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(Stock Exchange Code: 4516)
Date of issue: June 10, 2024

To Shareholders with Voting Rights:

Toru Nakai
Representative Director, President
Nippon Shinyaku Co., Ltd.
14, Nishinosho-Monguchi-cho,
Kisshoin, Minami-ku, Kyoto, Japan

**NOTICE OF
THE 161ST ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially informed of the 161st Annual General Meeting of Shareholders of Nippon Shinyaku Co., Ltd. (the “Company”). The meeting will be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision and has posted the matters subject to the measures for electronic provision as “NOTICE OF THE 161ST ANNUAL GENERAL MEETING OF SHAREHOLDERS” on the Company’s website on the Internet indicated below.

The Company’s website: https://www.nippon-shinyaku.co.jp/english/ir/ir_stock/smeeting.php

Matters subject to the measures for electronic provision are also posted on the website of the Tokyo Stock Exchange (TSE) indicated below, in addition to the Company’s website. When you access the TSE website, search for the Company by entering “Nippon Shinyaku” in the “Issue name (company name)” field or “4516” in the “Code” field. On the search results page, select “Basic information” and then “Documents for public inspection/PR information,” and click “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” under “Filed information available for public inspection” to review the information.

TSE website (TSE Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

If you do not attend the meeting, you can exercise your voting rights either by postcard or via the Internet, so please review the attached Reference Documents for the General Meeting of Shareholders and indicate your vote for or against the proposal on the enclosed Voting Rights Exercise Form and return it by 5:30 p.m. on Wednesday, June 26, 2024, Japan time, or access the website for exercising voting rights (<https://evote.tr.mufg.jp/>) and input your vote for or against the proposal.

1. Date and Time: Thursday, June 27, 2024 at 10:00 a.m. Japan time

2. Place: Head Office Auditorium of Nippon Shinyaku Co., Ltd. located at
14, Nishinosho-Monguchi-cho, Kisshoin, Minami-ku, Kyoto, Japan
(When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.)

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 161st Fiscal Year (April 1, 2023 - March 31, 2024) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 161st Fiscal Year (April 1, 2023 - March 31, 2024)

Proposals to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of 12 Directors

Proposal 3: Election of 2 Audit & Supervisory Board Members

Proposal 4: Introduction of a Restricted Stock Remuneration Plan for Directors (Excluding Outside Directors)

4. Matters Determined in Regard to the Convocation

- If voting rights are exercised both in writing and via the Internet, the vote submitted via the Internet shall be considered the valid exercise of voting rights. If voting rights are exercised multiple times via the Internet, the final vote submitted shall be considered the valid exercise of voting rights.
- If there is no indication of a vote for against a specific proposal on the Voting Rights Exercise Form, it shall be deemed as an indication of approval to that proposal.
- Pursuant to the provisions of relevant laws and regulations and Article 16 of the Company's Articles of Incorporation, the following matters are posted on the Company's website and the TSE website, thus they are not provided in the paper-based documents delivered to shareholders. In addition, the Audit & Supervisory Board Members and the Accounting Auditor have audited the documents to be audited, including the following matters.

[Business Report]

The following matters regarding the current status of the corporate group: "Issues to be addressed," "Trends in assets and profit and loss," "Main businesses," "Main offices and plants," "Status of employees," matters concerning the Company's shares, the following matters concerning the Company's officers: "Matters concerning outside officers," matters concerning the Accounting Auditor, matters concerning the Company's structure and policies

[Consolidated Financial Statements]

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

[Non-consolidated Financial Statements]

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

[Audit Reports]

Audit Report of the Accounting Auditor on the Consolidated Financial Statements, Audit Report of the Accounting Auditor, and Audit Report of the Audit & Supervisory Board Members

«Note»

Should the matters subject to the measures for electronic provision require revisions, the revisions will be posted on the relevant websites on which the matters are posted.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Our policy on returning profits appropriately to shareholders is maintaining stable dividends while taking into consideration the dividend on equity (DOE) ratio.

In accordance with our basic policy of maximizing corporate value, we will work to enhance our R&D pipeline by bolstering our research and development structure, and we will strive to further strengthen our management base while balancing investment and return of profits in order to develop a corporate structure capable of withstanding increasingly intense competition.

Based on the above policy, the year-end dividend for the fiscal year is proposed as follows:

- (1) Type of Dividend:
Cash
- (2) Items relating to the allocation of dividend assets to shareholders and its total amount:
JPY62 per share of common stock of the Company
Total amount: JPY4,175,870,996
Together with the interim dividend of JPY62 per share, the annual dividend will be JPY124 per share.
- (3) Effective Date of Distribution of Retained Earnings:
Friday, June 28, 2024



Proposal 2: Election of 12 Directors

The terms of office of all 12 Directors, including 4 Outside Directors, will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 12 Directors, including 4 Outside Directors, is proposed.



The candidates are as follows:


| No. | Name | Current positions and responsibilities at the Company | Tenure of office | Attendance at Board of Directors meetings | Significant concurrent positions |
|-----|---|--|------------------|---|---|
| 1 | <u>Reappointment</u> Shigenobu Maekawa | Representative Director, Chairman | 19 | 100% (14/14) | Chairman, Kyoto Employers' Association Outside Director, KYOCERA Corporation |
| 2 | <u>Reappointment</u> Toru Nakai | Representative Director, President | 5 | 100% (14/14) | |
| 3 | <u>Reappointment</u> Shouzou Sano | Managing Director, Sales and Marketing | 9 | 100% (14/14) | |
| 4 | <u>Reappointment</u> Takashi Takaya | Director, Personnel, General Affairs, Risk Management, Compliance & Digital Transformation | 6 | 100% (14/14) | |
| 5 | <u>Reappointment</u> Takanori Edamitsu | Director, Business Management, & Sustainability | 6 | 100% (14/14) | |
| 6 | <u>Reappointment</u> Kazuchika Takagaki | Director, Research & Development | 3 | 100% (14/14) | |
| 7 | <u>Reappointment</u> Hitoshi Ishizawa | Director, Functional Food | 3 | 100% (14/14) | |
| 8 | <u>Reappointment</u> Hitomi Kimura | Director, Resource Procurement, Production & Assurance | 3 | 100% (14/14) | |
| 9 | <u>Reappointment</u> <u>Outside</u> <u>Independent</u> Miyuki Sakurai | Outside Director | 7 | 100% (14/14) | Joint Owner, Hanamizuki Law Office Member of the Board, NIPPON SHOKUBAI CO., LTD. Outside Auditor, MBS MEDIA HOLDINGS, INC. |
| 10 | <u>Reappointment</u> <u>Outside</u> <u>Independent</u> Yoshinao Wada | Outside Director | 5 | 100% (14/14) | Part-time physician, Department of Maternal Medicine, Osaka Women's and Children's Hospital |
| 11 | <u>Reappointment</u> <u>Outside</u> <u>Independent</u> Yukari Kobayashi | Outside Director | 3 | 100% (14/14) | Representative Partner, Amanda Life Consulting LLC. Outside Director, Panasonic Connect Co., Ltd. Outside Director, Bridgestone Corporation CEO, JCI LLC |
| 12 | <u>Reappointment</u> <u>Outside</u> <u>Independent</u> Mayumi Nishi | Outside Director | 1 | 100% (11/11) | |


| No. | Name (Date of birth) | Past experience, positions and responsibilities at the Company and significant concurrent positions | Number of shares of the Company held |
|-----|--|--|--|
| 1 |  <p>Reappointment</p> <p>Shigenobu Maekawa (January 18, 1953)</p> <p>Tenure of office: 19 years</p> <p>Attendance at Board of Directors meetings: 100% (14/14)</p> | <p>April 1976 Joined the Company</p> <p>March 1992 Transfer to Japan Federation of Employers' Associations</p> <p>April 2002 Department Manager, Corporate Planning Department, Corporate Strategy Office</p> <p>April 2004 Corporate Officer</p> <p>June 2005 Director</p> <p>June 2005 Corporate Planning, Finance & Accounting, and Information system, and Department Manager, Corporate Planning Department</p> <p>June 2006 Managing Director</p> <p>April 2007 General Manager, Corporate Planning, Finance & Accounting, and Information system</p> <p>June 2007 Representative Director, President</p> <p>June 2021 Representative Director, Chairman (current position)</p> <p>June 2023 Outside Director, KYOCERA Corporation (current position)</p> <p>[Significant concurrent positions] Chairman, Kyoto Employers' Association Outside Director, KYOCERA Corporation</p> <p>[Reasons for the nomination for Director] After joining the Company in 1976, Mr. Shigenobu Maekawa assumed positions including Department Manager, Corporate Planning Department from 2002, Director in charge of Corporate Planning, Finance & Accounting, and Information System from 2005, Managing Director from 2006, President from 2007, and Chairman (current position) from 2021. The Company nominates him for Director as he has a wealth of experience and broad insight as a business manager and he appropriately manages the Board of Directors by chairing meetings as a Representative Director.</p> | 53,400 |
| 2 |  <p>Reappointment</p> <p>Toru Nakai (December 23, 1971)</p> <p>Tenure of office: 5 years</p> <p>Attendance at Board of Directors meetings: 100% (14/14)</p> | <p>April 1995 Joined the Company</p> <p>April 2016 Department Manager, Business Planning Department</p> <p>April 2018 Acting General Manager, Corporate Planning (NS Pharma, Inc.)</p> <p>April 2019 General Manager, Global Business Division, Attached to Global Business Division (NS Pharma, Inc.)</p> <p>June 2019 Director</p> <p>June 2019 General Manager, Global Business; Head of Global Business Division</p> <p>June 2021 Representative Director, President (current position)</p> <p>[Reasons for the nomination for Director] After joining the Company in 1995, Mr. Toru Nakai assumed positions including Department Manager, Business Planning Department from 2016. Further, in 2018, he was transferred to U.S. subsidiary NS Pharma, Inc. (General Director, Corporate Planning of U.S. branch). In 2019, he was General Manager, Global Business Division and later became Director in charge of Global Business. He assumed the position of President (current position) from 2021. The Company nominates him for Director as he has a wealth of experience in global business and broad insight into such field and he has been fully demonstrating leadership as a member of the management team of the Company.</p> | 11,100 |


| No. | Name (Date of birth) | Past experience, positions and responsibilities at the Company and significant concurrent positions | Number of shares of the Company held |
|-----|---|---|--|
| 3 |  <u>Reappointment</u> Shouzou Sano (July 14, 1960) Tenure of office: 9 years Attendance at Board of Directors meetings: 100% (14/14) | April 1984 Joined the Company April 2008 Department Manager, Saitama Branch Office, Sales and Marketing April 2010 Corporate Officer; Department Manager, Osaka Branch Office, Sales Promotion Division, Sales and Marketing April 2013 Corporate Officer; Head of Tokyo Area Division, Sales and Marketing April 2015 Corporate Officer; Head of Sales and Marketing June 2015 Director June 2015 General Manager, Sales and Marketing; Head of Sales and Marketing Division (current position) June 2019 Managing Director (current position) [Reasons for the nomination for Director] After joining the Company in 1984, Mr. Shouzou Sano assumed positions including Department Manager of Saitama Branch Office from 2008, Department Manager of Osaka Branch Office from 2010, Head of Tokyo Area Division from 2013, Director in charge of Sales and Marketing (current position) from 2015, and Managing Director (current position) from 2019. The Company nominates him for Director as he has a wealth of business experience in sales division of medical products and broad insight into such field. | 7,200 |
| 4 |  <u>Reappointment</u> Takashi Takaya (November 13, 1960) Tenure of office: 6 years Attendance at Board of Directors meetings: 100% (14/14) | April 1984 Joined the Company April 2005 Department Manager, Marketing Department, Sales and Marketing April 2009 Department Manager, Marketing Department, Sales and Marketing Planning Division, Sales and Marketing April 2010 Department Manager, Marketing and Planning Department, Sales and Marketing Planning Division, Sales and Marketing April 2011 Head of Sales and Marketing Planning Division, Sales and Marketing April 2012 Corporate Officer; Head of Sales and Marketing Planning Division, Sales and Marketing June 2018 Director (current position) June 2018 General Manager, Administration April 2022 General Manager, Personnel, General Affairs, Risk Management, Compliance & Digital Transformation (current position) [Reasons for the nomination for Director] After joining the Company in 1984, Mr. Takashi Takaya assumed positions including Manager, Business Planning Section, Tokyo Branch Office from 1999, Section Manager, Corporate Strategy Department from 2001, Manager, Planning Section, Marketing and Planning Department from 2003, Department Manager, Marketing Department from 2005, Department Manager, Marketing and Planning Department from 2010, Head of Sales and Marketing Planning Division from 2011, and Director in charge of Administration from 2018. He assumed the new position of Director in charge of Personnel, General Affairs, Risk Management, Compliance & Digital Transformation (current position) from 2022. The Company nominates him for Director as he has a wealth of business experience and broad insight into such field. | 5,300 |


| No. | Name (Date of birth) | Past experience, positions and responsibilities at the Company and significant concurrent positions | Number of shares of the Company held |
|-----|---|--|--|
| 5 |  <p><u>Reappointment</u></p> <p>Takanori Edamitsu (August 8, 1963)</p> <p>Tenure of office: 6 years</p> <p>Attendance at Board of Directors meetings: 100% (14/14)</p> | <p>April 1989 Joined the Company</p> <p>August 2011 Department Manager, Corporate Planning Department</p> <p>April 2013 Corporate Officer; Department Manager, Corporate Planning Department</p> <p>June 2018 Director (current position)</p> <p>June 2018 General Manager, Business Management</p> <p>April 2022 General Manager, Business Management & Sustainability (current position)</p> <p>[Reasons for the nomination for Director] After joining the Company in 1989, Mr. Takanori Edamitsu assumed positions including Manager, Corporate Planning Section, Corporate Planning Department from 2005, Department Manager, Corporate Planning Department from 2011, and Director in charge of Business Management from 2018. He assumed the new position of Director in charge of Business Management & Sustainability (current position) from 2022. The Company nominates him for Director as he has a wealth of experience in corporate planning and broad insight into such field.</p> | 4,800 |
| 6 |  <p><u>Reappointment</u></p> <p>Kazuchika Takagaki (November 15, 1961)</p> <p>Tenure of office: 3 years</p> <p>Attendance at Board of Directors meetings: 100% (14/14)</p> | <p>April 1986 Joined the Company</p> <p>June 2014 Department Manager, Discovery Research Laboratories in Tsukuba, Discovery Research Labs., Research & Development</p> <p>June 2016 Department Manager, Discovery Research Labs., Research & Development</p> <p>April 2017 Corporate Officer; Department Manager, Discovery Research Labs., Research & Development</p> <p>June 2021 Director (current position)</p> <p>June 2021 General Manager, Research & Development; Head of Research & Development Division (current position)</p> <p>[Reasons for the nomination for Director] After joining the Company in 1986, Mr. Kazuchika Takagaki assumed positions including Department Manager, Discovery Research Laboratories in Tsukuba from 2014, Department Manager, Discovery Research Labs. from 2016, and Director in charge of Research & Development (current position) from 2021. The Company nominates him for Director as he has a wealth of business experience in research and development and broad insight into such field.</p> | 3,900 |

| No. | Name (Date of birth) | Past experience, positions and responsibilities at the Company and significant concurrent positions | Number of shares of the Company held |
|-----|--|--|--|
| 7 |  <p>Reappointment</p> <p>Hitoshi Ishizawa (September 18, 1961)</p> <p>Tenure of office: 3 years</p> <p>Attendance at Board of Directors meetings: 100% (14/14)</p> | <p>April 1985 Joined the Company</p> <p>April 2013 Department Manager, Kita-Kanto Branch Office, Northern Japan Division, Sales and Marketing</p> <p>April 2014 Department Manager, Chugoku Branch Office, Western Japan Division, Sales and Marketing</p> <p>April 2015 Department Manager, Tokyo Branch Office, Eastern Japan Division, Sales and Marketing</p> <p>April 2017 Department Manager, Osaka Branch Office, Sales and Marketing</p> <p>April 2018 Corporate Officer; Department Manager, Osaka Branch Office, Sales and Marketing</p> <p>April 2021 Corporate Officer; Department Manager, Kansai Branch Office, Sales and Marketing</p> <p>June 2021 Director (current position)</p> <p>June 2021 General Manager, Functional Food; Head of Functional Food Division (current position)</p> <p>[Reasons for the nomination for Director] After joining the Company in 1985, Mr. Hitoshi Ishizawa assumed positions including Department Manager of Kita-Kanto Branch Office from 2013, Department Manager of Chugoku Branch Office from 2014, Department Manager of Tokyo Branch Office from 2015, and Department Manager of Osaka Branch Office from 2017. In 2021, he was Department Manager of Kansai Branch Office and later became Director in charge of Functional Food (current position). The Company nominates him for Director based on a belief that he can effectively utilize his wealth of business experience in sales division of medical products and broad insight into functional food division.</p> | 5,100 |
| 8 |  <p>Reappointment</p> <p>Hitomi Kimura (September 2, 1961)</p> <p>Tenure of office: 3 years</p> <p>Attendance at Board of Directors meetings: 100% (14/14)</p> | <p>April 1984 Joined the Company</p> <p>April 2015 Department Manager, Regulatory Affairs Department, Regulatory Affairs, Safety Management and Quality Assurance Division</p> <p>April 2020 Head of Regulatory Affairs, Safety Management and Quality Assurance Division (Marketing Supervisor-General)</p> <p>April 2021 Corporate Officer; Head of Regulatory Affairs, Safety Management and Quality Assurance Division (Marketing Supervisor-General)</p> <p>June 2021 Director (current position)</p> <p>June 2021 General Manager, Resource Procurement, Production & Assurance (current position)</p> <p>[Reasons for the nomination for Director] After joining the Company in 1984, Ms. Hitomi Kimura assumed positions including Department Manager, Regulatory Affairs Department from 2015 and Head of Regulatory Affairs, Safety Management and Quality Assurance Division (Marketing Supervisor-General) from 2020, and Director in charge of Resource Procurement, Production & Assurance (current position) from 2021. The Company nominates her for Director as she has a wealth of business experience in supply chain and safety quality assurance and broad insight into such field.</p> | 1,900 |

| No. | Name (Date of birth) | Past experience, positions and responsibilities at the Company and significant concurrent positions | Number of shares of the Company held |
|-----|---|--|--|
| 9 |  <p data-bbox="223 586 383 683"> Reappointment Outside Independent </p> <p data-bbox="194 712 411 833"> Miyuki Sakurai (December 15, 1964) Tenure of office: 7 years </p> <p data-bbox="194 869 411 985"> Attendance at Board of Directors meetings: 100% (14/14) </p> | <p data-bbox="434 273 1295 645"> April 1992 Completed training program at Legal Training and Research Institute of Japan April 1992 Registered with Osaka Bar Association April 1992 Joined Nishimura Law and Accounting Office May 2003 Joint Owner, Hanamizuki Law Office (current position) March 2015 Auditor, Nissay Life Foundation (current position) April 2016 Auditor, Osaka University (current position) June 2017 Director, the Company (current position) June 2020 Member of the Board, NIPPON SHOKUBAI CO., LTD. (current position) June 2022 Outside Audit & Supervisory Board Member, MBS MEDIA HOLDINGS, INC. (current position) </p> <p data-bbox="434 676 1295 801"> [Significant concurrent positions] Joint Owner, Hanamizuki Law Office Member of the Board, NIPPON SHOKUBAI CO., LTD. Outside Audit & Supervisory Board Member, MBS MEDIA HOLDINGS, INC. </p> <p data-bbox="434 846 1295 972"> [Reasons for the nomination for Outside Director and outline of expected roles] The Company nominates Ms. Miyuki Sakurai for Outside Director, as she is offering advice to the management of the Company from a practical perspective based on her expertise and insight from an independent standpoint as a lawyer. </p> | 800 |

| No. | Name (Date of birth) | Past experience, positions and responsibilities at the Company and significant concurrent positions | Number of shares of the Company held |
|-----|---|--|--|
| 10 |  <p data-bbox="225 555 384 651"> Reappointment Outside Independent </p> <p data-bbox="193 685 413 741">Yoshinao Wada (December 25, 1950)</p> <p data-bbox="217 775 389 831">Tenure of office: 5 years</p> <p data-bbox="188 864 418 987">Attendance at Board of Directors meetings: 100% (14/14)</p> | <p data-bbox="435 271 1297 898"> July 1975 Joined Osaka University Hospital November 1981 Department of Maternal Medicine, Osaka Medical Center for Maternal and Child Health October 1989 Obtained the degree of Doctor of Medicine (Osaka University) April 1991 Department Manager, Department of Molecular Medicine, Research Institute, Osaka Medical Center for Maternal and Child Health April 1998 Director, Research Institute, Osaka Medical Center for Maternal and Child Health April 2011 Department Manager, Department of Maternal Medicine; Director, Research Institute; Osaka Medical Center for Maternal and Child Health April 2014 Chief Department Manager, Department of Maternal Medicine; Director, Research Institute; Osaka Medical Center for Maternal and Child Health April 2016 Part-time physician, Department of Maternal Medicine, Osaka Medical Center for Maternal and Child Health April 2017 Part-time physician, Department of Maternal Medicine, Osaka Women's and Children's Hospital (current position) April 2018 Visiting Professor, Yokohama City University June 2019 Director, the Company (current position) </p> <p data-bbox="435 931 1297 1021"> [Significant concurrent positions] Part-time physician, Department of Maternal Medicine, Osaka Women's and Children's Hospital </p> <p data-bbox="435 1055 1297 1167"> [Reasons for the nomination for Outside Director and outline of expected roles] The Company nominates Dr. Yoshinao Wada for Outside Director, as he is offering advice to the management of the Company from a practical perspective based on his expertise and insight from an independent standpoint as a physician. </p> | 300 |

| No. | Name (Date of birth) | Past experience, positions and responsibilities at the Company and significant concurrent positions | Number of shares of the Company held |
|-----|---|--|--|
| 11 |  <p data-bbox="223 609 383 698"> <u>Reappointment</u> <u>Outside</u> <u>Independent</u> </p> <p data-bbox="210 734 395 792">Yukari Kobayashi (April 17, 1963)</p> <p data-bbox="217 824 389 882">Tenure of office: 3 years</p> <p data-bbox="188 918 418 1034">Attendance at Board of Directors meetings: 100% (14/14)</p> | <p data-bbox="434 273 1292 846"> April 1987 Joined IBM Japan, Ltd. July 2002 Senior Manager, Overall Management of System Products Marketing, IBM Japan, Ltd. January 2007 Director in charge of Public Sector, Global Business Service, IBM Japan, Ltd. January 2007 Executive Officer, IBM Business Consulting Services KK March 2016 Growth Leader for Mercer Far East Zone; Chief of staff, Mercer Japan Ltd. January 2018 Director, Mercer Investment Solutions Ltd. February 2018 COO, Mercer Japan Ltd. September 2018 Corporate Officer; Corporate Strategy Management Lead, Area Transformation Lead, and Chief of Staff, Microsoft Japan Co., Ltd. March 2020 Representative Partner, Amanda Life Consulting LLC. (current position) June 2021 Director, the Company (current position) April 2022 Outside Director, Panasonic Connect Co., Ltd. (current position) March 2023 Outside Director, Bridgestone Corporation (current position) June 2023 CEO, JC1 LLC (current position) </p> <p data-bbox="434 887 995 1034"> [Significant concurrent positions] Representative Partner, Amanda Life Consulting LLC. Outside Director, Panasonic Connect Co., Ltd. Outside Director, Bridgestone Corporation CEO, JC1 LLC </p> <p data-bbox="434 1070 1292 1214"> [Reasons for the nomination for Outside Director and outline of expected roles] The Company nominates Ms. Yukari Kobayashi for Outside Director as she is expected to offer advice to the management of the Company from a practical perspective based on her wealth of experience and broad insight from an independent standpoint as a corporate management. </p> | 200 |

| No. | Name (Date of birth) | Past experience, positions and responsibilities at the Company and significant concurrent positions | Number of shares of the Company held |
|-----|---|---|--|
| 12 |  <p>Reappointment Outside Independent</p> <p>Mayumi Nishi (October 7, 1957)</p> <p>Tenure of office: 1 year</p> <p>Attendance at Board of Directors meetings: 100% (11/11)</p> | <p>April 1980 Joined Department of Biology, Aichi Cancer Center Research Institute</p> <p>April 1980 Obtained pharmacist license</p> <p>April 1991 Joined Department of Anesthesiology, Kyoto Prefectural University of Medicine</p> <p>May 1991 Obtained medical license</p> <p>March 1997 Obtained the degree of Doctor of Medicine (Kyoto Prefectural University of Medicine)</p> <p>April 1997 Teaching Associate, Department of Anatomy I, Kyoto Prefectural University of Medicine</p> <p>June 1998 Lecturer, Department of Anatomy I, Kyoto Prefectural University of Medicine</p> <p>April 2003 Lecturer, Graduate School of Medical Science, Kyoto Prefectural University of Medicine</p> <p>April 2005 Assistant Professor, Department of Anatomy and Neurobiology, Graduate School of Medical Science, Kyoto Prefectural University of Medicine</p> <p>April 2007 Associate Professor, Department of Anatomy and Neurobiology, Graduate School of Medical Science, Kyoto Prefectural University of Medicine</p> <p>August 2009 Professor, Department of Anatomy and Cell Biology, Nara Medical University</p> <p>April 2010 Visiting Professor, Graduate School of Medical Science, Kyoto Prefectural University of Medicine</p> <p>April 2023 Professor Emeritus, Nara Medical University (current position)</p> <p>[Significant concurrent position] None</p> <p>[Reasons for the nomination for Outside Director and outline of expected roles] The Company nominates Dr. Mayumi Nishi for Outside Director as it has judged that she will be able to offer advice to the management of the Company from a practical perspective based on her expertise and insight from an independent standpoint as a physician and pharmacist.</p> | 100 |

(Notes)

- There are no special interests between each candidate and the Company.
- The Company stipulates criteria for judgment of independence for Independent Outside Officers as described in the “Corporate Governance Basic Policy” (Attachment 2) on the Company’s website. (https://www.nippon-shinyaku.co.jp/file/download.php?file_id=7231). All candidates for Outside Director in this proposal meet the criteria. Other matters concerning the candidates for Outside Director are as follows:
 - Concerning the liability prescribed in the Article 423, Paragraph 1 of the Companies Act, the Company has entered, pursuant to Article 427, Paragraph 1 of the same Act, into an agreement with Ms. Miyuki Sakurai, Dr. Yoshinao Wada, Ms. Yukari Kobayashi, and Dr. Mayumi Nishi to limit maximum amount of their liability to be the amount set forth as minimum liability in Article 425, Paragraph 1 of the same Act.
 - The Company has designated Ms. Miyuki Sakurai, Dr. Yoshinao Wada, Ms. Yukari Kobayashi, and Dr. Mayumi Nishi as independent directors stipulated by Tokyo Stock Exchange and reported such designation to the Exchange. If the reelection of all of these candidates is approved and resolved, they will continue to serve as independent directors.
- The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, in which all Directors serve as the insured. In the event of a claim for damages submitted by a shareholder or a third party arising from any acts or omissions in the course of duties by Directors who are the insured, any damage incurred by the Directors as a result thereof shall be covered by the insurance agreement. The insurance premiums for all the insured are fully borne by the Company. However, liability arising from criminal acts or acts committed with the knowledge that they violate laws shall not be covered by the insurance agreement. If the candidates assume the office of Director, they will be insured under the insurance agreement. The Company plans to renew the agreement by retaining the current contents at the time of renewal.

Proposal 3: Election of 2 Audit & Supervisory Board Members



The terms of office of Audit & Supervisory Board Members Kenji Kuwabara and Tsuyoshi Kondo will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 2 Audit & Supervisory Board Members is proposed.

The Audit & Supervisory Board has previously given its approval to this proposal.

The candidates are listed on the next page.

(Reference) The composition of the Audit & Supervisory Board after the election (scheduled)

| No. | Name | Current positions at the Company | Tenure of office | Attendance at Board of Directors meetings | Attendance at Audit & Supervisory Board meetings | Significant concurrent positions |
|-----|--|---|------------------|---|--|--|
| — | Hirotsugu Ito | Standing Audit & Supervisory Board Member | 1 | 100% (11/11) | 100% (20/20) | |
| 1 | New Candidate Eriko Doi | Department Manager, Safety Management Department (safety manager) | — | — | — | |
| — | Outside Independent Hiroharu Hara | Outside Audit & Supervisory Board Member | 1 | 100% (11/11) | 100% (20/20) | President, Hiroharu Hara Tax Accountant office |
| 2 | New Candidate Outside Independent Mariko Chaki | — | — | — | — | Partner, Oike Law Office |

| No. | Name (Date of birth) | Past experience, positions and responsibilities at the Company and significant concurrent positions | Number of shares of the Company held |
|-----|---|--|--|
| 1 |  <div style="border: 1px solid black; padding: 2px; display: inline-block;">New Candidate</div> Eriko Doi (October 2, 1961) | <p>April 1984 Joined the Company</p> <p>April 2007 Manager, Planning and Coordination Section, R&D Administration Department, Research & Development Planning Center, Research & Development</p> <p>April 2008 Manager, Planning and Coordination Section, R&D Administration Department, Research & Development Planning Division, Research & Development</p> <p>April 2016 Department Manager, Safety Management Department, Regulatory Affairs, Safety Management and Quality Assurance Division</p> <p>April 2018 Department Manager, Safety Management Department, Regulatory Affairs, Safety Management and Quality Assurance Division (safety manager) (current position)</p> <p>[Reasons for the nomination for Audit & Supervisory Board Member] After joining the Company in 1984, Ms. Eriko Doi assumed positions including Manager, Planning and Coordination Section, R&D Administration Department since 2007, Manager, Safety Management Section, Safety Management Department since 2014, and Department Manager, Safety Management Department since 2016. The Company nominates her for Audit & Supervisory Board Member as it has judged that she has the appropriate experience and capabilities to serve as Audit & Supervisory Board Member of the Company.</p> | 0 |
| 2 |  <div style="border: 1px solid black; padding: 2px; display: inline-block;">New Candidate</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> Mariko Chaki (September 4, 1977) | <p>September 2002 Completed legal apprenticeship at Legal Training and Research Institute</p> <p>October 2002 Registered with Kyoto Bar Association</p> <p>October 2002 Joined Oike Law Office</p> <p>October 2006 Partner, Oike Law Office (current position)</p> <p>[Significant concurrent position] Partner, Oike Law Office</p> <p>[Reasons for the nomination for Outside Audit & Supervisory Board Member] The Company nominates Ms. Mariko Chaki for Outside Audit & Supervisory Board Member as it has judged that she will be able to offer advice for the enhancement of soundness, transparency, and compliance of the management of the Company based on her expertise and insight from an independent standpoint as a lawyer.</p> | 0 |

(Notes)

1. There are no special interests between each candidate and the Company.
2. The Company stipulates the criteria for judgment of independence for Independent Outside Officers as described in the "Corporate Governance Basic Policy" (Attachment 2) on the Company's website.
(https://www.nippon-shinyaku.co.jp/file/download.php?file_id=7231)
Candidate for Outside Audit & Supervisory Board Member Mariko Chaki in this proposal meets the criteria.
Other matters concerning the candidates for Outside Audit & Supervisory Board Member are as follows:
 - (1) Concerning the liability prescribed in the Article 423, Paragraph 1 of the Companies Act, the Company intends to enter, pursuant to Article 427, Paragraph 1 of the same Act, into an agreement with Ms. Mariko Chaki to limit maximum amount of her liability to be the amount set forth as minimum liability in Article 425, Paragraph 1 of the same Act, if Ms. Mariko Chaki is elected.
 - (2) We will designate Ms. Mariko Chaki as independent audit & supervisory board member stipulated by the Tokyo Stock Exchange and report such designation to the Exchange, if Ms. Mariko Chaki is elected.
3. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, in which all Audit & Supervisory Board Members serve as the insured. In the event of a claim for damages submitted by a shareholder or a third party arising from any acts or omissions in the course of duties by Audit & Supervisory Board Members who are the insured, any damage incurred by the Audit & Supervisory Board Members as a result thereof shall be covered by the insurance agreement. However, liability arising from criminal acts or acts committed with the knowledge that they violate laws shall not be covered by the insurance agreement. The insurance premiums for all the insured are fully borne by the Company. If the candidates assume the office of Audit & Supervisory Board Member, they will be insured under the insurance agreement.
The Company plans to renew the said insurance agreement by retaining the current contents at the time of renewal.

Skills Matrix of Directors and Audit & Supervisory Board Members

| Category | Name | Skills and experience | | | | | | | | | |
|--|--------------------|---|-----------------|---------------------|--------------------------------|------------------------|------------------|---------------------|---------------------------|--------------------------|----------------------------|
| | | Corporate management/ Management strategy | Global business | Finance/ Accounting | Legal affairs/ Risk management | Research & Development | Sales/ Marketing | Production/ Quality | Personnel/ HR development | ESG/ Social contribution | IT/ Information management |
| Director (Inside) | Shigenobu Maekawa | • | • | • | • | | | | | • | • |
| | Toru Nakai | • | • | • | | | • | | | | |
| | Shouzou Sano | | | | | | • | | | | |
| | Takashi Takaya | • | | | • | | • | | • | • | • |
| | Takanori Edamitsu | • | | • | • | | | | | | |
| | Kazuchika Takagaki | | | | | • | | | | | |
| | Hitoshi Ishizawa | | | | | | • | | | | |
| | Hitomi Kimura | | • | | | • | | • | | | |
| Director (Outside) | Miyuki Sakurai | | | | • | | | | | | |
| | Yoshinao Wada | | | | | • | | | • | | |
| | Yukari Kobayashi | • | • | • | | | • | | • | | • |
| | Mayumi Nishi | | | | | • | | | | | |
| Audit & Supervisory Board Member (Inside) | Hirotsugu Ito | | | | | | • | | | | |
| | Eriko Doi | | | | | • | | • | | | |
| Audit & Supervisory Board Member (Outside) | Hiroharu Hara | | | • | | | | | | | |
| | Mariko Chaki | | | | • | | | | | | |

(Note) The above list does not represent all of the expertise and experience Directors and Audit & Supervisory Board Members have.

Proposal 4: Introduction of a Restricted Stock Remuneration Plan for Directors (Excluding Outside Directors)

The Company proposes to introduce a remuneration plan (hereinafter, the “Plan”) under which the Company’s common shares (hereinafter, the “Restricted Shares”) will be allotted to the Company’s Directors (excluding Outside Directors, hereinafter the “Eligible Directors”) with certain restrictions on the transfer of shares and certain grounds for acquisition without compensation by the Company, in order to provide incentives to continuously improve the Company’s corporate value and to promote further value sharing between the Eligible Directors and shareholders.

The maximum amount of remuneration for the Company’s Directors was approved at the 154th Annual General Meeting of Shareholders held on June 29, 2017, to be no more than JPY600 million per year. At this year’s General Meeting of Shareholders, the Company intends to obtain an approval of the shareholders to newly introduce the Plan and to set the total amount of monetary remuneration claims to be paid to the Eligible Directors as remuneration for the grant of the Restricted Shares within the annual amount resolved at the above stated General Meeting of Shareholders, which is within the limit of the existing remuneration for Directors, and that the total amount of the monetary remuneration claims to be paid to each Eligible Director as remuneration for the granting of the Restricted Shares shall be determined through deliberation by the Compensation Committee based on delegation of authority from the Board of Directors, and that the specific timing of payment to each Eligible Director shall be determined by the Board of Directors of the Company.

The current number of Directors is 12 (including 4 Outside Directors), but if Proposal 2 and this proposal are approved as originally proposed, the number of Directors subject to the Plan will be 8.

1. Allotment and payment of the Restricted Shares

Under the Plan, the Company shall pay monetary remuneration claims to the Eligible Directors as remuneration related to the Restricted Shares within the above stated annual amount, and the Eligible Directors shall receive all of such monetary remuneration claims by way of contribution in kind and be allotted the Restricted Shares.

The amount to be paid per share of the Restricted Shares shall be the closing price of the common shares of the Company on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution of the Company’s Board of Directors regarding the allotment of the Restricted Shares (or the closing price on the most recent trading day if no transaction was effected on that date). Such monetary remuneration claims shall be paid on the condition that the Eligible Directors have agreed to the above-mentioned contribution-in-kind and that they have entered into a Restricted Shares allotment agreement that includes the details set forth in 3 below.

2. Total number of Restricted Shares

The maximum number of Restricted Shares to be allotted to Eligible Directors is 100,000 shares per year. However, if the Company made a stock split, gratis allotment or consolidation of shares of common stock of the Company after the date of resolution of this proposal, or in a similar case which requires to adjust the total

number of Restricted Shares to be allotted, the total number of such Restricted Shares may be adjusted in a reasonable manner.

3. Details of the Restricted Share Allotment Agreement

The Restricted Share Allotment Agreement to be entered into between the Company and the Eligible Directors to whom the Restricted Shares are allotted shall include the following details.

(1) Details of transfer restrictions

During the period from the date of allotment to the date of retirement from the position of Director of the Company (hereinafter, the “Transfer Restriction Period”), the Eligible Director who has received the allotment of the Restricted Shares may not transfer, pledge, grant a security interest in, make a living gift, bequeath, or otherwise dispose of the Company’s common shares allotted under the Restricted Share Allotment Agreement (hereinafter, the “Allotted Shares”) to any third party.

(2) Lifting of transfer restrictions

The Company will lift the restriction on transfer of all of the Allotted Shares upon the expiration of the Transfer Restriction Period, provided that the Eligible Directors to whom the Allotted Shares are allotted has continuously held the position specified in (1) above for a period determined by the Board of Directors of the Company (the “Term of Service”). However, if the Eligible Director resigns from the position described in (1) above before the expiration of the Term of Service for reasons deemed justifiable by the Company’s Board of Directors, the number of the Allotted Shares to be transferred and the timing of the lifting of the transfer restrictions shall be reasonably adjusted as necessary.

(3) Acquisition of the Restricted Shares without consideration

If the transfer restrictions on the Allotted Shares have not been lifted based on the provisions of the grounds for the lifting of the transfer restrictions in (2) above at the time when the Transfer Restriction Period stated in (1) above expires, the Company will naturally acquire such shares without consideration.

(4) Treatment in organizational restructuring, etc.

If a merger agreement under which the Company becomes a disappearing company, a share exchange agreement under which the Company becomes a wholly owned subsidiary, or a share transfer plan or other matters relating to organizational restructuring, etc. are approved at a general meeting of shareholders of the Company (or at a meeting of the Board of Directors of the Company, in cases where approval at a general meeting of shareholders of the Company is not required for such reorganization, etc.) during the Transfer Restriction Period, the Company will, by a resolution of the Board of Directors, lift the restriction on transfer of the Allotted Shares for a number of shares reasonably determined based on the period from the beginning of the Term of Service until the approval date of such organizational restructuring, etc., prior to the effective date of such restructuring. In such a case, the Company will naturally acquire without consideration the Allotted Shares yet to be released as of the time immediately following the lifting of the transfer restriction.

(5) Other matters

Other matters concerning the Restricted Share Allotment Agreement shall be determined by the Board of Directors of the Company.

4. Rationale for granting Restricted Shares

The Company grants Restricted Shares to the Eligible Directors for the purpose of providing incentives to sustainably enhance the Company's corporate value and to promote further value sharing between the Eligible Directors and shareholders.

The Company, at the meeting of the Board of Directors held on May 24, 2024, decided to revise the Company's policies for determining the details of each individual Director's remuneration, etc. as follows, subject to the approval of this proposal as originally proposed at this General Meeting of Shareholders, and the Company has determined that the content of this proposal is appropriate because it is necessary and reasonable for the Company to pay remuneration, etc. to each Director individually in accordance with the said policies.

In addition, given that the amount valued at the market value as of the date of the resolution of the Board of Directors regarding the allotment of the Restricted Shares shall be within the maximum annual amount approved at a General Meeting, and that the dilution of the Restricted Shares is minimal at 0.14% of the total number of shares outstanding (1.4% of the total number of shares outstanding if the maximum number of Restricted Shares were issued over a 10-year period), the Company believes that the grant of the Restricted Shares is reasonable.

(Reference)

If the Plan is approved at this General Meeting of Shareholders, we plan to consider introducing a restricted shares remuneration plan similar to the Plan for the Company's Corporate Officers.

Policies for determining the details of each individual Director's remuneration, etc. (revised May 24, 2024)

1. Basic policy

Our basic policy regarding the remuneration of Directors is that it shall be within the limit of the amount of executive remuneration approved by resolution of the General Meeting of Shareholders, that it shall effectively serve as an incentive for Directors to seek the sustainable enhancement of corporate value, that the details surrounding it shall be fair and rational enough for us to fulfill our accountability to shareholders and employees, and that the level of each individual Director's remuneration shall be adequately determined by taking into account the responsibilities of their positions. Specifically, the remuneration for Executive Directors shall consist of a base remuneration paid in a fixed amount every month, a performance-linked remuneration (bonus) determined in accordance with the results of each fiscal year and other factors, and a non-monetary remuneration (share-based remuneration) as a medium- to long-term incentive, and only fixed remuneration shall be paid for Outside Directors, in order to ensure well-functioning management supervision.

2. Policy for determining the amount of basic remuneration (monetary remuneration) for individuals (including policy for determining the timing or conditions of awarding remuneration, etc.)

The basic remuneration of the Directors of the Company shall be a monthly fixed remuneration and shall be determined by evaluating the performance of each Director (excluding Outside Directors) in addition to the fixed amount corresponding to their position, which has been pre-determined by taking into account a comprehensive range of information, including survey data from external institutions, levels of remuneration for their counterparts at competitors and employee salaries.

3. Policy for determining the details and calculation method of the amount or number of performance-linked and non-monetary remunerations, etc. (including policy for determining the timing or conditions of awarding remuneration, etc.)

Performance-linked remuneration shall be a bonus (monetary remuneration) reflecting performance indicators to raise awareness of the need to improve performance for each fiscal year, and shall be paid at a certain time each year at an amount determined by taking into account the performance evaluation of each Director (excluding Outside Directors) in addition to the amount calculated based on consolidated operating income for each fiscal year. The non-monetary remuneration shall be a restricted shares remuneration, and the number of shares to be granted shall be determined based on the amount calculated in accordance with the consolidated operating income for each fiscal year, taking into account the performance evaluation, etc. of each Director (excluding Outside Directors), and shall be awarded at a certain time each year. The indicators used to calculate the bonus amount and the number of shares granted shall be reviewed as appropriate, in response to changes in the environment and based on the report of the Remuneration Committee.

4. Policy for determining the ratio of the amount of monetary remuneration, performance-linked remuneration, etc., or non-monetary remuneration, etc., to the amount of remuneration, etc., for individual Directors
The calculation methods for base remuneration, performance-linked remuneration (bonuses), and non-monetary remuneration (share-based remuneration) for Executive Directors are as described above, but since the Company expects that each Executive Director will have greater incentive to improve corporate value as the ratio of performance-linked remuneration (bonuses) and non-monetary remuneration (share-based remuneration) naturally increases in line with the Company's improved performance, the Company does not specify the ratio of remuneration by type.

5. Matters relating to determination of the details of remuneration, etc. for individual Directors

The amount of remuneration for each individual shall be determined by deliberation of the Remuneration Committee based on delegation of authority from the Board of Directors within the range of the amount of remuneration for Directors and Audit & Supervisory Board Members resolved at the General Meeting of Shareholders.

6. Matters relating to the Remuneration Committee

Under the Board of Directors, there shall be a Remuneration Committee, which shall consist of at least 3 members. The Committee shall be made up of a majority of independent Outside Directors and it shall be

chaired by an independent Outside Director. The Remuneration Committee shall, in response to an inquiry from the Board of Directors, deliberate and report to the Board of Directors on matters such as general shareholders' meeting proposals concerning remuneration for Directors and Audit & Supervisory Board Members, and shall deliberate and decide on the details of remuneration, etc. for individual Directors based on delegation of authority from the Board of Directors.