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Securities code: 4958

Date of sending by postal mail: December 4, 2023

Start date of measures for electronic provision: November 29, 2023

To Our Shareholders

Takao Umino

President & CEO

T. HASEGAWA CO., LTD.

4-4-14, Nihonbashi-honcho, Chuo-ku, Tokyo

Notice of Convocation of the 62nd Annual General Meeting of Shareholders

We are pleased to announce the 62nd Annual General Meeting of Shareholders of T. HASEGAWA CO., LTD. (the “Company”), which will be held as described below.

When convening this General Meeting of Shareholders, we will take measures to provide the information contained in the Reference Documents for the General Meeting of Shareholders, Etc. (items for which the measures for providing information in electronic format will be taken) electronically and will post them on the following websites. Please visit those websites and check.

(The Company’s website) <https://www.t-hasegawa.co.jp/> (in Japanese)

(To view, access this website and select “IR Information,” “Stock Information,” and “General Meeting of Shareholders” in that order.)

(Website for posting of general meeting of shareholders materials) <https://d.sokai.jp/4958/teiji/> (in Japanese)

(Tokyo Stock Exchange website (Listed Company Search))

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

(To view, access the TSE website above, enter “T.HASEGAWA” for “Issue name (company name)” or the Company’s securities code “4958” (half-width characters) for “Code,” click Search, and select “Basic information” and “Documents for public inspection/PR information” in that order, then view the “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” under “Filed information available for public inspection.”)

If you are unable to attend the meeting, you may exercise your voting rights via the internet or in writing (by mail). Please exercise your voting rights no later than 5:30 p.m. on Wednesday, December 20, 2023 (JST) after reviewing the Reference Documents for General Meeting of Shareholders.

1. **Date and Time:** Thursday, December 21, 2023, at 10:00 a.m.
(The reception will commence at 9:00 a.m.)
2. **Venue:** Nomura Conference Plaza Nihonbashi, 6F, Grand Hall
Nihonbashi Muromachi Nomura Building (YUITO),
2-4-3, Nihonbashi-muromachi, Chuo-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported

1. The business report, the consolidated financial statements and audit reports of the Accounting Auditors and the Audit & Supervisory Board for the consolidated financial statements for the 62nd term (from October 1, 2022 to September 30, 2023)
2. The non-consolidated financial statements for the 62nd term (from October 1, 2022 to September 30, 2023)

Matters to be resolved

- | | |
|-------------------|--|
| Proposal 1 | Election of ten (10) Directors |
| Proposal 2 | Election of four (4) Audit & Supervisory Board Members |

4. Decisions related to convocation (Guide to exercising voting rights)

- (1) If you exercise your voting rights in writing (by mail) and there is no indication of your approval or disapproval of a proposal on the Voting Card, we will consider you to approve of the proposal.
- (2) If you exercise your voting rights multiple times via the internet, the last exercise of your voting rights will be treated as valid.
- (3) If you exercise your voting rights both online and in writing (by mail), the exercise of your voting rights via the internet will be treated as valid regardless of the date and time of arrival.

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- ◎ If you attend the meeting in person, please submit the Voting Card at the venue's reception.
 - ◎ If any revisions are made to the items subject to measures for electronic provision, we will post the original and revised contents on each of the above-mentioned websites.
 - ◎ At this General Meeting of Shareholders, we will uniformly send this document containing the items subject to measures for electronic provision as before, regardless of whether or not a request is made for the document to be delivered. However, the following matters are not included in this document based on laws and regulations and Article 17, Paragraph 2 of the Articles of Incorporation of the Company.
 - (i) The status of stock acquisition rights, the system for ensuring properness of operations, and the outline of the operating status of system for ensuring properness of operations in the business report
 - (ii) The consolidated statements of changes in equity and the notes to consolidated financial statements in the consolidated financial statements
 - (iii) The non-consolidated statements of changes in equity and the notes to non-consolidated financial statements in the non-consolidated financial statementsAccordingly, this document constitutes a part of the documents that were audited by the Audit & Supervisory Board Members and the Accounting Auditors in preparing the audit reports.

Reference Documents for General Meeting of Shareholders

Proposal 1 Election of ten (10) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. In that regard, we request the election of ten (10) Directors, increasing the number of Directors by two (2) to enhance the management system. Nomination of the candidates for Director has passed through the deliberation process by the voluntary Appointment Committee of which a majority of the members are independent outside Directors.

The candidates for Director are as follows:


No.	Name		Position in the Company	
1	Takao Umino	(male)	President & CEO	Re-election
2	Yoshiaki Chino	(male)	Representative Director & Deputy President	Re-election
3	Minoru Nakamura	(male)	Director & Senior Executive Vice President	Re-election
4	Tetsuya Nakamura	(male)	Director & Executive Vice President	Re-election
5	Koichiro Kato	(male)	Director & Executive Vice President	Re-election
6	Kenji Hasegawa	(male)	Executive Vice President	New candidate
7	Shingo Ohkado	(male)	Outside Director	Re-election Outside Independent
8	Takao Yuhara	(male)	Outside Director	Re-election Outside Independent
9	Akiko Izumi	(female)	Outside Director	Re-election Outside Independent
10	Paul Dupuis	(male)	–	New candidate Outside Independent

Re-election: Candidate for Director to be re-elected

New candidate: New candidate for Director

Outside: Candidate for outside Director

Independent: Independent director/auditor as defined by the securities exchange

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
1 Re-election	 Takao Umino (March 22, 1947)	Apr. 1970 Joined The Mitsui Bank, Limited (now Sumitomo Mitsui Banking Corporation) Jun. 2004 Representative Director and President of Sakura Card Co., Ltd. (now SMBC Finance Service Co., Ltd.) Jun. 2008 Joined the Company; Senior Advisor Dec. 2008 Director & Senior Executive Vice President of the Company, second in charge of Administration Dec. 2009 In charge of Administration Dec. 2010 In charge of Overseas Business (now Global Business) Dec. 2014 Director, Deputy President & CFO of the Company Nov. 2017 President & COO of the Company Dec. 2021 President & CEO of the Company (present) (Responsibilities in the Company) In charge of Audit Division and Quality Assurance Division (Important concurrent positions) Director (Chairman) of T. HASEGAWA U.S.A., INC. Director (Chairman) of MISSION FLAVORS & FRAGRANCES, INC.	15,900

[Reasons for nomination as a candidate for Director]


As President & CEO of the Company, Mr. Umino demonstrates superior leadership in his role of being in charge of the Company as a whole, and supervises the execution of business of the Company. From his long-standing and abundant experience in the financial sector and in the area of global business, he possesses a broad range of specialist knowledge and keen insight into the overall corporate management and global business operations. Since assuming office as President in 2017, he has focused on the establishment of an organizational foundation that can flexibly respond to changes in the business environment, reform of awareness, and development of human resources. To achieve growth in overseas markets, which is included in the Company's basic policy, he has proactively promoted global strategies, such as leading an acquisition project by a U.S. subsidiary. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.

[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
2 Re-election	 Yoshiaki Chino (January 25, 1950)	Apr. 1972 Joined the Company Dec. 2003 Executive General Manager; General Manager of Food Materials Division of the Company Dec. 2006 Senior Vice President; Deputy General Manager of Fukaya Production Center of the Company Dec. 2007 General Manager of Fukaya Production Center of the Company Dec. 2011 Executive Vice President of the Company Dec. 2014 Director & Senior Executive Vice President of the Company Nov. 2015 President of T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD. Oct. 2018 General Manager of R&D Center of the Company Oct. 2020 Director, Deputy President of the Company General Manager of Business Solution Division of the Company Dec. 2021 Representative Director & Deputy President of the Company (present) (Responsibilities in the Company) In charge of the Production	11,380

[Reasons for nomination as a candidate for Director]


As Representative Director, Mr. Chino has been appropriately fulfilling such roles as making decisions on important matters of management and supervising the execution of business. He has served in key positions in the Company over many years, in the areas of research, production, procurement, etc. and possesses abundant experience and broad knowledge. As General Manager of R&D Center of the Company since October 2018, he led the organizational revitalization and productivity improvement of Research & Development, and from October 2020, as General Manager of Business Solution Division of the Company, which is in charge of research, sales, and marketing, he promoted the creation of an organization that provides customers with accurate solutions that take advantage of the Company's comprehensive strength. Since July 2023, he has overseen Production and promoted initiatives such as improving the environment for occupational safety and health at production sites, rebuilding factories to respond to changes in the products produced, and integration of production equipment. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.


[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
3 Re-election	 Minoru Nakamura (September 5, 1955)	<p>Apr. 1981 Joined Nippon Kokan Ltd. (now JFE Engineering Corporation)</p> <p>Aug. 1988 Joined The Mitsui Bank, Limited (now Sumitomo Mitsui Banking Corporation)</p> <p> Seconded to Mitsui Institute of Research Inc. (now The Japan Research Institute, Limited)</p> <p>Sep. 2006 Joined the Company; Chief Administrator, Corporate Planning Division</p> <p>Dec. 2011 Executive General Manager; General Manager of Corporate Planning Division, and General Manager of Information Systems Division of the Company</p> <p>Dec. 2013 Senior Vice President of the Company</p> <p>Dec. 2015 Executive Vice President; General Manager of Corporate Planning Division, and General Manager of Human Resources Division of the Company</p> <p>Dec. 2017 Director & Executive Vice President of the Company</p> <p>Oct. 2020 Director & Senior Executive Vice President of the Company (present)</p> <p>(Responsibilities in the Company) In charge of Administration</p> <p>(Important concurrent positions) Representative Director and President of T. HASEGAWA BUSINESS SERVICE CO., LTD.</p>	12,500
<p>[Reasons for nomination as a candidate for Director] As Director, Mr. Nakamura has been appropriately fulfilling such roles as making decisions on important matters of management and supervising the execution of business. Having experience in management consulting and having served in key positions in the Company's Administration, he possesses abundant specialist knowledge relating to overall management and keen insight. As Senior Executive Vice President of the Company, he is in charge of Administration and promotes various measures that lead to improvement of medium- to long-term performance, such as compliance, risk management, operational streamlining, human resources development, and sustainability-oriented business strategies. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.</p> <p>[Special interest between the candidate and the Company] There is no special interest between him and the Company.</p> <p>[Outline of details of directors and officers liability insurance policy] The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
4 Re-election	 Tetsuya Nakamura (March 12, 1959)	Apr. 1982 Joined the Company Apr. 2002 General Manager of Department No. 6, Technical Research Institute of the Company Dec. 2011 Executive General Manager of the Company Dec. 2013 Deputy General Manager of Technical Research Institute of the Company Dec. 2014 Senior Vice President of the Company Jan. 2016 General Manager of Innovative Research Institute of the Company Oct. 2018 General Manager of Technical Research Institute of the Company Oct. 2019 Executive Vice President and Deputy General Manager of R&D Center of the Company Oct. 2020 General Manager of R&D Center of the Company (present) Dec. 2021 Director & Executive Vice President of the Company (present) Jul. 2023 Deputy General Manager of Business Solution Division of the Company (present) (Responsibilities in the Company) In charge of Research & Development and second in charge of Quality Assurance Division, Business Solutions Planning Department, and Production	6,982
<p>[Reasons for nomination as a candidate for Director] As Director, Mr. Nakamura has been appropriately fulfilling such roles as making decisions on important matters of management and supervising the execution of business. He has abundant experience and broad knowledge, having served in key positions in the Company over many years in the area of R&D. As an Executive Vice President, he is in charge of Research & Development, facilitates organic cooperation between Research & Development and other departments, acceleration of Research & Development, and further improvements in technological development capability through organizational and work reforms and other initiatives, and promotes strategic research and development. Since July 2023, he has been involved in the operations of the Production Department, concentrating on strengthening cooperation between Research & Development and Production. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.</p> <p>[Special interest between the candidate and the Company] There is no special interest between him and the Company.</p> <p>[Outline of details of directors and officers liability insurance policy] The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
5 Re-election	 Koichiro Kato (September 9, 1958)	<p>Apr. 1983 Joined Mitsubishi Corporation</p> <p>Dec. 1987 Worked at the Yanbu Office in Saudi Arabia of Mitsubishi Corporation</p> <p>Dec. 1996 Worked as an overseas resident employee in Southeast Asia (Thailand, Indonesia, and Myanmar) until September 2009</p> <p>Sep. 2011 Joined International Medical Volunteers Japan Heart (served as Secretary General of Board of Directors and Full-time Director of Board of Directors)</p> <p>Jul. 2017 Joined the Company; Senior Advisor (Global Business Division)</p> <p>Jan. 2018 Senior Vice President of the Company</p> <p>Apr. 2018 Seconded to Peresscol Sdn.Bhd. (now T HASEGAWA FLAVOURS (KUALA LUMPUR) SDN.BHD.) (Malaysia)</p> <p>Oct. 2018 Director of Peresscol Sdn.Bhd. (now T HASEGAWA FLAVOURS (KUALA LUMPUR) SDN.BHD.) (Malaysia)</p> <p>Director (Chairman) of T.HASEGAWA(SOUTHEAST ASIA) CO., LTD. (Thailand)</p> <p>President Commissioner of PT.HASEGAWA FLAVOURS AND FRAGRANCES INDONESIA</p> <p>Oct. 2020 Executive Vice President of the Company General Manager of Business Solutions Planning Department of the Company</p> <p>Dec. 2021 Director & Executive Vice President of the Company (present)</p> <p>Jul. 2023 General Manager of Business Solution Division of the Company (present)</p> <p>(Responsibilities in the Company) In charge of Business Solutions Planning Department, Sales, and Marketing Division</p>	2,000

[Reasons for nomination as a candidate for Director]

As Director, Mr. Kato has been appropriately fulfilling such roles as making decisions on important matters of management and supervising the execution of business. In addition to possessing a wealth of knowledge and broad experience pertaining to the global sector cultivated through his service at a general trading company over many years, he was involved in management as a Director of a local corporation based in Malaysia, and devised and promoted the strategy for the entirety of the Southeast Asian region as the supervisor of said region. Since then, he has been in charge of sales and marketing as Executive Vice President and been involved in initiatives such as strengthening cooperation between Sales, Research & Development, and Marketing and reforming operations. Since July 2023, he has taken on the role of General Manager of the Business Solutions Division, who oversees research, sales, and marketing, and is further strengthening solution sales by leveraging interdepartmental collaboration and promoting a wide range of initiatives aimed at further contributing to customer success. We have nominated him as a candidate for Director as we expect he will continue to contribute to the sustainable growth of the Company and the improvement of corporate value.

[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
6 New candidate	 Kenji Hasegawa (March 1, 1962)	Apr. 1985 Joined Nakano Sumise Co., Ltd (now Mizkan Holdings Co., Ltd.) Apr. 2003 Senior Vice President and Legal Team Leader, Mizkan Group Corporation Co., Ltd (now Mizkan Holdings Co., Ltd.) May 2006 Director of Mizkan Group Corporation Co., Ltd (now Mizkan Holdings Co., Ltd.) Oct. 2013 Senior Managing Director of Mizkan Group Corporation Co., Ltd (now Mizkan Holdings Co., Ltd.) May 2014 President & COO of Mizkan Holdings Co., Ltd. Jun. 2017 Outside Director of UNIZO Holdings Company, Limited Jul. 2020 Joined the Company; Senior Advisor (Corporate Planning Division) Oct. 2020 Senior Vice President; General Manager of Corporate Planning Division of the Company Dec. 2022 General Manager of Business Solutions Planning Department of the Company (present) Mar. 2023 Executive Vice President of the Company (present) (Responsibilities in the Company) Second in charge of Sales and Marketing Division	700

[Reasons for nomination as a candidate for Director]


Mr. Hasegawa has a wealth of experience gained through many years of working at a major food manufacturer, as well as a wide range of knowledge gained through corporate management experience serving as the President and COO of that manufacturer. Since joining the Company, he has worked as a Senior Vice President in the Corporate Planning Division, working on duties such as mid-term plan formulation, sustainability report creation, and IR, and then in the Business Solutions Planning Department, where he worked on cross-departmental collaboration, formulation of strategy, reform of operations, and other initiatives aimed at further improving customer success. Starting in March 2023, he has continued to focus on promoting a variety of measures as an Executive Vice President. We have nominated him as a candidate for Director as we expect he will contribute to the sustainable growth of the Company and the improvement of its corporate value by applying such experience and knowledge to important decision-making and supervisory functions of the Board of Directors.

[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently an Executive Vice President of the Company and is included as an insured in said insurance policy. If his election as Director is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
7 Re-election Outside Independent	 Shingo Ohkado (September 22, 1946)	Apr. 1971 Joined TOPPAN PRINTING CO., LTD. (now TOPPAN Holdings Inc.) Jan. 1979 Director of the Australian subsidiary of TOPPAN PRINTING CO., LTD. (worked in Sydney until March 1987) Jan. 1991 Vice President, Head of Sales and Marketing of Toppan USA, Inc. (worked in New York until March 1998) Mar. 1998 Served as General Manager of Overseas Sales Promotion, Information & Publication Division, and General Manager of Sales and Marketing of TOPPAN PRINTING CO., LTD. (now TOPPAN Holdings Inc.) until March 2000 Mar. 2000 President & CEO of Toppan USA, Inc. (worked in New York) Mar. 2003 Head of International Division of TOPPAN PRINTING CO., LTD. (now TOPPAN Holdings Inc.) Jun. 2004 Director, Head of International Division of TOPPAN PRINTING CO., LTD. Jun. 2008 Managing Director, Head of International Division of TOPPAN PRINTING CO., LTD. Jun. 2011 Outside audit & supervisory board member of Toyo Ink SC Holdings Co., Ltd. Dec. 2014 Outside Audit & Supervisory Board Member of the Company Dec. 2015 Outside Director of the Company (present)	0

[Special notes on candidate for outside Director]

Mr. Ohkado is a candidate for outside Director as provided by Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.

He is presently an outside Director of the Company. At the conclusion of this Annual General Meeting of Shareholders, his term of office as an outside Director will have been eight (8) years. His total term of office, including his time as an outside Audit & Supervisory Board Member, will have been nine (9) years.

[Reasons for nomination as a candidate for outside Director and outline of the expected role]

He engaged in overseas sales, the management of a local corporation based in the U.S., and other global duties at a major printing company. Utilizing his keen insight as well as his wealth of experience and broad knowledge cultivated through that career, he proactively offers advice and suggestions for securing the appropriateness and properness of decision-making by the Board of Directors from a neutral and objective point of view in his capacity as an outside Director. The Company expects that he will continue to fulfill these roles in the future.

We have nominated him as a candidate for outside Director as we believe that he will appropriately fulfill these roles and contribute to the reinforcement of the decision-making functions and supervisory functions of the Board of Directors.

[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Matters concerning independent director/auditor]

He satisfies the requirements for an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange and the standards set by the Company for Independence Criteria for Outside Officers. The Company presently specifies him as an independent director/auditor and has submitted notification to the aforementioned exchange. If his re-election is approved, the Company intends to continuously specify him as an independent director/auditor.

[Outline of details of contract for limitation of liability]

The Company presently enters into a contract for limitation of liability with him in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations. If his re-election is approved, the Company intends to continue the said contract.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
8 Re-election Outside Independent	 Takao Yuhara (June 7, 1946)	Apr. 1969 Joined Nippon Chemical Industrial Co., Ltd. May 1971 Joined Sony Corporation (now Sony Group Corporation) Mar. 1987 Deputy President of Sony International (Singapore) Ltd. Jun. 2003 Corporate Senior Vice President and Group CFO of Sony Corporation (now Sony Group Corporation) Jun. 2004 Corporate Executive, Officer in charge of Finance and IR of Sony Corporation Dec. 2007 Managing Executive Officer of Zensho Co., Ltd. (now ZENSHO HOLDINGS CO., LTD.) Jun. 2008 Director of Zensho Co., Ltd. (now ZENSHO HOLDINGS CO., LTD.) Jun. 2008 Outside Audit & Supervisory Board Member of Ricoh Company, Ltd. May 2011 Managing Director and CFO of Zensho Co., Ltd. (now ZENSHO HOLDINGS CO., LTD.) Jun. 2013 Outside Audit & Supervisory Board Member of mofiria Corporation Jun. 2014 Outside Audit & Supervisory Board Member of KAMEDA SEIKA CO., LTD. Jun. 2015 Outside Audit & Supervisory Board Member of Leopalace21 Corporation Dec. 2015 Outside Audit & Supervisory Board Member of the Company Dec. 2019 Outside Director of the Company (present)	0

[Special notes on candidate for outside Director]

Mr. Yuhara is a candidate for outside Director as provided by Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.

He is presently an outside Director of the Company. At the conclusion of this Annual General Meeting of Shareholders, his term of office as an outside Director will have been four (4) years. His total term of office, including his time as an outside Audit & Supervisory Board Member, will have been eight (8) years.

[Reasons for nomination as a candidate for outside Director and outline of the expected role]

Based on his keen insight and broad experience regarding corporate management cultivated through many years of experience, he proactively offers advice and suggestions for securing the appropriateness and properness of decision-making by the Board of Directors from a neutral and objective point of view in his capacity as an outside Director. The Company expects that he will continue to fulfill these roles in the future.

We have nominated him as a candidate for outside Director as we believe that he will appropriately fulfill these roles and contribute to the reinforcement of the decision-making functions and supervisory functions of the Board of Directors.

During 2018 and 2019, at Leopalace21 Corporation, where he served as an outside Audit & Supervisory Board Member from his appointment to the position in June 2015 until June 2023, authorities found cases where apartment buildings Leopalace21 Corporation constructed in the past were equipped with inadequate partition walls, and furthermore that partition walls, external walls and ceilings did not comply with legal specifications. Although he had been unaware of the situation until it came to light, he had been calling attention to such matters on a regular basis by making recommendations from a compliance perspective at meetings of Leopalace21 Corporation's Board of Directors and other such forums. Subsequent to the situation coming to light, he appropriately fulfilled his responsibilities in that regard, particularly in terms of investigating all facts, pinpointing the causes, preventing recurrence and enhancing governance.

[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Matters concerning independent director/auditor]


He satisfies the requirements for an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange and the standards set by the Company for Independence Criteria for Outside Officers. The Company presently specifies him as an independent director/auditor and has submitted notification to the aforementioned exchange. If his re-election is approved, the Company intends to continuously specify him as an independent director/auditor.

[Outline of details of contract for limitation of liability]

The Company presently enters into a contract for limitation of liability with him in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations. If his re-election is approved, the Company intends to continue the said contract.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently a Director of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
<p>9</p> <p>Re-election</p> <p>Outside</p> <p>Independent</p>	 <p>Akiko Izumi (December 2, 1961)</p>	<p>Mar. 1984 Joined Fukutake Publishing Co., Ltd. (now Benesse Corporation)</p> <p>Mar. 1987 News announcer of Nippon Shortwave Broadcasting Corporation (now NIKKEI RADIO BROADCASTING CORPORATION) until February 1988</p> <p>Mar. 1988 Freelance announcer/caster until March 2000</p> <p>Sep. 2000 Daily Life and Economic Journalist /Certified Financial Planner (CFP®) /Human Resource Development Consultant (present)</p> <ul style="list-style-type: none"> ● Promoted lectures, training sessions and consulting activities mainly focused on work style reform, the promotion of women's active participation in the workplace, human resources development and effective communication. She also served as a member of the advisory board or as a part-time officer at companies and public interest incorporated foundations, and as a committee member at public institutions. <p>Sep. 2007 Established Platinum Concierge Co., Ltd.; Representative Director and President</p> <p>Aug.2016 Director and Chairman of Platinum Concierge Co., Ltd.</p> <p>Jan. 2021 Counselor of Platinum Concierge Co., Ltd. (present)</p> <p>Dec. 2021 Outside Director of the Company (present)</p> <p>(Important concurrent positions) Board Member of Japan Pension Service Part-time Director of The Nippon Foundation</p>	<p>0</p>

[Special notes on candidate for outside Director]

Ms. Izumi is a candidate for outside Director as provided by Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.

She is presently an outside Director of the Company. At the conclusion of this Annual General Meeting of Shareholders, her term of office as an outside Director will have been two (2) years.

[Reasons for nomination as a candidate for outside Director and outline of the expected role]

Leveraging her keen insight cultivated through her experience in professions such as daily life and economic journalist and financial planner as well as specialization in sectors such as work style reforms, human resource development, and diversity promotion, she actively offers advice and suggestions on matters for securing the appropriateness and properness of decision-making by the Board of Directors from a neutral and objective point of view as an outside Director. The Company expects that she will continue to fulfill these roles in the future.

We have nominated her as a candidate for outside Director as we believe that she will appropriately fulfill these roles and contribute to the reinforcement of the decision-making functions and supervisory functions of the Board of Directors.

[Special interest between the candidate and the Company]

There is no special interest between her and the Company.

[Matters concerning independent director/auditor]

She satisfies the requirements for an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange and the standards set by the Company for Independence Criteria for Outside Officers. The Company presently specifies her as an independent director/auditor and has submitted notification to the aforementioned exchange. If her re-election is approved, the Company intends to continuously specify her as an independent director/auditor.

[Outline of details of contract for limitation of liability]

The Company presently enters into a contract for limitation of liability with her in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations. If her re-election is approved, the Company intends to continue the said contract.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. She is currently a Director of the Company and is included as an insured in said insurance policy. If her re-election is approved, she will be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during her term of office.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company (Important concurrent positions)	Number of Company's shares held
10 New candidate Outside Independent	 Paul Dupuis (February 11, 1968)	Apr. 1998 Joined Osaka Kunei Jogakuin; Director, International Programs May 2005 Joined OIC K.K; Managing Director (Expo 2005 AICHI, JAPAN, Canadian Pavilion) Aug. 2005 Joined Wall Street Associates K.K. (now en world Japan K.K.); Head of S.E Asia Jul. 2011 Asia Representative of en world Japan K.K. (worked in Singapore) Sep. 2013 Joined Randstad K.K.; Board Member Apr. 2017 COO of Randstad India, Private Ltd. May 2017 Managing Director & Chief Executive Officer of Randstad India, Private Ltd. Jul. 2021 Chairman & Chief Executive Officer of Randstad K.K. (present) (Important concurrent positions) Chairman & Chief Executive Officer of Randstad K.K. (scheduled to retire in January 2024) Board Member (ex-Chairman) of HOPE International Development Agency, Japan (NGO)	0

[Special notes on candidate for outside Director]

Mr. Dupuis is a candidate for outside Director as provided by Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act.

[Reasons for nomination as a candidate for outside Director and outline of the expected role]

He has served as Managing Director and CEO of the Indian subsidiary and Chairman & CEO of the Japanese subsidiary of a global comprehensive human resources services company, and has a wealth of experience and wide-ranging knowledge regarding corporate management in Japan and overseas. We expect him to utilize this experience and knowledge to provide advice and recommendations from a neutral and objective perspective to ensure the validity and appropriateness of decision-making by the Board of Directors. We have nominated him as a candidate for outside Director as we believe that he will appropriately fulfill these roles and contribute to the reinforcement of the decision-making functions and supervisory functions of the Board of Directors.

[Special interest between the candidate and the Company]

The Company has business transactions regarding temporary staffing with Randstad K.K. where he serves as Chairman & Chief Executive Officer. However, the annual transaction amount is negligible as it accounted for less than 0.1% of the consolidated net sales of the Company and the said company.

[Matters concerning independent director/auditor]

The Company has business transactions regarding temporary staffing with Randstad K.K. where he serves as Chairman & Chief Executive Officer. However, since the annual transaction amount is negligible as it accounted for less than 0.1% of the consolidated net sales of the Company and the said company, and because he satisfies the requirements for an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange and the standards set by the Company for Independence Criteria for Outside Officers, the Company judges that this will not impact his independence. Based on the above, the Company intends to submit notification that specifies him as an independent director/auditor to the aforementioned exchange if his election as Director is approved.

[Outline of details of contract for limitation of liability]

If his election as Director is approved, the Company intends to enter into a contract for limitation of liability with him in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. If his election as Director is approved, he will be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

Proposal 2 Election of four (4) Audit & Supervisory Board Members

The terms of office of all four (4) Audit & Supervisory Board Members will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, we request the election of four (4) Audit & Supervisory Board Members.

Consent of the Audit & Supervisory Board has been obtained concerning this proposal.

Nomination of the candidates for Audit & Supervisory Board Member has passed through the deliberation process by the voluntary Appointment Committee of which a majority of the members are independent outside Directors.

The candidates for Audit & Supervisory Board Member are as follows.


No.	Name		Position in the Company	
1	Takehiro Matsumoto	(male)	Full-time Audit & Supervisory Board Member	Re-election
2	Tomoyoshi Arita	(male)	Outside Audit & Supervisory Board Member	Re-election Outside Independent
3	Kazuhito Yamamura	(male)	Outside Audit & Supervisory Board Member	Re-election Outside Independent
4	Maki Suzuki	(female)	–	New candidate Outside Independent


Re-election: Candidate for Audit & Supervisory Board Member to be re-elected

New candidate: New candidate for Audit & Supervisory Board Member

Outside: Candidate for outside Audit & Supervisory Board Member

Independent: Independent director/auditor as defined by the securities exchange

No.	Name (Date of birth)	Career summary and position in the Company (Important concurrent positions)	Number of Company's shares held
1 Re-election	 Takehiro Matsumoto (May 12, 1963)	Apr. 1986 Joined Taiyo Kobe Bank (now Sumitomo Mitsui Banking Corporation) Dec. 1995 Vice President of New York Branch, Sakura Bank (now Sumitomo Mitsui Banking Corporation) Apr. 2003 Executive Vice President of Sumitomo Mitsui Banking Corporation of Canada General Manager of Asia Pacific Training Department, Planning Department, International Banking Unit of Sumitomo Mitsui Banking Corporation Apr. 2010 May 2016 President of SMBC SSC Sdn. Bhd. (in Malaysia) May 2018 Senior Auditor of Internal Audit Department of Sumitomo Mitsui Banking Corporation Jul. 2019 Joined the Company; Executive Administrator Oct. 2019 Executive General Manager; General Manager of Auditing Division of the Company Oct. 2021 Senior Vice President of the Company Dec. 2021 Full-time Audit & Supervisory Board Member of the Company (present)	0
<p>[Reasons for nomination as a candidate for Audit & Supervisory Board Member] Mr. Matsumoto appropriately conducts audits of the Company management from a fair and neutral standpoint, as a full-time Audit & Supervisory Board Member. He has wide-ranging knowledge and abundant business experience that includes overseeing broad duties that include sales, administration, work as an overseas resident employee and auditing through his service at a financial institution for many years, and was also involved in subsidiary management. Additionally, since joining the Company, he has been engaged in duties pertaining to internal audits and internal controls and other endeavors as General Manager of the Auditing Department, and has contributed to the reinforcement of the governance structure of the Company group as a whole. We have nominated him as a candidate for Audit & Supervisory Board Member as we believe that he will be able to continue to appropriately perform his duties in that capacity by utilizing his aforementioned wealth of knowledge and experience.</p> <p>[Special interest between the candidate and the Company] There is no special interest between him and the Company.</p> <p>[Outline of details of directors and officers liability insurance policy] The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently an Audit & Supervisory Board Member of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.</p>			

No.	Name (Date of birth)	Career summary and position in the Company (Important concurrent positions)	Number of Company's shares held
2 Re-election Outside Independent	 Tomoyoshi Arita (February 1, 1948)	<p>Apr. 1974 Appointed as a prosecutor of Kobe District Public Prosecutors Office</p> <p>Aug. 2002 Prosecutor of Supreme Public Prosecutors Office</p> <p>Sep. 2005 Director-General of Public Safety Division of Supreme Public Prosecutors Office</p> <p>Jul. 2007 Superintending Prosecutor of Takamatsu High Public Prosecutors Office</p> <p>Jul. 2008 Superintending Prosecutor of Sendai High Public Prosecutors Office</p> <p>Jan. 2009 Superintending Prosecutor of Fukuoka High Public Prosecutors Office</p> <p>Apr. 2010 Registered as an attorney at law</p> <p>Apr. 2010 Joined City-Yuwa Partners, attorney at law</p> <p>Jun. 2010 Outside Director of JAPAN POST BANK Co., Ltd.</p> <p>Jun. 2011 External Auditor of WDB Holdings Co., Ltd.</p> <p>May 2014 Outside Director of Riso Kyoiku Co., Ltd.</p> <p>Jun. 2015 Outside Corporate Auditor of BROTHER INDUSTRIES, LTD.</p> <p>Apr. 2016 Joined GINZA CHUO LAW OFFICE, attorney at law (present)</p> <p>Jun. 2016 Outside Director of FUKUYAMA TRANSPORTING CO., LTD.</p> <p>Jun. 2018 External Director (Audit and Supervisory Committee Member) of WDB Holdings Co., Ltd. (present)</p> <p>Dec. 2019 Outside Audit & Supervisory Board Member of the Company (present)</p> <p>(Important concurrent positions) Attorney at law of GINZA CHUO LAW OFFICE External Director (Audit and Supervisory Committee Member) of WDB Holdings Co., Ltd.</p>	0

[Special notes on candidate for outside Audit & Supervisory Board Member]

Mr. Arita is a candidate for outside Audit & Supervisory Board Member as provided by Article 2, paragraph (3), item (viii) of the Regulation for Enforcement of the Companies Act.

He is presently an outside Audit & Supervisory Board Member of the Company. At the conclusion of this Annual General Meeting of Shareholders, his term of office as an outside Audit & Supervisory Board Member will have been four (4) years.

[Reasons for nomination as a candidate for outside Audit & Supervisory Board Member]

He appropriately conducts audits of the Company management from a fair and neutral standpoint. He served for many years in key positions at public prosecutors offices as a prosecutor. Subsequent to retirement, he has been playing active roles as outside director and outside audit & supervisory board member for companies in various industries, while also handling a wide range of cases as an attorney at law in a law office. We have nominated him as a candidate for outside Audit & Supervisory Board Member as we expect he will continue to appropriately audit the Company management from an objective standpoint independent of the Company's management team, drawing on such abundant experience and keen insight in the legal profession and the corporate realm.

Although he has never in the past been involved in the management of a company except as an outside officer, we have determined that he is capable of appropriately executing his duties as an outside Audit & Supervisory Board Member for the aforementioned reasons.

[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Matters concerning independent director/auditor]


He satisfies the requirements for an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange and the standards set by the Company for Independence Criteria for Outside Officers. The Company presently specifies him as an independent director/auditor and has submitted notification to the aforementioned exchange. If his re-election is approved, the Company intends to continuously specify him as an independent director/auditor.

[Outline of details of contract for limitation of liability]

The Company presently enters into a contract for limitation of liability with him in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations. If his re-election is approved, the Company intends to continue the said contract.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently an Audit & Supervisory Board Member of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary and position in the Company (Important concurrent positions)	Number of Company's shares held
3 Re-election Outside Independent	 Kazuhito Yamamura (October 21, 1953)	Apr. 1976 Joined Fuji Photo Film Co., Ltd. (now FUJIFILM Corporation) Jun. 2010 Corporate Vice President, General Manager of Accounting and Finance Division of FUJIFILM Corporation Jun. 2012 Director of FUJIFILM Corporation Jun. 2012 President of FUJIFILM Holdings America Corporation Jun. 2012 Chairman of FUJIFILM North America Corporation Jun. 2013 Audit & Supervisory Board Member (Full Time member) of FUJIFILM Holdings Corporation Jun. 2013 Audit & Supervisory Board Member (Full Time member) of FUJIFILM Corporation Dec. 2019 Outside Audit & Supervisory Board Member of the Company (present)	0

[Special notes on candidate for outside Audit & Supervisory Board Member]

Mr. Yamamura is a candidate for outside Audit & Supervisory Board Member as provided by Article 2, paragraph (3), item (viii) of the Regulation for Enforcement of the Companies Act.

He is presently an outside Audit & Supervisory Board Member of the Company. At the conclusion of this Annual General Meeting of Shareholders, his term of office as an outside Audit & Supervisory Board Member will have been four (4) years.

[Reasons for nomination as a candidate for outside Audit & Supervisory Board Member]

He appropriately conducts audits of the Company management from a fair and neutral standpoint. After gaining experience in a wide range of operations at a listed company, mainly in the fields of accounting, finance, and overseas business, he served as a full-time Audit and Supervisory Board Member for a four (4) year term. We have nominated him as a candidate for outside Audit & Supervisory Board Member, with the expectation that he will continue to appropriately audit the Company's management from an objective standpoint independent of the Company's management team.

[Special interest between the candidate and the Company]

There is no special interest between him and the Company.

[Matters concerning independent director/auditor]


He satisfies the requirements for an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange and the standards set by the Company for Independence Criteria for Outside Officers. The Company presently specifies him as an independent director/auditor and has submitted notification to the aforementioned exchange. If his re-election is approved, the Company intends to continuously specify him as an independent director/auditor.

[Outline of details of contract for limitation of liability]

The Company presently enters into a contract for limitation of liability with him in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations. If his re-election is approved, the Company intends to continue the said contract.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. He is currently an Audit & Supervisory Board Member of the Company and is included as an insured in said insurance policy. If his re-election is approved, he will continue to be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during his term of office.

No.	Name (Date of birth)	Career summary and position in the Company (Important concurrent positions)	Number of Company's shares held
4 New candidate Outside Independent	 Maki Suzuki (July 4, 1977)	Apr. 2002 Joined Supreme Court of Japan; Legal Training and Research Institute Oct. 2003 Registered as an attorney at law Joined TMI Associates Oct. 2003 Responsible for M&A matters, investment matters, capital and business alliance matters, matters related to overseas companies, and other general corporate legal matters through September 2017. She has handled a wide variety of corporate legal matters through being assigned to the legal department of a major trading company and being regularly stationed in the legal departments of multiple private companies. Jul. 2009 Registered as an attorney in New York State Oct. 2017 Joined Shintaro Sato Law Office (present) Aug. 2022 Outside Director (Audit & Supervisory Committee Member) of Sansan, Inc. (present) Jun. 2023 Outside Director (Audit & Supervisory Committee Member) of nms Holdings Corporation (present) (Important concurrent positions) Attorney at law of Shintaro Sato Law Office Outside Director (Audit & Supervisory Committee Member) of Sansan, Inc. Outside Director (Audit & Supervisory Committee Member) of nms Holdings Corporation	0

[Special notes on candidate for outside Audit & Supervisory Board Member]

Ms. Suzuki is a candidate for outside Audit & Supervisory Board Member as provided by Article 2, paragraph (3), item (viii) of the Regulation for Enforcement of the Companies Act.

[Reasons for nomination as a candidate for outside Audit & Supervisory Board Member]

In addition to her many years of experience in corporate law as a lawyer, she has been involved in numerous cases including acquisitions and overseas cases, and has specialized legal knowledge and extensive experience. We have nominated her as a candidate for outside Audit & Supervisory Board Member as we expect she will appropriately audit the Company management from an objective standpoint independent of the Company's management team, drawing on such insight and experience.

Although she has never in the past been involved in the management of a company except as an outside officer, we have determined that she is capable of appropriately executing her duties as an outside Audit & Supervisory Board Member for the aforementioned reasons.

[Special interest between the candidate and the Company]

There is no special interest between her and the Company.

[Matters concerning independent director/auditor]

Since she satisfies the requirements for an independent director/auditor in accordance with the rules of the Tokyo Stock Exchange and the standards set by the Company for Independence Criteria for Outside Officers, the Company intends to submit notification that specifies her as an independent director/auditor to the aforementioned exchange if her election as Audit & Supervisory Board Member is approved.

[Outline of details of contract for limitation of liability]

If her election as Audit & Supervisory Board Member is approved, the Company intends to enter into a contract for limitation of liability with her in accordance with the provisions of Article 427, paragraph (1) of the Companies Act, where the upper limit of liability for damages under the provisions of Article 423, paragraph (1) of the Companies Act shall be the minimum liability amount as provided by laws and regulations.

[Outline of details of directors and officers liability insurance policy]

The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act, with an insurance company. The policy covers compensation for damages and litigation expenses, etc., that insureds are liable for in cases where a claim for damages has been filed by shareholders or a third party, etc. If her election as Audit & Supervisory Board Member is approved, she will be included as an insured in said insurance policy. The Company intends to renew this insurance policy with the same terms and conditions during her term of office.

Skill Matrix

Note: The skill matrix of the candidates stated in this Notice of Convocation of Annual General Meeting of Shareholders should they be elected in accordance with the original proposals herein is as follows.

Name	Managerial position (planned)	Specific utilizable skills possessed among specialized skills required by the Company									
		Corporate management & strategies	ESG & sustainability	Quality	Sales & marketing	R&D	Production	Global strategies	Accounting & finance	Human resources	Legal, compliance, risk management
Takao Umino	President & CEO	●	●	●	●			●	●	●	●
Yoshiaki Chino	Representative Director & Deputy President	●	●	●	●	●	●	●			●
Minoru Nakamura	Director & Senior Executive Vice President	●	●				●		●	●	●
Tetsuya Nakamura	Director & Executive Vice President	●	●	●		●	●	●			●
Koichiro Kato	Director & Executive Vice President	●			●			●			●
Kenji Hasegawa	Director & Executive Vice President	●	●		●				●		●
Shingo Ohkado	Outside Director	●			●			●			●
Takao Yuhara	Outside Director	●						●	●		
Akiko Izumi	Outside Director	●	●		●					●	
Paul Dupuis	Outside Director	●			●			●	●	●	●
Takehiro Matsumoto	Full-time Audit & Supervisory Board Member	●						●	●	●	●
Tomoyoshi Arita	Outside Audit & Supervisory Board Member								●		●
Kazuhito Yamamura	Outside Audit & Supervisory Board Member							●	●		●
Maki Suzuki	Outside Audit & Supervisory Board Member										●

* Please refer to the last page of the Basic Policy on Corporate Governance posted on the Company's website for the Independence Criteria for Outside Officers of the Company.
https://ssl4.eir-parts.net/doc/4958/ir_material1/189888/00.pdf#page=12 (in Japanese)

Business Report
(Fiscal year ended September 30, 2023)

1. Current status of the corporate group

(1) Business conditions for the fiscal year ended September 30, 2023

(i) Business activities and results

The Japanese economy during the fiscal year ended September 30, 2023 showed signs of a gradual recovery due to the easing of behavioral restrictions as the novel coronavirus disease (COVID-19) was reclassified as a Class 5 infectious disease, and to the normalizing of social and economic activities. On the other hand, the economy continued to present an uncertain outlook resulting from concerns about the impact on economic activities in Japan and overseas due to the situation in Ukraine becoming prolonged, soaring raw material and resource prices, the continuing low value of the yen, and other factors.

The flavor and fragrance industry remained in a severe situation due largely to maturation of the domestic market, fiercer competition among peers, and growing demand for quality assurance.

Under this environment, giving primary consideration to quality control of products and securing of safety, the Group worked to further improve research and technology development capabilities and focused on development of the Company's unique high quality and high value-added products.

In the fiscal year ended September 30, 2023, net sales increased year on year, amounting to ¥64,874 million (up 4.0% year on year). The Company's non-consolidated net sales increased by 1.4% year on year. As for net sales of major overseas consolidated subsidiaries, net sales of subsidiaries in the U.S. increased by 4.6% year on year (down 6.3% on a local currency basis) due to the effects of the weak yen, those of subsidiaries in China increased by 8.6% (up 4.6% on a local currency basis), and those of subsidiaries in Malaysia increased by 24.2% (up 16.9% on a local currency basis).

As for profit, the Group recorded operating profit of ¥7,507 million (down 6.8% year on year), ordinary profit of ¥8,185 million (down 9.8% year on year), and profit attributable to owners of parent of ¥6,671 million (down 16.7% year on year) for the fiscal year ended September 30, 2023.

The following is a discussion of business conditions by division.

Flavor Division

The Flavor Division handles flavors and various extracts used in beverages, frozen desserts, confectionary, instant noodle soup and other such products, as well as processed fruit products and natural colorings. Net sales of the Flavor Division increased by 5.0% year on year, amounting to ¥57,075 million due mainly to increased net sales of the Company, on a non-consolidated basis, and our subsidiaries in China, and increased net sales of U.S. subsidiaries due to the impact of the weaker Japanese yen.

Fragrance Division

The Fragrance Division handles fragrances used in cosmetics, soaps, shampoos, detergents, air fresheners and so on. Net sales of the Fragrance Division decreased by 3.0% year on year, amounting to ¥7,799 million due mainly to a decrease in non-consolidated sales of the Company.

(ii) Capital investments

Capital investments by the Group in the fiscal year ended September 30, 2023 totaled ¥4,256 million, mainly for the purpose of maintaining and updating manufacturing facilities at existing plants, the DX promotion and IT innovation project being carried out by the Company, and construction of a new research building at a Chinese subsidiary.

(iii) Financing

All funds required by the Group in the fiscal year ended September 30, 2023 were provided entirely from cash on hand, and Group companies did not raise significant financing from outside sources.

(iv) Transfer of business, absorption-type company split, or incorporation-type company split

Not applicable.

(v) Transfer of business from other companies

Not applicable.

(vi) Succession of rights and obligations regarding the business of other corporations due to an absorption-type merger or an absorption-type split

Not applicable.

(vii) Acquisition or disposal of equity interests or share acquisition rights of other companies

Not applicable.

(2) Assets and profit and loss for the last three fiscal years

Category	59th Fiscal Year (Ended September 30, 2020)	60th Fiscal Year (Ended September 30, 2021)	61st Fiscal Year (Ended September 30, 2022)	62nd Fiscal Year (Fiscal Year under Review) (Ended September 30, 2023)
Net sales (Millions of yen)	50,192	55,755	62,398	64,874
Profit attributable to owners of parent (Millions of yen)	5,090	6,763	8,007	6,671
Earnings per share (Yen)	122.79	163.63	194.65	162.16
Total assets (Millions of yen)	113,445	120,945	133,553	139,125
Net assets (Millions of yen)	92,218	98,301	111,017	116,319
Net assets per share (Yen)	2,217.96	2,385.69	2,692.34	2,819.86

Note: Effective beginning from the start of the 61st fiscal year, the Company applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. and these accounting standards have been applied to the figures for assets and profit and loss for the 61st and later fiscal years.

(3) Significant parent company and subsidiaries

(i) Status of parent company

Not applicable.

(ii) Significant subsidiaries

Company name	Share capital	Percentage of voting rights held by the Company	Principal business
T. HASEGAWA BUSINESS SERVICE CO., LTD.	JPY 100 million	100.0%	Processing and sales of agricultural and livestock products
T. HASEGAWA U.S.A., INC.	USD 199,700 thousand	100.0%	Import and export, manufacture and sales of various flavors and fragrances
MISSION FLAVORS & FRAGRANCES, INC.	USD 5 thousand	100.0% [100.0%]	Manufacture and sales of various food and beverage flavorings
T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD.	USD 16,000 thousand	100.0%	Import and export, manufacture and sales of various flavors and fragrances
T. HASEGAWA FLAVOURS (SUZHOU) CO., LTD.	USD 15,500 thousand	100.0%	Manufacture and sales of various food and beverage flavorings
T. HASEGAWA FLAVOURS AND FRAGRANCES (TAIWAN) CO., LTD.	TWD 10,800 thousand	100.0%	Sales of various flavors and fragrances
T HASEGAWA FLAVOURS (KUALA LUMPUR) SDN. BHD.	MYR 25,000 thousand	100.0%	Manufacture and sales of various food and beverage flavorings
T. HASEGAWA (SOUTHEAST ASIA) CO., LTD.	THB 103,000 thousand	100.0% [0.01%]	Sales of various flavors and fragrances
PT. HASEGAWA FLAVOURS AND FRAGRANCES INDONESIA	IDR 30,847,100 thousand	100.0% [0.1%]	Sales of various flavors and fragrances

Note: Figures in parentheses show indirect holdings included in percentage of voting rights held by the Company.

(iii) Specified wholly-owned subsidiaries as of the end of the fiscal year

Not applicable.

(iv) Other

Not applicable.

(4) Issues to be addressed

While the economy of Japan is expected to recover as a return to normal economic and social activities continues, there are concerns about the impact on economic activities in Japan and overseas resulting from factors including the changing international situation, soaring raw material and resource prices, large changes in the exchange rate, and rising commodities prices, and the future outlook is expected to remain uncertain.

The flavor and fragrance industry is also anticipated to remain in a severe situation due to further intensifying competition among companies for market share, increasing demand for quality assurance, and other factors.

Under this situation, with the declared commitment to building on a solid foundation of technology, the Group will conduct distinctive and differentiated product development by further improving research and technology development capabilities, and strive to reduce cost through an increase in productivity and promotion of streamlining of all aspects of operations.

Moreover, in order to seek future growth of the Group, it is essential to construct a resilient organization that can flexibly respond to changes in the business environment and unforeseen circumstances, and to further strengthen global expansion while working to increase the share in the Japanese market where maturation is progressing in step with the falling birthrate and the aging population. The Group will efficiently invest managerial resources into our priority region, the U.S., as well as Asian regions, centering on China and Southeast Asia, to accurately capture the growth potential of the markets, consumer palatability, etc., and plan and promote a business strategy in line with changes in the business environment. In addition, the Group will implement investments to achieve sustainable growth into the future, aiming to enhance the business performance in overseas markets.

In Japan, under the Business Solution Division, which is in charge of sales, research, and marketing, on the research front, we will focus on brushing up existing technologies and developing new technologies after clarifying priority areas in order to promote strategic R&D, aiming to improve our technological development capabilities that will contribute to the sustainable growth of the Group. In addition, the Group will utilize collaboration with sales and marketing to enhance its market sense and competitive awareness, and differentiate itself from its competitors by developing products with its own unique features. We will also focus on utilizing outside knowledge to create new value, and carrying out technological innovations through sharing and combining of intellectual property. The Group will also work to contribute to solving social issues using technologies developed in the flavor and fragrance business.

In the Flavor Division, with a priority on ensuring safety and security, the Group will continue striving to develop flavors that make health-conscious low sugar, low salt, and low fat foods delicious, as well as flavorings with outstanding stability and longevity. The Group will also put efforts into the development of flavors to substitute for food ingredients with the aim of solving social issues, including shortages of food resources.

In the Fragrance Division, the Group will focus on further expanding market share in Japan by conducting rigorous basic research and creating new fragrances with outstanding safety and stability. Overseas, the Group will work to create fragrances that are liked by local consumers based on the results of market surveys and acceptability studies.

In the area of sales, we will strive to identify potential customer requirements through collaboration between research and marketing, and through the use of market investigations, analysis, and other means. By providing targeted solutions that leverage the Company's comprehensive capabilities, the Group will aim to establish a position as a partner trusted by customers, as well as to increase its sales and share of sales through contributions to customer successes. We will also reinforce efforts to find and develop new customers, and work to expand a sales infrastructure that can support future growth.

In the area of production, we will carry out further safety measures and construct an environment for labor health and safety. In order to accommodate changes in the items produced, we will carry out reconstruction of our facilities and integration of our production equipment. In addition, the Group will promote coexistence with local residents by preventing the spread of odors around the plant and carry out reductions in greenhouse gas (GHG) emissions over the long term. The Group will continue to take such initiatives as improving its manufacturing methods, reviewing its logistics system, and optimizing inventory in an effort to lower manufacturing costs.

Overseas, under its strategy of steady global expansion through efficient allocation of management resources, the Group has realized synergy effects with T. HASEGAWA U.S.A., INC. and MISSION FLAVORS & FRAGRANCES, INC. and will continue to promote aggressive sales activities targeting local customers to expand our business performance in the U.S. market. We will also carry out phase 2 construction at our second plant in Rancho Cucamonga, California, which began operating last year, working to expand our production capacity in the U.S. and improve production efficiency.

In China, the Group will focus on developing new customers and cultivating existing customers through strategic sales activities utilizing our marketing functions, while thoroughly managing profits, with the aim to expand its business performance in terms of both sales and profits. The Group will also promote its new research building construction project to strengthen research functions and streamline operations, aiming to begin operations in February 2024.

In Southeast Asia, under its regional sales strategy, the Group is aiming to expand its business performance by strengthening sales activities through collaboration among sales personnel at its sites in Malaysia, Thailand, Indonesia, and in neighboring countries as well as through utilization of its application laboratories. Focusing on future business expansion and growth in demand for flavors and fragrances, we will carry out plans for construction of a new facility in Malaysia.

We would like to ask for the continued support and cooperation of our shareholders.

(5) Principal business (as of September 30, 2023)

The Group consists of T. HASEGAWA CO., LTD., 11 subsidiaries, and one associate. The principal business is the manufacture, sale, import and export of various flavors and fragrances (perfumes and cosmetics fragrances, food and beverage flavorings, and artificial flavors and fragrances), various food additives, and food products.

(6) Major offices and facilities (as of September 30, 2023)

T. HASEGAWA CO., LTD.	The Company	Head Office	Chuo-ku, Tokyo
		Osaka Branch	Chuo-ku, Osaka-shi, Osaka
		Nagoya Sales Office	Naka-ku, Nagoya-shi, Aichi
		Sapporo Sales Office	Kita-ku, Sapporo-shi, Hokkaido
		R&D Center	Nakahara-ku, Kawasaki-shi, Kanagawa
		Fukaya Facility	Fukaya-shi, Saitama
		Itakura Facility	Itakura-machi, Oura-gun, Gunma
T. HASEGAWA BUSINESS SERVICE CO., LTD.	Subsidiary	Head Office	Chuo-ku, Tokyo
		Fine Foods Facility	Itakura-machi, Oura-gun, Gunma
T. HASEGAWA U.S.A., INC.	Subsidiary	Head Office and Facility	Cerritos, California, USA
		Facility	Rancho Cucamonga, California, USA
MISSION FLAVORS & FRAGRANCES, INC.	Subsidiary	Facility	Lake Forest, California, USA
T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD.	Subsidiary	Head Office and Facility	Pudong New Area, Shanghai, China
T. HASEGAWA FLAVOURS (SUZHOU) CO., LTD.	Subsidiary	Head Office and Facility	Suzhou Industrial Park, Suzhou, Jiangsu, China
SHANGHAI T. HASEGAWA FLAVOURS AND FRAGRANCES TRADING CO., LTD.	Subsidiary	Head Office	Shanghai Wai Gaoqiao Free Trade Zone, Shanghai, China
T. HASEGAWA FLAVOURS AND FRAGRANCES (TAIWAN) CO., LTD.	Subsidiary	Head Office	Taipei
T HASEGAWA FLAVOURS (KUALA LUMPUR) SDN. BHD.	Subsidiary	Head Office and Facility	Kuala Lumpur, Malaysia
T. HASEGAWA (SOUTHEAST ASIA) CO., LTD.	Subsidiary	Head Office	Bangkok, Thailand
PT. HASEGAWA FLAVOURS AND FRAGRANCES INDONESIA	Subsidiary	Head Office	South Jakarta, Indonesia

(7) Employees (as of September 30, 2023)

(i) Status of employees of the corporate group

Number of employees	Change from the end of the previous fiscal year
1,847 [166]	+4 [-7]

Notes: 1. The number of employees is the number of people employed, and the average number of temporary employees is shown separately in square brackets.

2. Since the Group is engaged in a single business segment, the manufacture and sales of various flavors and fragrances, etc., information by business segment is not presented.

(ii) Status of the Company's employees

Number of employees	Change from the end of the previous fiscal year	Average age	Average years of service
1,105 [53]	-2 [-10]	44.4	17.7

Note: The number of employees is the number of people employed, and the average number of temporary employees is shown separately in square brackets.

(8) Principal lenders (as of September 30, 2023)

Information omitted as there are no borrowings.

(9) Other important matters regarding the current status of the corporate group

Not applicable.

2. Current status of the Company

(1) Status of shares (as of September 30, 2023)

- (i) Total number of authorized shares 160,000,000 shares
- (ii) Total number of issued shares 42,708,154 shares
- (iii) Number of shareholders 10,483
- (iv) Major shareholders (top 10 shareholders)

Shareholder name	Number of shares held (Hundreds of shares)	Shareholding ratio (%)
Hasegawa Totaro Shoten Co., Ltd.	66,206	16.09
JP MORGAN CHASE BANK 380055	49,544	12.04
The Master Trust Bank of Japan, Ltd. (Trust Account)	41,029	9.97
JP MORGAN CHASE BANK 385632	31,320	7.61
Hasegawa International Scholarship Foundation	20,000	4.86
RBC IST 15 PCT NON LENDING ACCOUNT - CLIENT ACCOUNT	14,201	3.45
Custody Bank of Japan, Ltd. (Trust Account)	11,090	2.69
STATE STREET BANK AND TRUST COMPANY 505001	10,868	2.64
T. HASEGAWA CO., LTD. Employee Shareholding Association	10,788	2.62
Ajinomoto Co., Inc.	9,000	2.18

Notes: 1. The Company holds 1,562,828 shares of treasury stock, but is excluded from the above list of major shareholders.
2. Treasury stock is excluded in the calculation of shareholding ratios.

- (v) Status of shares granted to Company officers during the fiscal year as consideration for performance of duties

Not applicable.

(2) Status of Company Officers

(i) Directors and Audit & Supervisory Board Members (as of September 30, 2023)

Position in the Company	Name	Responsibilities in the Company (Important concurrent positions)
President & CEO	Takao Umino	President and Executive Officer, in charge of Auditing Division and Quality Assurance Division (Important concurrent positions) Director (Chairman) of T. HASEGAWA U.S.A., INC. Director (Chairman) of MISSION FLAVORS & FRAGRANCES, INC.
Representative Director	Yoshiaki Chino	Deputy President, in charge of Production
Director	Minoru Nakamura	Senior Executive Vice President, in charge of Administration (Important concurrent positions) Representative Director and President of T. HASEGAWA BUSINESS SERVICE CO., LTD.
Director	Tetsuya Nakamura	Executive Vice President, in charge of Research & Development, second in charge of Quality Assurance Division, Business Solutions Planning Department, and Production, Deputy General Manager of Business Solution Division, General Manager of R&D Center
Director	Koichiro Kato	Executive Vice President, in charge of Business Solutions Planning Department, Sales, and Marketing Division, General Manager of Business Solution Division
Outside Director	Shingo Ohkado	
Outside Director	Takao Yuhara	
Outside Director	Akiko Izumi	(Important concurrent positions) Board Member of Japan Pension Service Part-time Director of The Nippon Foundation
Full-time Audit & Supervisory Board Member	Takehiro Matsumoto	
Outside Audit & Supervisory Board Member	Tomoyoshi Arita	(Important concurrent positions) Attorney at law of GINZA CHUO LAW OFFICE External Director (Audit and Supervisory Committee Member) of WDB Holdings Co., Ltd.
Outside Audit & Supervisory Board Member	Kazuhito Yamamura	
Outside Audit & Supervisory Board Member	Junko Imura	(Important concurrent positions) Certified public accountant of Imura Accounting Office Visiting Professor of TAMA GRADUATE SCHOOL OF BUSINESS Outside Director (Audit and Supervisory Committee Member) of Mitsubishi UFJ Trust and Banking Corporation External Member of the Board of Tokyo Metro Co., Ltd.

Notes: 1. Full-time Audit & Supervisory Board Member Takehiro Matsumoto and Outside Audit & Supervisory Board Members Tomoyoshi Arita, Kazuhito Yamamura, and Junko Imura have considerable knowledge of finance and accounting as outlined below.

- Full-time Audit & Supervisory Board Member Takehiro Matsumoto served at financial institutions over many years. He also has abundant experience and broad knowledge of auditing in general, having served as the General Manager of the Company's Auditing Division from October 2019 to December 2021, and possessing the credential of a Certified Internal Auditor (CIA).
 - Outside Audit & Supervisory Board Member Tomoyoshi Arita has served as outside audit & supervisory board member for multiple listed companies over many years in addition to serving as a member of numerous third-party and internal investigative committees on corporate misconduct to uncover the handling of accounting and financial irregularities as an attorney at law.
 - Outside Audit & Supervisory Board Member Kazuhito Yamamura has gained experience in accounting and finance divisions at listed companies, as well as serving as a full-time audit & supervisory board member.
 - Outside Audit & Supervisory Board Member Junko Imura has abundant experience and broad knowledge as an expert in accounting and auditing having acted as a certified public accountant working in auditing services at listed companies over many years.
2. The Company has designated Shingo Ohkado, Takao Yuhara, Akiko Izumi, Tomoyoshi Arita, Kazuhito Yamamura and Junko Imura as independent directors/auditors in accordance with the rules of the Tokyo Stock Exchange, and submitted notification of such designation to the Exchange.

3. Changes in the positions, responsibilities, and important concurrent positions of the Directors and Audit & Supervisory Board Members during the fiscal year are as follows.
 - As of December 1, 2022, Representative Director Yoshiaki Chino's responsibilities have changed from being in charge of the Business Solutions Planning Department and Marketing Division to being in charge of the Business Solutions Planning Department.
 - As of the same date, Director Tetsuya Nakamura's responsibilities have changed from being in charge of Research & Development and second in charge of the Quality Assurance Division to being in charge of Research & Development and second in charge of the Quality Assurance Division and Business Solutions Planning Department.
 - As of the same date, Director Koichiro Kato's responsibilities have changed from being in charge of Sales and second in charge of the Marketing Division to being in charge of Sales and the Marketing Division and second in charge of the Business Solutions Planning Department.
 - As of June 20, 2023, Audit & Supervisory Board Member Junko Imura retired from the position of Outside Audit & Supervisory Board Member of Mitsui O.S.K. Lines, Ltd. As of June 27, 2023, she became an External Member of the Board of Tokyo Metro Co., Ltd.
 - Effective June 29, 2023, Director Takao Yuhara retired from the position of Outside Audit & Supervisory Board Member of Leopalace21 Corporation.
 - As of July 1, 2023, Representative Director Yoshiaki Chino's responsibilities have changed from being in charge of the Business Solutions Planning Department to being in charge of Production.
 - As of the same date, Director Tetsuya Nakamura was assigned the additional responsibility of being second in charge of Production.
 - As of the same date, Director Koichiro Kato's responsibilities have changed from being in charge of Sales and the Marketing Division and second in charge of the Business Solutions Planning Department to being in charge of the Business Solutions Planning Department, Sales, and the Marketing Division.
4. The Company has entered into contracts with Outside Directors Shingo Ohkado, Takao Yuhara, and Akiko Izumi and Outside Audit & Supervisory Board Members Tomoyoshi Arita, Kazuhito Yamamura, and Junko Imura under the provisions of Article 427, paragraph (1) of the Companies Act to limit liability for damages in Article 423, paragraph (1) of the Companies Act. The upper limit of liability for damages under said contracts is the minimum liability amount as provided by laws and regulations.
5. The Company has entered into a directors and officers liability insurance policy, as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The said insurance policy covers all Directors, Audit & Supervisory Board Members, and Executive Officers of the Company and officers of the Company's subsidiaries as the insured, and the insured do not pay the insurance premiums. The policy covers compensation for damages and litigation expenses, etc. that the insured are liable for in cases where a claim for damages has been filed arising out of acts (including acts of omission) committed by the insured in his or her capacity as a director or officer of the Company. However, there are certain exemptions, such as the fact that damages arising from acts committed with the knowledge that they are in violation of laws and regulations are not covered by compensation.

(ii) Changes in the positions, responsibilities, and important concurrent positions of directors after the end of the fiscal year

Not applicable.

(iii) Remuneration, etc. of Directors and Audit & Supervisory Board Members

A. Policy for determination of the details of officer remuneration, etc.

The meeting of the Company's Board of Directors held on April 16, 2021 approved a resolution on the policy for determination of the details of remuneration, etc. for individual Directors.

The Board of Directors also confirmed that the method for determining the details of remuneration, etc. for individual Directors for the current fiscal year and the details of remuneration, etc. determined are consistent with the policy for determination approved by the Board of Directors and that the report from the Compensation Committee was taken into consideration, and determined that the remuneration, etc. is in line with the policy on determination.

The policy on determination of the details of remuneration, etc. for individual Directors is as follows.

a. Basic policy

The basic policy on remuneration, etc. for the Company's Directors is a system of remuneration that is linked to shareholders' profits in order to increase motivation and morale to contribute to enhancement of shareholder value, in addition to functioning as an incentive for the sustainable increase of corporate value, with remuneration, etc. for individual Directors to be set at an appropriate level based on the responsibilities of each position.

More specifically, remuneration, etc. for inside Directors consists of basic remuneration as fixed remuneration and performance-linked remuneration in the form of bonus and remuneration-type stock options as non-monetary remuneration. Remuneration, etc. for Outside Directors consists of basic remuneration only in consideration of their duties.

b. Policy on determining the amount of individual remuneration, etc. for basic remuneration (monetary remuneration) (including the policy on determining the timing and conditions for granting of remuneration, etc.)

The Company pays basic remuneration as fixed compensation for Directors at a fixed time each month.

The amount of remuneration for each individual with respect to basic remuneration (fixed compensation) is based on the criteria for each position taking into consideration business performance, financial position, economic conditions, market levels, and other factors within the remuneration limit approved by a resolution of the General Meeting of Shareholders.

c. Policy on determining the details of performance-linked remuneration, etc. and non-monetary remuneration, etc. and the method for calculating the amount and the frequency of such remuneration (including the timing and conditions for granting remuneration, etc.)

Bonus, which is performance-linked remuneration, is paid in a lump sum at a fixed time each year within the remuneration limit approved by a resolution of the General Meeting of Shareholders. The amount of bonus is calculated by using consolidated ordinary profit as the indicator for performance-linked remuneration, and multiplying a payment unit, which is calculated by multiplying incentives based on the percentage of achievement of the plan for consolidated ordinary profit achieved, by a coefficient based on the position of each Director and taking into account each Director's performance evaluation.

Consolidated ordinary profit is used as the indicator for performance-linked remuneration as it represents profit from overall management activities and is thus considered appropriate as an indicator for evaluating the execution of duties by the Directors.

d. Policy on determining the details of non-monetary remuneration, etc. and the method for calculating the amount and the frequency of such remuneration (including the timing and conditions for granting remuneration, etc.)

Remuneration-type stock options, which are non-monetary remuneration, are stock acquisition rights with an exercise price of one yen per share that can be delivered upon exercise, and are granted once a year in principle. The number of remuneration-type stock options granted is determined based on position-specific criteria within the remuneration limit approved by a resolution of the General Meeting of Shareholders.

e. Policy for determining the ratio of the amounts of fixed remuneration, performance-linked remuneration, etc., and non-monetary remuneration, etc. in the amount of remuneration, etc. for each individual Director

Remuneration, etc. for inside Directors consists of basic remuneration (fixed remuneration), bonus (performance-linked remuneration), and remuneration-type stock options (non-monetary remuneration). Remuneration, etc. for Outside Directors consists of basic remuneration only.

The ratio of remuneration, etc. for inside Directors is based on a comprehensive consideration of their positions and responsibilities, trends at other companies that are the same size as the Company, and other factors and is determined as a ratio that is appropriate for increasing the motivation and morale to contribute to improving shareholder value as well as functioning sufficiently as an incentive to strive for the sustainable enhancement of corporate value.

f. Matters related to determining the details of remuneration, etc. for individual Directors

The amount of remuneration, etc. for each individual Director is determined by the Board of Directors based on the deliberations of the optional Compensation Committee within the remuneration limit approved by a resolution of the General Meeting of Shareholders. The optional Compensation Committee is composed of the Representative Director and the Outside Directors in order to ensure transparency and objectivity in determining remuneration.

B. Total amount of remuneration, etc. related to the fiscal year under review

Category	Total amount of remuneration, etc. (Millions of yen)	Total amount by type of remuneration, etc. (Millions of yen)			No. of persons paid
		Basic remuneration (fixed remuneration)	Bonus (performance-linked remuneration)	Remuneration-type stock options (non-monetary remuneration)	
Directors (excluding Outside Directors)	334	209	70	55	5
Audit & Supervisory Board Members (excluding Outside Audit & Supervisory Board Members)	24	24	–	–	1
Outside Directors	25	25	–	–	3
Outside Audit & Supervisory Board Members	18	18	–	–	3

Notes: 1. At the 60th Annual General Meeting of Shareholders that convened on December 22, 2021, the amount of remuneration for Directors was resolved at no more than five hundred million (500,000,000) yen per annum, of which no more than 50 million (50,000,000) yen shall be paid to Outside Directors (excluding the amount of employee's salaries portion for Directors who are also employees). The number of Directors at the conclusion of the 60th Annual General Meeting of Shareholders was eight, including three Outside Directors. Additionally, at the 60th Annual General Meeting of Shareholders that convened on December 22, 2021, the amount of remuneration for remuneration-type stock options was approved as no more than one hundred forty million (140,000,000) yen per annum (The number of Directors at the conclusion of the 60th Annual General Meeting of Shareholders was eight, including three Outside Directors).

2. At the 40th Annual General Meeting of Shareholders that convened on December 21, 2001, the amount of remuneration for Audit & Supervisory Board Members was resolved at no more than sixty million (60,000,000) yen per annum (The number of Audit & Supervisory Board Members at the conclusion of the 40th Annual General Meeting of Shareholders was four, including three Outside Audit & Supervisory Board Members).

(iv) Matters concerning Outside Directors and Audit & Supervisory Board Members

A. Important concurrent positions and relationships with the Company

- a. Director Akiko Izumi serves concurrently as a Steering Council member of the Japan Pension Service and a Part-time Director of The Nippon Foundation. The Company has no special relationship with either of the concurrent position companies.
- b. Audit & Supervisory Board Member Tomoyoshi Arita serves as an attorney-at-law at GINZA CHUO LAW OFFICE and as External Director (Audit & Supervisory Committee Member) at WDB Holdings Co., Ltd. The Company has no special relationship with either of the concurrent position companies.
- c. Audit & Supervisory Board Member Junko Imura serves concurrently as a certified public accountant at Imura Accounting Office, a Visiting Professor of TAMA GRADUATE SCHOOL OF BUSINESS, an Outside Director (Audit & Supervisory Committee Member) of Mitsubishi UFJ Trust and Banking Corporation, and an External Member of the Board of Tokyo Metro Co., Ltd. The Company has no special relationship with any of the concurrent position companies.

B. Main activities of the Outside Directors in the fiscal year under review

Name	Summary of attendance, statements, and duties performed with respect to the expected role
Shingo Ohkado	Shingo Ohkado attended all 11 meetings of the Board of Directors held in the fiscal year under review. Utilizing his deep insight into corporate management and extensive practical experience in international business and sales strategies, and from an objective standpoint, he sought explanations as needed and actively made the necessary statements in deliberations on proposals at the meetings of the Board of Directors. He also provided sound recommendations and expressed useful opinions at meetings of the Appointment Committee and the Compensation Committee.
Takao Yuhara	Takao Yuhara attended all 11 meetings of the Board of Directors held in the fiscal year under review. Utilizing his deep insight into corporate management and extensive practical experience in international business and finance and accounting, and from an objective standpoint, he sought explanations as needed and actively made the necessary statements in deliberations on proposals at the meetings of the Board of Directors. He also provided sound recommendations and expressed useful opinions at meetings of the Appointment Committee and the Compensation Committee.
Akiko Izumi	Akiko Izumi attended all 11 meetings of the Board of Directors held in the fiscal year under review. Utilizing her wealth of experience as a lifestyle and economic journalist and financial planner, as well as her expertise in areas such as workstyle reform, human resource development, and diversity promotion, and from an objective standpoint, she sought explanations as needed and actively made the necessary statements in deliberations on proposals at the meetings of the Board of Directors. She also provided sound recommendations and expressed useful opinions at meetings of the Appointment Committee and the Compensation Committee.

C. Main activities of the Outside Audit & Supervisory Board Members in the fiscal year under review

Name	Attendance and statements
Tomoyoshi Arita	<p>Tomoyoshi Arita attended 10 of 11 meetings of the Board of Directors and 10 of 11 meetings of the Audit & Supervisory Board held in the fiscal year under review.</p> <p>From an objective standpoint based on his extensive experience and expert knowledge as a prosecutor and attorney-at-law, he sought explanations as needed at meetings and actively made statements to ensure the appropriateness and suitability of decision-making at meetings of the Board of Directors. He also actively made the necessary statements on audit methods and other matters related to the execution of the duties of the Audit & Supervisory Board Members at meetings of the Audit & Supervisory Board.</p>
Kazuhito Yamamura	<p>Kazuhito Yamamura attended all 11 meetings of the Board of Directors and all 11 meetings of the Audit & Supervisory Board held in the fiscal year under review.</p> <p>From an objective standpoint based on his broad insight and practical experience in the field of management, he sought explanations as needed at meetings and actively made statements to ensure the appropriateness and suitability of decision-making at meetings of the Board of Directors. He also actively made the necessary statements on audit methods and other matters related to the execution of the duties of the Audit & Supervisory Board Members at meetings of the Audit & Supervisory Board.</p>
Junko Imura	<p>Junko Imura attended all 11 meetings of the Board of Directors and all 11 meetings of the Audit & Supervisory Board held in the fiscal year under review.</p> <p>From an objective standpoint based on her extensive experience and expert knowledge as a certified public accountant, she sought explanations as needed at meetings and actively made statements to ensure the appropriateness and suitability of decision-making at meetings of the Board of Directors. She also actively made the necessary statements on audit methods and other matters related to the execution of the duties of the Audit & Supervisory Board Members at meetings of the Audit & Supervisory Board.</p>

(3) Status of accounting auditor

(i) Name of the Company's accounting auditor

Deloitte Touche Tohmatsu LLC

(ii) Amount of remuneration, etc. for accounting auditor

	Amount of remuneration, etc. (Millions of yen)
Amount of remuneration, etc. as accounting auditor related to the fiscal year under review	47
Total amount of monetary and other financial benefits payable by the Company and its subsidiaries to the accounting auditor	62

Notes: 1. Seven of the significant subsidiaries, T. HASEGAWA U.S.A., INC., T. HASEGAWA FLAVOURS AND FRAGRANCES (SHANGHAI) CO., LTD., T. HASEGAWA FLAVOURS (SUZHOU) CO., LTD., T. HASEGAWA FLAVOURS (KUALA LUMPUR) SDN. BHD., PT. HASEGAWA FLAVOURS AND FRAGRANCES INDONESIA, T. HASEGAWA (SOUTHEAST ASIA) CO., LTD., and T. HASEGAWA FLAVOURS AND FRAGRANCES (TAIWAN) CO., LTD. are audited by an auditing firm other than Deloitte Touche Tohmatsu LLC. In addition, no significant subsidiaries are audited by Deloitte Touche Tohmatsu LLC.

2. The audit contract between the Company and the accounting auditor does not clearly distinguish between the amounts of audit remuneration, etc. for audits based on the Companies Act and those for audits based on the Financial Instruments and Exchange Act, and it is not practically possible to distinguish between them, so the total amount of remuneration, etc. as the accounting auditor for the fiscal year under review is the sum of these amounts.

(iii) Reasons for the consent of the Audit & Supervisory Board to the remuneration, etc. for the accounting auditor

Based on the Practical Guidelines for Cooperation with Independent Auditors published by Japan Audit & Supervisory Board Members Association, the Company's Audit & Supervisory Board gave its consent to the remuneration, etc. of the accounting auditor in accordance with Article 399, paragraph (1) of the Companies Act as a result of verifying changes in audit hours and audit fees by audit item and the status of audit plans and results for the past fiscal years, and considering the appropriateness of the estimates of audit hours and fees for the fiscal year under review.

(iv) Content of non-auditing services

Non-auditing services at the Company consist of advisory services, etc. related to the personnel system. There are no non-auditing services at consolidated subsidiaries.

(v) Policy on determining dismissal or non-reappointment of the accounting auditor

When the Company deems that any of the items of Article 340, paragraph (1) of the Companies Act apply to the accounting auditor, the Audit & Supervisory Board will dismiss the accounting auditor with unanimous consent of the Audit & Supervisory Board Members. Furthermore, when it is judged to be necessary, such as in the event of an impediment to the execution of the duties of the accounting auditor, based on a resolution of the Audit & Supervisory Board, the dismissal or non-reappointment of the accounting auditor shall be the purpose of the General Meeting of Shareholders.

(vi) Outline of details of contract for limitation of liability

Not applicable.

(4) Policy on determining dividends of surplus

The Company has the basic policy of paying dividends of surplus twice a year, interim dividend and year-end dividend, targeting the payout ratio of 35% on a consolidated basis, to return profit to shareholders based on its business performance, while securing internal reserves necessary for further strengthening of the Group's management base and future business expansion.

The Company stipulates in the Articles of Incorporation that dividends of surplus, etc. shall be stipulated through resolutions at a Meeting of the Board of Directors in accordance with the provision of Article 459, paragraph (1) of the Companies Act, and the Board of Directors is the decision-making body for dividends of surplus.

With regard to the dividend for the fiscal year ended September 30, 2023, the Company decided to pay an annual dividend of ¥61 per share (of which, interim dividend of ¥30). As a result, the payout ratio on a consolidated basis for the fiscal year ended September 30, 2023 is 37.6%.

Internal reserves will be used for capital expenditures and effective investments to implement the globalization strategy.

Dividends of surplus for the fiscal year are as follows.

Date of resolution	Total amount of dividends (Millions of yen)	Dividends per share (Yen)
Resolution at a Board of Directors meeting held on May 12, 2023	1,234	30
Resolution at a Board of Directors meeting held on November 10, 2023	1,275	31

Consolidated Balance Sheets
(As of September 30, 2023)

(Millions of yen)

Assets		Liabilities	
Current assets	70,665	Current liabilities	12,129
Cash and deposits	25,699	Accounts payable - trade	5,425
Notes receivable - trade	2,512	Income taxes payable	819
Accounts receivable - trade	17,351	Provision for bonuses	1,630
Securities	7,000	Provision for bonuses for directors (and other officers)	70
Inventories	16,850	Other	4,184
Other	1,273	Non-current liabilities	10,677
Allowance for doubtful accounts	(22)	Deferred tax liabilities	1,354
Non-current assets	68,460	Retirement benefit liability	7,516
Property, plant and equipment	35,314	Long-term accounts payable - other	195
Buildings and structures	20,042	Asset retirement obligations	69
Machinery, equipment and vehicles	4,897	Other	1,541
Tools, furniture and fixtures	1,197	Total liabilities	22,806
Land	7,430	Net assets	
Construction in progress	1,746	Shareholders' equity	96,341
Intangible assets	19,624	Share capital	5,364
Goodwill	6,060	Capital surplus	7,513
Customer relationship	11,557	Retained earnings	86,019
Other	2,007	Treasury shares	(2,556)
Investments and other assets	13,521	Accumulated other comprehensive income	19,682
Investment securities	12,414	Valuation difference on available-for-sale securities	6,554
Deferred tax assets	697	Foreign currency translation adjustment	13,352
Retirement benefit asset	18	Remeasurements of defined benefit plans	(223)
Other	416	Share acquisition rights	295
Allowance for doubtful accounts	(24)	Total net assets	116,319
Total assets	139,125	Total liabilities and net assets	139,125

Consolidated Statements of Income
(Fiscal year ended September 30, 2023)

(Millions of yen)

Item	Amount	
Net sales		64,874
Cost of sales		39,185
Gross profit		25,689
Selling, general and administrative expenses		18,181
Operating profit		7,507
Non-operating income		
Interest income	204	
Dividend income	269	
Foreign exchange gains	85	
Other	147	706
Non-operating expenses		
Interest expenses	7	
Other	22	29
Ordinary profit		8,185
Extraordinary income		
Gain on sale of investment securities	1,203	1,203
Extraordinary losses		
Loss on abandonment of non-current assets	65	65
Profit before income taxes		9,322
Income taxes - current	2,397	
Income taxes - deferred	252	2,650
Profit		6,671
Profit attributable to owners of parent		6,671

Non-consolidated Balance Sheets

(As of September 30, 2023)

(Millions of yen)

Assets		Liabilities	
Current assets	46,497	Current liabilities	9,587
Cash and deposits	10,487	Accounts payable - trade	4,706
Notes receivable - trade	726	Lease liabilities	65
Electronically recorded monetary claims - operating	1,780	Accounts payable - other	913
Accounts receivable - trade	12,989	Accrued expenses	1,961
Securities	7,000	Income taxes payable	551
Merchandise	309	Provision for bonuses	1,091
Finished goods	6,456	Provision for bonuses for directors (and other officers)	70
Work in process	93	Other	227
Raw materials	5,419	Non-current liabilities	8,922
Supplies	289	Lease liabilities	1,285
Other	945	Provision for retirement benefits	7,144
Allowance for doubtful accounts	(0)	Deferred tax liabilities	101
Non-current assets	63,660	Long-term accounts payable - other	195
Property, plant and equipment	19,251	Asset retirement obligations	69
Buildings	9,779	Other	127
Structures	672	Total liabilities	18,510
Machinery and equipment	1,807	Net assets	
Vehicles	42	Shareholders' equity	84,798
Tools, furniture and fixtures	748	Share capital	5,364
Land	6,110	Capital surplus	7,306
Construction in progress	90	Legal capital surplus	6,554
Intangible assets	996	Other capital surplus	752
Software	343	Retained earnings	74,682
Other	652	Legal retained earnings	394
Investments and other assets	43,412	Other retained earnings	74,288
Investment securities	12,409	Reserve for tax purpose reduction entry	334
Shares of subsidiaries and associates	26,194	General reserve	28,700
Investments in capital of subsidiaries and associates	3,659	Retained earnings brought forward	45,254
Long-term loans receivable from subsidiaries and associates	942	Treasury shares	(2,556)
Other	231	Valuation and translation adjustments	6,554
Allowance for doubtful accounts	(24)	Valuation difference on available-for-sale securities	6,554
		Share acquisition rights	295
Total assets	110,157	Total net assets	91,647
		Total liabilities and net assets	110,157

Non-consolidated Statements of Income
(Fiscal year ended September 30, 2023)

(Millions of yen)

Item	Amount	
Net sales		39,711
Cost of sales		24,473
Gross profit		15,238
Selling, general and administrative expenses		10,699
Operating profit		4,538
Non-operating income		
Interest income	39	
Foreign exchange gains	81	
Dividend income	269	
Other	205	596
Non-operating expenses		
Interest expenses	1	
Other	7	9
Ordinary profit		5,125
Extraordinary income		
Gain on sale of investment securities	1,203	1,203
Extraordinary losses		
Loss on abandonment of non-current assets	46	46
Profit before income taxes		6,281
Income taxes - current	1,587	
Income taxes - deferred	15	1,602
Profit		4,679