange that Masafumi Ishii, Rika Saeki, and Shigeru Sadakari as Independent Directors, whose designation is required by the exchange as directors who do not cause conflict of interests with general shareholders. If all three are reappointed, the Company plans to continue to designate them as Independent Directors.
4. Masafumi Ishii and Rika Saeki currently serve as Outside Directors. Their terms of office will be two years each at the conclusion of this Ordinary General Shareholders' Meeting. Shigeru Sadakari currently serves as an Outside Director. His term of office will be one year at the conclusion of this Ordinary General Shareholders' Meeting. Sadakari served as an Outside Audit & Supervisory Board Member of the Company in the past.
5. Nikko Co., Ltd. has entered into agreements with Masafumi Ishii, Rika Saeki, and Shigeru Sadakari to limit their liability for damages and the maximum amount of their liability under these agreements is the amount provided for in laws and regulations. Upon approval of their election, the Company plans to continue these agreements with them.
6. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3 (1) of the Companies Act with an insurance company and the insurance policy covers liability of the insured including Directors arising from the performance of their duties and damage claims put forward pertaining to the pursuit of the said liability. If the candidates are elected as Directors and take office, they become the insured of the said insurance policy. The Company plans to keep the contents of the said insurance policy unchanged in the next renewal.
7. At the moment, the Company does not plan to sign an indemnity agreement based on Article 430-2 (1) of the Companies Act with each of the candidates.

Proposal 3: Election of Three Audit & Supervisory Board Members

The term of office of Audit & Supervisory Board Members Naoki Ota, Tsuyoshi Fukui, and Koji Yoneda will expire at the conclusion of this Ordinary General Shareholders' Meeting, and Nikko Co., Ltd. requests to elect three Audit & Supervisory Board Members.

The candidates for Audit & Supervisory Board Member are as described below.

The candidates are determined at the Board of Directors upon consideration of a report by the Nomination and Remuneration Committee, which serves as an advisory body to the Board of Directors, with the consent of Audit & Supervisory Board.

Candidate number	Name (Date of birth)	Brief personal history and position at Nikko Co., Ltd. (Important concurrent position)		The number of shares the candidate holds in the Company
1	Naoki Ota (Date of birth: March 1, 1955) Reappointment	April 1979 February 2009 March 2011 March 2013 March 2016 June 2019	Joined Nittoseiko Co., Ltd. Representative Director and President of Wacoh Corporation Director of Nittoseiko Co., Ltd. Director and Manager of Fasteners Business Department of Nittoseiko Co., Ltd. Full-time Audit & Supervisory Board Member, Nittoseiko Co., Ltd. Outside Audit & Supervisory Board Member, the Company (current)	300 shares
	[Reason for nomination as candidate for Outside Audit & Supervisory Board Member] Having been engaged in corporate management at operating companies over many years, Naoki Ota has extensive experience in business management and wide-ranging knowledge and is expected to audit and provide instructions regarding soundness and transparency of management execution from an objective and neutral standpoint. Based on the above reasons, the Company requests to elect him again as Outside Audit & Supervisory Board Member.			
2	Tsuyoshi Fukui (Date of birth: July 24, 1965) Reappointment	October 1991 August 1995 April 2018 June 2019 <Important concurrent position> Partner, RSM Seiwa	Joined the Kobe Office of Century Audit Corporation (currently Ernst & Young ShinNihon LLC) Certified as Certified Public Accountant of Japan Joined the Kobe Office of RSM Seiwa (current) Outside Audit & Supervisory Board Member, the Company (current)	500 shares
	[Reason for nomination as candidate for Outside Audit & Supervisory Board Member] Tsuyoshi Fukui has been nominated as a candidate for Outside Audit & Supervisory Board Member so as to leverage his expert knowledge as a Certified Public Accountant in audit and for provision of advice regarding the soundness and transparency of management and execution from an objective and neutral standpoint. While he has not been involved in managing a company in the past, he has an excellent track record as a Certified Public Accountant from an expert standpoint and also has deep knowledge regarding management. Based on the above reasons, the Company judged that he has the ability to appropriately perform duties of an Outside Audit & Supervisory Board Member and requests to elect him again as an Outside Audit & Supervisory Board Member.			

Candidate number	Name (Date of birth)	Brief personal history and position at Nikko Co., Ltd. (Important concurrent position)	The number of shares the candidate holds in the Company
3	<p>Koji Yoneda</p> <p>(Date of birth: February 17, 1957)</p> <p>Reappointment</p>	<p>April 1990 Certified as attorney Joined Motohara & Tanaka Law Office (current Tamon Law Office) (current)</p> <p>June 2022 Outside Audit & Supervisory Board Member of the Company (current)</p> <p><Important concurrent position> Representative Partner, Tamon Law Office</p>	300 shares
	<p>[Reason for nomination as candidate for Outside Audit & Supervisory Board Member]</p> <p>Koji Yoneda has been nominated as a candidate for Outside Audit & Supervisory Board Member so as to leverage his expert knowledge as a lawyer in audit and for provision of advice regarding the soundness and transparency of management and execution from an objective and neutral standpoint. While he has not been involved in managing a company in the past, he has an excellent track record as a lawyer from an expert standpoint and also has deep insight regarding management. Based on the above reasons, the Company judged that he has the ability to appropriately perform duties of an Outside Audit & Supervisory Board Member and requests to elect him again as an Outside Audit & Supervisory Board Member.</p>		

(Notes)

1. There is no special interest between Nikko Co., Ltd. and each of the candidates.
2. Naoki Ota, Tsuyoshi Fukui, and Koji Yoneda are candidates for Outside Audit & Supervisory Board Members.
3. Nikko Co., Ltd. has reported to the Tokyo Stock Exchange that Naoki Ota, Tsuyoshi Fukui, and Koji Yoneda as Independent Officers, whose designation is mandated by the exchange as officers who do not cause conflict of interests with general shareholders. If all three are reappointed, the Company plans to continue to designate them as Independent Officers.
4. Naoki Ota and Tsuyoshi Fukui currently serve as Outside Audit & Supervisory Board Members. Their term of office will be four years at the conclusion of this Ordinary General Shareholders' Meeting. Koji Yoneda currently serves as an Outside Audit & Supervisory Board Member. His term of office will be one year at the conclusion of this Ordinary General Shareholders' Meeting.
5. Nikko Co., Ltd. has entered into agreements with Naoki Ota, Tsuyoshi Fukui, and Koji Yoneda to limit their liability for damages and the maximum amount of their liability under these agreements is the amount provided for in laws and regulations. Upon approval of their election, the Company plans to continue these agreements with them.
6. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3 (1) of the Companies Act with an insurance company and the insurance policy covers liability of the insured including Audit & Supervisory Board Member arising from the performance of their duties and damage claims put forward pertaining to the pursuit of the said liability. If the candidates are elected as Audit & Supervisory Board Members and take office, they become the insured of the said insurance policy. The Company plans to keep the contents of the said insurance policy unchanged in the next renewal.
7. At the moment, the Company does not plan to sign an indemnity agreement based on Article 430-2 (1) of the Companies Act with each of the candidates.

Proposal 4: Election of One Substitute Audit & Supervisory Board Member

Kenji Kishi was elected as a substitute Audit & Supervisory Board Member at the 158th Ordinary General Shareholders' Meeting held on June 24, 2021, and the validity of the election is to expire at the start of this Ordinary General Shareholders' Meeting. In anticipation of a situation where the number of Audit & Supervisory Board Members falls below that provided for by laws and regulations, the Company requests to elect one substitute Audit & Supervisory Board Member.

Haruhiro Ogawa has been nominated as a candidate to be a substitute for Audit & Supervisory Board Member Nobutaka Yasuda.

The validity of the election of a substitute Audit & Supervisory Board Member is subject to cancellation only before his taking office by the resolution of the Board of Directors with the consent of the Audit & Supervisory Board.

The validity of the preliminary election of the substitute Audit & Supervisory Board Member is, in accordance with Article 30 of the Articles of Incorporation, from after this Ordinary General Shareholders' Meeting till the start of the Ordinary General Shareholders' Meeting to be held in two years.

The candidate for substitute Audit & Supervisory Board Member is as described below.

The candidate was determined at the Board of Directors upon consideration of a report by the Nomination and Remuneration Committee, which serves as an advisory body to the Board of Directors, with the consent of Audit & Supervisory Board.

Name (Date of birth)	Brief personal history and position at Nikko Co., Ltd. (Important concurrent position)		The number of shares the candidate holds in the Company
Haruhiro Ogawa (Date of birth: March 5, 1968)	April 1991	Joined Mitsui Taiyo Kobe Bank Limited (current Sumitomo Mitsui Banking Corporation)	100 shares
	April 2013	Branch Manager and Section Manager of Consultant Section, Osaka Branch, SMBC Nikko Securities Inc.	
	April 2014	Branch Manager, Kitasuzurandai Branch, Sumitomo Mitsui Banking Corporation	
	April 2017	Branch Manager, Mikage Branch, Sumitomo Mitsui Banking Corporation	
	October 2018	Senior Manager, Inheritance Advisory Business Division, Sumitomo Mitsui Banking Corporation	
	May 2021	Seconded to the Company Manager, Financial Department, Administrative Division of the Company (current)	
	April 2022	Joined the Company	

[Reason for nomination as candidate for substitute Audit & Supervisory Board Member]

Haruhiro Ogawa has worked for a bank and securities company for many years before serving as the Manager of Financial Department of the Company, and has extensive knowledge and experience regarding financial and accounting. If elected as Audit & Supervisory Board Member, Ogawa is expected to appropriately implement audit for ensuring corporate soundness. Based on these reasons, the Company requests to elect him as substitute Audit & Supervisory Board Member.

(Notes)

1. There is no special interest between Nikko Co., Ltd. and the candidate.
2. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3 (1) of the Companies Act with an insurance company and the insurance policy covers liability of the insured including Audit & Supervisory Board Member arising from the performance of their duties and damage claims put forward pertaining to the pursuit of the said liability. If Haruhiro Ogawa takes office as an Audit & Supervisory Board Member and takes office, he becomes the insured of the said insurance policy. The Company plans to keep the contents of the said insurance policy unchanged in the next renewal.
3. The Articles of Incorporation of the Company stipulates rules regarding an agreement to limit liability of an Audit & Supervisory Board Member for damages. However, it does not plan to sign the said agreement with Haruhiro Ogawa if he takes office as Audit & Supervisory Board Member.
4. At the moment, the Company does not plan to sign an indemnity agreement based on Article 430-2 (1) of the Companies Act with Haruhiro Ogawa if he takes office as Audit & Supervisory Board Member.

End

(Reference) Diversity of the Board of Directors and the Audit & Supervisory Board (if Proposal 2 and Proposal 3 are approved)

Director candidate number	Name	Independence (Outside Directors only)	Knowledge and experience the Company expects*								
			Corporate management Business operation	Industrial knowledge	Finance and accounting	Legal compliance	Overseas experience	Sales experience	ICT	Engineering experience	Administrative experience
1	Takahisa Nishikawa		●	●			●			●	
2	Masaru Tsuji		●	●				●	●	●	
3	Hiroshi Fujii		●		●	●	●				
4	Tomomi Nakayama		●	●				●		●	
5	Takeshi Sone		●	●				●		●	
6	Koichi Kawakami		●	●			●	●	●		
7	Masafumi Ishii	●				●	●				●
8	Rika Saeki	●	●						●		
9	Shigeru Sadakari	●	●		●	●					

* The above list does not cover all knowledge and experiences the candidates have.

* ICT in the above list denotes Information and Communication Technology.

Audit & Supervisory Board Member candidate number	Name	Independence (Outside Directors only)	Knowledge and experience the Company expects*								
			Corporate management Business operation	Industrial knowledge	Finance and accounting	Legal compliance	Overseas experience	Sales experience	ICT	Engineering experience	Administrative experience
–	Nobutaka Yasuda		●	●				●			
1	Naoki Ota	●	●				●				
2	Tsuyoshi Fukui	●			●						
3	Koji Yoneda	●				●					

* The above list does not cover all knowledge and experiences the Audit & Supervisory Board Members have.

(Reference) Criteria for Independence of Outside Officers

The Company shall set the criteria for independence of its outside officers (Directors and Audit & Supervisory Board Members) as follows. If none of the following items applies to an outside officer (or its candidate), the Company deems that the said outside officer maintains adequate independence.

Outside officers shall strive to maintain the independence stipulated by the criteria until retirement. If they come to lose the independence stipulated by the criteria, he or she shall immediately notify the Company.

1. A person who is or used to be engaged in business execution^{*1} of the Company as well as its subsidiaries and affiliates (hereafter referred to as the “Group”).
2. Party for whom the Group is a major business partner^{*2} or a major business partner of the Group and a person who is engaged in business execution at the major business partner of the Group.
3. A major shareholder^{*3} of the Company or a person engaged in business execution at a major shareholder of the Company.
4. A person engaged in business execution at a party in which the Group is a major shareholder.
5. A Group’s major lender^{*4} or person engaged in business execution at a Group’s major lender.
6. A person who belongs to the accounting firm that is the accounting auditor of the Group.
7. A consultant, accountant, tax accountant, attorney at law, judicial scrivener, patent attorney, or other expert receiving 10 million yen or more a year other than officers’ compensation from the Group (if such financial benefits are obtained by an organization such as an incorporated entity and union, a person belonging to such an organization).
8. A person receiving 10 million yen or more a year from the Group.
9. A person engaged in the business execution at a company where the Company’s outside officer concurrently holds a position.
10. A person who fell under any of above items 2 to 9 in the past three years.
11. Spouse, or a relative within one or second degree from a person who falls under any of above items 1 to 10 in the past three years or a relative who lives together with the person.
12. A person who currently holds the position of an independent officer and the total number of years in service as Director exceeds eight years if reappointed or the total number of years in service as Audit & Supervisory Board Member exceeds 12 years if reappointed.
13. In addition to the above items, a person who has a special reason which prevents him or her from performing the duties of an independent outside officer such as a possible conflict of interest with the Company.

^{*1} “Person engaged in business execution” refers to executive directors, executives, executive officers, and other officers and employees in an equivalent position at a corporate body, etc.

^{*2} “Major business partner” refers to a business partner whose transaction exceeds 2% of net sales of either party in the most recent fiscal year.

^{*3} “Major shareholder” refers to a party that directly or indirectly holds 10% or more of the voting rights.

^{*4} “Major lender” refers to a person from which the Group is borrowing equivalent to 2% or more of its consolidated total assets in the most recent fiscal year.

Enacted on May 21, 2021