

[Translation for Reference and Convenience Purposes Only]

Note. This document has been translated to English from the Japanese original for reference and convenience purposes only. In the event of any discrepancy between this translated document and the Japanese original, the Japanese original shall prevail. Pictures, graphs, charts and some reference matters in the Japanese original have been omitted from this translated document.

Nippon Sanso Holdings Corporation (Securities Code: 4091)

[Notice of Convocation of the 22nd Ordinary General Meeting of Shareholders]

Date and time: Wednesday, June 17, 2026, 10:00 a.m. (Registration desk open from 9:00 a.m.)

Venue: Grand Prince Hotel Takanawa, in Prince Room on basement floor B1
3-13-1 Takanawa, Minato-ku, Tokyo

Agenda:

Proposal 1: **Appropriation of surplus**

Proposal 2: **Election of nine directors**

Proposal 3: **Introduction of a performance-linked stock-based remuneration plan for directors**

* The General Meeting of Shareholders will be streamed live on the Internet. For details, please refer to “Guide to Live Streaming” below. Video recording of part of the Meeting is also scheduled to be made available on our corporate website from late June
(<https://jp.nipponsanso.com/ir/stock/disclosure.html>) (Japanese language version only).

* Only this Notice of Convocation and the ballot form will be sent to shareholders who did not request paper copy.

Important Notice – Trading of Nippon Sanso Holdings Corporation Common Stock, Disclaimer Regarding Un-sponsored American Depositary Receipts

Nippon Sanso Holdings Corporation (“NSHD”) encourages anyone interested in buying or selling its common stock to do so on the Tokyo Stock Exchange, where its common stock is listed and primarily traded. NSHD’s disclosures are not intended to facilitate trades in, and should not be relied on for decisions to trade, un-sponsored American Depositary Receipts (“ADRs”).

NSHD has not and does not participate in, support, encourage, or otherwise consent to the creation of any un-sponsored ADR programs or the issuance or trading of any ADRs issued thereunder in respect of its common stock. NSHD does not represent to any ADR holder, bank or depository institution, nor should any such person or entity form the belief, that (i) NSHD has any reporting obligations within the meaning of the U.S. Securities Exchange Act of 1934 (“Exchange Act”) or (ii) NSHD’s website will contain on an ongoing basis all information necessary for NSHD to maintain an exemption from registering its common stock under the Exchange Act pursuant to Rule 12g3-2(b) thereunder.

To the maximum extent permitted by applicable law, NSHD and its affiliates disclaim any responsibility or liability to ADR holders, banks, depository institutions, or any other entities or individuals in connection with any un-sponsored ADRs representing its common stock.

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We would like to express our sincere gratitude to all shareholders for your continued support and confidence in our business operations.

We are pleased to inform you that we are convening our 22nd Ordinary General Meeting of Shareholders.

The global economy during the fiscal year under review faced persistent, significant uncertainties stemming from prolonged and compounded geopolitical risks, inflationary tendencies, and changes in monetary policies and the trade environment. In this business environment, our Group has been continually striving to enhance our earning capabilities through ongoing activities to improve the Group-wide productivity and ongoing price management to ensure the value of our products and services is properly reflected in their pricing. In addition, there was a certain positive impact from the weakening yen.

As a result, for the fiscal year under review, we saw growth in both revenue and profit, continuing to generate stable cash flow. We also achieved the financial KPI targets for the fiscal year under review, which is the final year of the current medium-term management plan. Based on these achievements and our policy of prioritizing shareholder returns, we would like to propose at the 22nd Annual General Meeting of Shareholders that the year-end dividend for the fiscal year under review be set at 33 yen per share, representing an increase of 4 yen from the most recent dividend forecast (and an increase of 6 yen compared to the previous fiscal year-end). This will make the total dividend for the fiscal year under review, including the interim dividend, 62 yen.

Looking ahead, there will be uncertain factors, such as changes in the international situation and the economic environment. However, our Group will endeavor, under a new medium-term management plan and based on proper assessments of the situation, to attain sustainable growth and enhance our medium- to long-term corporate value, while emphasizing dialogue with our stakeholders, particularly our shareholders.

We respectfully ask our esteemed shareholders for your continued guidance and support.

May 2026

Representative Director, President CEO

Toshihiko Hamada

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May 27, 2026

To Our Shareholders

1-3-26, Koyama, Shinagawa-ku, Tokyo, Japan
Nippon Sanso Holdings Corporation
Toshihiko Hamada, Representative Director, President CEO

Notice of Convocation of the 22nd Ordinary General Meeting of Shareholders

Nippon Sanso Holdings Corporation (“we” or “Company”) will hold its 22nd Ordinary General Meeting of Shareholders (“Meeting”) as detailed below.

In convening the Meeting, the Company is providing the information contained in the reference documentation, etc. for the general meeting of shareholders (Electronically Provided Information) electronically on the following websites. Please access one of the websites to review the material.

Corporate Website

<https://jp.nipponsanso.com/en/ir/stock/disclosure.html>

Tokyo Stock Exchange website (Tokyo Stock Exchange Listed Company Search Service)

<https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do>

(Access the above Tokyo Stock Exchange website and enter “Nippon Sanso Holdings” in the “Issue name (company name)” field, or enter our securities Code “4091” in the “Code” field, to search for the Company, and select “Basic Information” tab, then the “Documents for public inspection/PR information” tab, and access the “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” under the “Filed information available for public inspection” to review the material.)

If you are unable to attend the Meeting, you may exercise your voting rights using any of the methods described below. Please review the reference documentation for the general meeting of shareholders and exercise your voting rights **no later than 5:40 p.m. on Tuesday, June 16, 2026.**

By Postal Mail

Indicate your approval or disapproval of each of the proposals on the ballot form that will be sent together with this Notice of Convocation and return it by mail to arrive by the deadline given above.

Via the Internet, Etc.

Access our designated shareholder voting website (<https://soukai.mizuho-tb.co.jp/> [in Japanese only]) and vote on the tendered proposals by the deadline given above.

Meeting of Shareholders

1. **Date and time:** Wednesday, June 17, 2026, 10:00 a.m.
(Registration desk open from 9:00 a.m.)
2. **Venue** Grand Prince Hotel Takanawa, in Prince Room on basement floor B1
3-13-1 Takanawa, Minato-ku, Tokyo
3. **Agenda**
 - Matters to Be Reported**
 1. Reports on the business, the consolidated financial statements and the findings of audits of the consolidated financial statements carried out by the accounting auditor and the Audit & Supervisory Board for the FYE2026 March (April 1, 2025, to March 31, 2026)
 2. Report on the non-consolidated financial statements for the FYE2026 March (April 1, 2025, to March 31, 2026)
 - Matters to Be Resolved**
 - Proposal 1:** Appropriation of surplus
 - Proposal 2:** Election of nine directors
 - Proposal 3:** Introduction of a performance-linked stock-based remuneration plan for directors

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- If you plan to exercise your voting rights by proxy, you may authorize another shareholder with voting rights to attend the Meeting on your behalf. Your proxy will need to present written proof of his or her power to act as your proxy.
 - If you plan to attend the Meeting, please bring the ballot form that will be sent together with this Notice of Convocation with you and present it at the registration desk.
 - If electronically provided information is revised, the fact that it has been revised and the information before and after the revision will be posted on each of the above-stated websites.
 - Only this Notice of Convocation and the ballot will be sent to shareholders who did not request paper copy.
 - Among the electronically provided information, the following are to be omitted from the documents to be delivered to shareholders who requested paper copies in accordance with the provisions of applicable Japanese law and Article 17 of our Articles of Incorporation. Therefore, they are not included in the documents:
 1. “System to Ensure the Appropriateness of Business Operations and Implementation Status of Such Systems” and “Basic Policy on the Control over the Company” in the business report
 2. “Consolidated statement of changes in equity” and “Notes to consolidated financial statements” in consolidated financial statements
 3. “Statement of changes in equity” and “Notes to non-consolidated financial statements” in non-consolidated financial statementsThe matters stated in the aforesaid section 1. are included in the business report audited by the Audit & Supervisory Board members for preparation of the audit report. Also, the matters stated in the aforesaid section 2. and 3. are included in the consolidated and non-consolidated financial statements audited by the accounting auditor and the Audit & Supervisory Board members for preparation of the accounting audit report and the audit report.
 - A paper copy of the result of the resolutions at this Meeting will not be sent by postal mail, and will be posted on the corporate website (<https://jp.nipponsanso.com/en/ir/stock/disclosure.html>) after the conclusion of this Meeting.

If you have any questions about the Electric Provision and request of paper copies, you may contact the following number of our Shareholder Directory Administrator, Mizuho Trust & Banking Co., Ltd., or, if any, securities company you have an account.

-Number dedicated to the Electric Provision: 0120-524-324 (toll-free, 9:00 a.m. to 5:00 p.m. except Saturday, Sunday and Japanese National Holiday) [in Japanese only]

-FAQ for the Electric Provision: [in Japanese only]

https://contact.www.mizuho-tb.co.jp/category/show/72?site_domain=daikou

Instructions for Voting

You may exercise your voting rights using any of the following three methods.

- **Attendance at the Meeting**^{*1}

Present the ballot form that will be sent together with this Notice of Convocation at the registration desk when you arrive for the Meeting. (You do not need to affix your seal or signature.)

Date and time: Wednesday, June 17, 2026, 10:00 a.m. (Registration desk open from 9:00 a.m.)

- **By postal mail**^{*2}

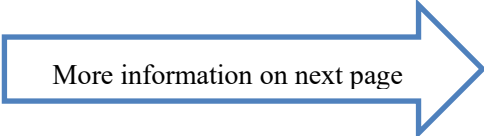
Indicate your approval or disapproval of each of the proposals on the ballot form that will be sent together with this Notice of Convocation and return it by postal mail (No mailing stamp required within Japan) (You do not need to affix your seal or signature.).

Deadline: The ballot must be received no later than 5:40 p.m. on Tuesday, June 16, 2026.

- **Via the Internet, Etc.**

Access our designated shareholder voting website (<https://soukai.mizuho-tb.co.jp/> [in Japanese only]) and follow the on-screen instructions to enter your vote.

Deadline: 5:40 p.m. on Tuesday, June 16, 2026.



More information on next page

*1 If you plan to attend the Meeting in person, there is no need to submit a ballot by postal mail or via the Internet, etc.

*2 If the approval or disapproval of each of the proposals is not indicated on the returned ballot form, company proposals will be deemed to be approved, and shareholder proposals will be deemed to be disapproved.

Note for Institutional Investors

You may also exercise your voting rights by making use of the Electronic Voting Platform (run by ICJ, Inc.).

Instructions for Voting via the Internet, etc.

[Method 1: Scanning QR code® “Smart Vote”]

You can simply login to the website for exercising voting rights without entering your voting code and password.

1 Please scan the QR code® located on the bottom right of the ballot form.

* “QR code” is a registered trademark of DENSO WAVE INCORPORATED.

2 Indicate your approval or disapproval by following the instructions on the screen.

Note that your voting rights can be exercised **only once** by using the “Smart Vote” method.

If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and login by entering your “voting code” and “password” printed on the ballot form, and exercise your voting rights again.

* You can access the website for personal computer by scanning the QR code® again.

[Method 2: Entering voting code and password]

1 Please access the shareholder voting website. <https://soukai.mizuho-tb.co.jp/> [in Japanese only].

Click “Next.”

2 Enter your “voting code” printed on the ballot form.

Click “Next.”

3 Enter your password printed on the ballot form.

Enter the “initial password.”

Set the new password you are going to use.

Click “Register.”

4 Indicate your approval or disapproval by following the instructions on the screen.

Matters to Be Noted:

- (1) The deadline for voting is 5:40 p.m. on Tuesday, June 16, 2026. You will need to complete the voting process by that time. We encourage you to vote early.
- (2) In the event votes submitted via the Internet (including via “Smart Vote”) are duplicated by the submission of a written ballot, the votes submitted via the Internet will prevail. If votes are submitted multiple times via the Internet, the final vote will prevail.
- (3) Passwords (including new passwords set by shareholders after initial login) will be valid for this Meeting only. New passwords will be issued for the next General Meeting of Shareholders.
- (4) Shareholders will bear any costs incurred for voting via the Internet.

In case you need instructions for how to operate your personal computer/smartphone/mobile phone, etc. in order to exercise your voting rights via the Internet, please contact:

Securities Agent Dept. of Mizuho Trust & Banking Co., Ltd. Internet Help Dial 0120-768-524 [in Japanese only]

(9:00 a.m. to 9:00 p.m. (excluding the year-end and New Year holidays season) (JST))

Guide to Live Streaming

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Reference Documentation

For the General Meeting of Shareholders

Proposal 1: Appropriation of surplus

The Company proposes that the surplus be appropriated as follows.

1. Year-end dividend

Our proposed year-end dividend for this term is detailed below. This reflects our interest in using our internal reserves to improve and reinforce the Company's management foundation, as well as our core policy of returning profits to our shareholders on a stable and sustained basis, in keeping with our dividend policy, which takes into account linkages with consolidated results.

(1) Type of dividend

Cash

(2) Allocation and total amount of dividend

33 yen per common share in the Company

Total dividend: 14,285,792,136 yen

(3) Effective date of distribution of dividend from surplus

June 18, 2026

Including the interim dividend of 29 yen per share that was paid in December last year, the total annual dividend will be 62 yen per share.

2. Other matters concerning the appropriation of surplus

None

Proposal 2: Election of nine directors

The terms of office of nine directors (Toshihiko Hamada, Kenji Nagata, Raoul Giudici, Miri Hara, Katsumi Nagasawa, Masako Miyatake, Hideo Nakajima, Katsuhito Yamaji, and Naoto Yabe) will expire at the conclusion of this Meeting. Accordingly, the Company proposes the election of nine directors (including five outside directors).

The candidates for directors are listed below.

No.	Name	Gender	Current position and responsibilities	Note
1.	Tadaharu Watanabe	Male	Executive Vice President and Assistant to the President	New appointment
2.	Kenji Nagata	Male	Director	Reappointment
3.	Raoul Giudici	Male	Director	Reappointment
4.	Alan David Draper	Male	-	New appointment
5.	Miri Hara	Female	Director Member of Advisory Committee on Appointments and Remuneration	Reappointment outside director independent
6.	Katsumi Nagasawa	Male	Director Chairman of Advisory Committee on Appointments and Remuneration	Reappointment outside director independent
7.	Masako Miyatake	Female	Director Member of Advisory Committee on Appointments and Remuneration	Reappointment outside director independent
8.	Hideo Nakajima	Male	Director Member of Advisory Committee on Appointments and Remuneration	Reappointment outside director independent
9.	Katsuhito Yamaji	Male	Director Member of Advisory Committee on Appointments and Remuneration	Reappointment outside director independent

Notes

The candidates for directors were selected by the Board of Directors following recommendations by the Advisory Committee on Appointments and Remuneration*, which consists of the Representative Director, President CEO and independent outside directors.

The Company has established Standards for the Independence of Outside Directors and the Audit & Supervisory Board members, detailed on Page 24. These standards have been met by the five candidates nominated for outside director positions in this Proposal.

* See “Reference: Advisory Committee on Appointments and Remuneration” on page 24 below for the outline of the Advisory Committee on Appointments and Remuneration.

<Skills Matrix of Candidates for Directors>

The Company believes that members of the Board of Directors shall be composed of diverse individuals with the knowledge and experience required for corporate management in order for the Board of Directors to function more effectively. Accordingly, the fields of particular importance to the Group management are defined as Corporate Management, Financial Affairs & Accounting, Legal Affairs & Risk Management, Sales & Marketing, Development & Technology, and Production & Procurement. The knowledge and experience acquired by all of the officers through their career and in their expert areas comprise the necessary skills for the Group to promote sustainability management. The Company will strive to further enhance the effectiveness of the Board of Directors, assigning personnel with such knowledge and experience in the right places at the right time.

No.	Name	Skills Matrix: areas of expertise and experience of candidates for Directors								
		Corporate Management	Financial Affairs & Accounting	Legal Affairs & Risk Management	Sales & Marketing	Development & Technology	Production & Procurement	Overseas Assignment	Business Experience at Other Companies	Independence
1.	Tadaharu Watanabe	•			•	•		•		
2.	Kenji Nagata	•			•			•		
3.	Raoul Giudici	•			•			•	•	
4.	Alan David Draper	•	•					•	•	
5.	Miri Hara		•						•	•
6.	Katsumi Nagasawa	•				•	•	•	•	•
7.	Masako Miyatake			•				•	•	•
8.	Hideo Nakajima		•	•				•	•	•
9.	Katsuhito Yamaji	•				•	•	•	•	•

* Detailed Definition of Skills

Corporate Management: Career background as president (CEO), corporate executive officer or executive officer of a publicly listed company; or president (CEO) of a local subsidiary of a global company

Business Experience at Other Companies: work experience at companies other than the Group companies or the parent group companies

1

Tadaharu Watanabe (Date of birth: March 22, 1968) Male



New appointment

Number of Company shares owned:
4,100

Career summary, position and responsibilities in the Company

- April 1992 Joined the Company
- June 2006 Director of New Product Marketing, Matheson Tri-Gas, Inc. (now Nippon Sanso Matheson, Inc.)
- June 2007 General Manager of Purification Business Unit, Matheson Tri-Gas, Inc. (now Nippon Sanso Matheson, Inc.)
- January 2008 Vice President, Corporate Business Development, Matheson Tri-Gas, Inc. (now Nippon Sanso Matheson, Inc.)
- April 2014 General Manager, Business Development, Corporate Planning & Global Operations, the Company
- June 2018 Senior General Manager, Business Development, Development Division, the Company
- April 2021 General Manager, Innovation Section, Innovation Unit, Taiyo Nippon Sanso Corporation (now Nippon Sanso Corporation)
- June 2023 President & CEO, Taiyo Nippon Sanso JFP Corporation (now Nippon Sanso JFP Corporation)
- April 2024 Executive Officer, Taiyo Nippon Sanso Corporation (now Nippon Sanso Corporation)
President & CEO, Taiyo Nippon Sanso JFP Corporation (now Nippon Sanso JFP Corporation)
- April 2025 Executive Vice President and Assistant to the President of the Company, in charge of corporate planning, business administration, and business promotion
- April 2026 Executive Vice President and Assistant to the President, the Company (current)

Significant concurrent positions

None

Reasons for nomination as candidate for director position

After experiencing a wide range of activities mainly in the fields of marketing and business development in Japan and overseas, and serving as the general manager of the Innovation Section, Taiyo Nippon Sanso Corporation (now Nippon Sanso Corporation), Tadaharu Watanabe assumed the position of President & CEO of Taiyo Nippon Sanso JFP Corporation (now Nippon Sanso JFP Corporation) from June 2023 to March 2025. Mr. Watanabe is currently engaged in group management as the Executive Vice President of the Company.

In view of his extensive background, we have nominated Mr. Watanabe as a candidate for director in the expectation that his experience and insight will contribute significantly to the Group management. If Mr. Watanabe is elected, he is expected to assume the position of Representative Director, President CEO subject to the selection by the Board of Directors.

Special interests

Tadaharu Watanabe has no special interests in the Company.

2

Kenji Nagata (Date of birth: February 28, 1959) Male



Reappointment

Number of Company shares owned:
13,000

Years of service as a director:
8

Record of attendance at the
Board of Directors meetings:
11 appearances at 11 meetings

Career summary, position and responsibilities in the Company

- April 1981 Joined the Company
- June 2009 President, National Oxygen Pte. Ltd. (now Nippon Sanso Singapore Ltd.)
- June 2013 Executive Officer, general manager of North Kanto Branch, the Company
- April 2016 Executive Officer, deputy general manager of Industrial Gases Division, general manager of Gases Business Unit, general manager of Product Management Unit, the Company
- June 2016 Senior Executive Officer, Deputy General Manager of Industrial Gases Division, General Manager of Gases Business Unit, General Manager of Product Management Unit, the Company
- April 2017 Senior Executive Officer, general manager of Industrial Gases Division, the Company
- June 2018 Senior Managing Executive Officer, Director, General Manager of Industrial Gases Division, the Company
- October 2020 Director, the Company (current), Representative Director, President, Taiyo Nippon Sanso Corporation (now Nippon Sanso Corporation) (current)

Significant concurrent positions

Representative Director, President, Nippon Sanso Corporation

Reasons for nomination as candidate for director position

Kenji Nagata has wide-ranging experience in the areas of industrial gas logistics, sales, and planning. Following his tenure as president of one of our overseas subsidiaries and as general manager of our North Kanto Branch, he was appointed to serve as general manager of our Industrial Gases Division from April 2017 to September 2020. After the Company moved to a holding company structure in October 2020, he assumed Representative Director, President, Taiyo Nippon Sanso Corporation (now Nippon Sanso Corporation) which is our group company engaging in the industrial gases business in Japan.

In view of his extensive background, we have nominated Mr. Nagata for a position as director in the expectation that his experience and insight will contribute significantly to Group management.

Special interests

Kenji Nagata has no special interests in the Company.

3

Raoul Giudici (Date of birth: June 25, 1969) Male



Reappointment

Number of Company shares owned:
0

Years of service as a director:
2

Record of attendance at the
Board of Directors meetings:
11 appearances at 11 meetings

Career summary, position and responsibilities in the Company

September 1995	Joined Rivoira S.p.A. (now Nippon Sanso Italia S.r.l.)
March 2004	Director Marketing and Bulk Sales Development, Rivoira S.p.A (now Nippon Sanso Italia S.r.l.)
February 2007	European Marketing Director, Praxair Euroholding S.L.
January 2010	Sales and Marketing Director Italy, Rivoira S.p.A. (now Nippon Sanso Italia S.r.l.)
February 2013	Managing Director, Rivoira S.p.A. (now Nippon Sanso Italia S.r.l.)
November 2013	Managing Director, President, Rivoira S.p.A. (now Nippon Sanso Italia S.r.l.)
January 2015	Managing Director, President, Praxair Italia S.r.l. (now Nippon Sanso Italia S.r.l.)
April 2024	Executive Vice President, Nippon Gases Euro-Holding S.L.U. (now Nippon Sanso Euro-Holding S.L.U.)
June 2024	Director of the Company (current)
July 2024	Chairman and President, Nippon Gases Euro-Holding S.L.U. (now Nippon Sanso Euro-Holding S.L.U.) (current)

Significant concurrent positions

Chairman and President, Nippon Sanso Euro-Holding S.L.U.

Reasons for nomination as candidate for director position

Raoul Giudici has worked for many years in the industrial gas business in Europe and was in charge of Italy within the European business of Praxair, Inc. (now Linde plc.), the European business of which was acquired by the Company. Currently, he has been serving as the Chairman and President of Nippon Sanso Euro-Holding S.L.U., which manages the Group's European business.

In view of his extensive background, we have nominated Mr. Giudici for a position as director in the expectation that his experience and insight will contribute significantly to Group management.

Special interests

Raoul Giudici has no special interests in the Company.

4

Alan David Draper (Date of birth: September 8, 1971) Male



New appointment

Number of Company shares owned:
0

Career summary, position and responsibilities in the Company

- September 1995 Senior Accountant, Lumsden & McCormick, LLP
- September 1996 Internal Auditor, Praxair, Inc. (now Linde plc.)
- April 1999 Financial Analyst, Praxair, Inc. (now Linde plc.)
- June 2000 Finance Manager, Global Supply Systems, Praxair, Inc. (now Linde plc.)
- June 2002 US North Region Controller, Praxair, Inc. (now Linde plc.)
- May 2004 Director of Revenue & Volume, Praxair, Inc. (now Linde plc.)
- June 2005 Director of Accounting & Operations Controller, Praxair, Inc. (now Linde plc.)
- March 2009 Finance Director & Global Controller, Praxair Surface Technologies, Inc. (now Linde Advanced Material Technologies Inc.)
- December 2014 VP, Finance, IT, and Operational Excellence, Praxair Surface Technologies, Inc. (now Linde Advanced Material Technologies Inc.)
- December 2018 CFO, TNSC Euro-Holding S.L.U. (now Nippon Sanso Euro-Holding S.L.U.)
- October 2020 Executive Officer, Executive General Manager of Group Financing & Accounting and CFO, the Company
- June 2023 Senior Executive Officer, Executive General Manager of Group Financing & Accounting and CFO, the Company
- April 2026 Chairman & CEO, Nippon Sanso Matheson, Inc. (current)

Significant concurrent positions

Chairman & CEO, Nippon Sanso Matheson, Inc.

Reasons for nomination as candidate for director position

Alan David Draper has a broad range of experience in the fields of finance, accounting, and business management at global companies engaged in the industrial gas and engineering business. At the Company, he promoted the strengthening of the Group's financial foundation as CFO and currently serves as a Chairman & CEO of Nippon Sanso Matheson, Inc., where he is responsible for managing the Group's U.S. business.

In view of his extensive background, we have nominated Mr. Draper for a position as director in the expectation that his experience and insight will contribute significantly to Group management.

Special interests

Alan David Draper has no special interests in the Company.

5



Reappointment

outside director

independent

Number of Company shares owned:
0

Years of service as an outside
director:
5

Record of attendance at the
Board of Directors meetings:
11 appearances at 11 meetings

Miri Hara (Date of birth: December 20, 1961) Female

Career summary, position and responsibilities in the Company

- June 1988 Director, Hara Jisho Co., Ltd. (current)
- October 2017 Founded Tax Corporation Yokohama Benten Accounting, Inc., and assumed Representative Certified Public Tax Accountant (current)
- June 2020 Outside director, SECOM CO., LTD. (current)
- June 2021 Outside director, the Company (current)
- October 2024 Auditor (part time), Hitotsubashi University (current)

Significant concurrent positions

- Representative Certified Public Tax Accountant, Tax Corporation Yokohama Benten Accounting, Inc.
- Outside director, SECOM CO., LTD.
- Auditor (part time), Hitotsubashi University

Reasons for nomination as candidate for outside director position

Miri Hara has served as a director of real estate management company over many years, and also has wide-ranging experience of serving as Representative Certified Public Tax Accountant of Tax Corporation, and an outside director at another publicly listed company. We have nominated Ms. Hara as a candidate for outside director in the expectation that she will effectively apply her wide experience and professional expertise of corporate accounting as a Certified Public Tax Accountant and viewpoint of promoting diversity and women's empowerment to the management of our Group.

Special interests

Miri Hara has no special interests in the Company.

Reporting of independent director status

Miri Hara is a candidate for the position of outside director. Also, she satisfies the requirements for independent directors as set forth in the Securities Listing Regulations of the Tokyo Stock Exchange, and we have notified the Tokyo Stock Exchange of her selection as an independent director. If this Proposal is approved and adopted, we will notify the Tokyo Stock Exchange of her continued selection as an independent director.

Overview of liability limitation agreement

With regard to liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, the Company and Miri Hara have entered into a liability limitation agreement that limits said liability to the amount stipulated by law in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. This agreement with Ms. Hara will be extended if she is reelected as a director.

6

Katsumi Nagasawa (Date of birth: October 18, 1956) Male



Reappointment

outside director

independent

Number of Company shares owned:
1,200

Years of service as an outside
director:
4

Record of attendance at the
Board of Directors meetings:
11 appearances at 11 meetings

Career summary, position and responsibilities in the Company

April 1980	Joined Hitachi, Ltd.
April 2006	General Manager of Nuclear Power Business Development & Management Division, Nuclear Systems Division, Power Systems Group, Hitachi, Ltd.
October 2008	Vice President of Hitachi Power Systems America, Ltd. (now Mitsubishi Power Americas, Inc.*)
October 2010	General Manager of Global Business Division, Power Systems Company, Hitachi, Ltd.
January 2011	General Manager of Global Business Division, Power Systems Company, Hitachi, Ltd., and CSO of Hitachi-GE Nuclear Energy, Ltd. (now Hitachi GE Vernova Nuclear Energy, Ltd.)
April 2012	Corporate Officer for Hitachi, Ltd.; General Manager of Hitachi Works, Power Systems Company, Power Systems Group, Hitachi, Ltd.
April 2014	Vice President and Executive Officer, President & CEO of Power Systems Company, Power Systems Group, Hitachi, Ltd.
April 2016	Vice President and Executive Officer, CEO of Nuclear Business Unit, Hitachi, Ltd.
April 2017	Senior Corporate Officer for Hitachi, Ltd., General Manager of Global Nuclear Business Division, Nuclear Business Unit, Hitachi, Ltd.
April 2019	Chairman of the Board, Hitachi-GE Nuclear Energy, Ltd. (now Hitachi GE Vernova Nuclear Energy, Ltd.)
June 2020	Outside director, Sugino Machine Limited (current)
June 2022	Outside director, the Company (current)

Significant concurrent positions

Outside director, Sugino Machine Limited

Reasons for nomination as candidate for outside director position

Katsumi Nagasawa had been engaged in the nuclear power business for many years at a general electrical appliance manufacturer, and subsequently served as a corporate executive officer of the company and as the chairman of the board of directors of its group company, among other important positions. We have nominated Mr. Nagasawa as a candidate for outside director in the expectation that he will effectively apply his wide experience and professional expertise in the field of technology, and a wealth of experience in corporate management in the manufacturing industry to the management of our Group.

Special interests

Katsumi Nagasawa has no special interests in the Company.

Reporting of independent director status

Katsumi Nagasawa is a candidate for the position of outside director. Also, he satisfies the requirements for independent directors as set forth in the Securities Listing Regulations of the Tokyo Stock Exchange, and we have notified the Tokyo Stock Exchange of his selection as an independent director. If this Proposal is approved and adopted, we will notify the Tokyo Stock Exchange of his continued selection as an independent director.

Overview of liability limitation agreement

With regard to liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, the Company and Katsumi Nagasawa have entered into a liability limitation agreement that limits said liability to the amount stipulated by law in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. This agreement with Mr. Nagasawa will be extended if he is reelected as a director.

* The nuclear power-related business of the former Hitachi Power Systems America, Ltd. was transferred to Hitachi America, Ltd.

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Reappointment

outside director

independent

Number of Company shares owned:
0

Years of service as an outside
director:
4

Record of attendance at the
Board of Directors meetings:
11 appearances at 11
meetings

Masako Miyatake (Date of birth: August 19, 1958) Female

Career summary, position and responsibilities in the Company

April 1983	Joined The Chase Manhattan Bank N.A. (now JPMorgan Chase Bank, N.A.)
October 2002	Registered as an attorney (Deregistered in 2011 to study abroad and reregistered in 2014)
October 2002	Joined Koga & Partners
June 2004	Joined Asahi & Koma Law Offices (now Nishimura & Asahi)
November 2014	Joined Nakano Law Office
November 2014	Reconciliator, Dispute Reconciliation Center for Nuclear Damage Compensation regarding Fukushima Nuclear Plant, Ministry of Education, Culture, Sports, Science and Technology (current)
April 2015	Conciliation Commissioner, Tokyo Family Court (current)
April 2018	Joined Blakemore & Mitsuki (current)
December 2018	Deputy Secretary-General, Japan International Dispute Resolution Center
March 2019	Outside director, SUMIDA CORPORATION
April 2019	Visiting Professor, Keio University Law School
April 2021	Professor, Keio University Law School
June 2022	Outside director, the Company (current)
April 2024	Visiting Professor, Keio University Law School (current)
September 2024	Visiting Professor, Graduate School of Law, Kobe University (current)
January 2026	Vice Chair, the Dispute Resolution Subcommittee, the International Construction Projects Committee, International Bar Association (IBA) (current)

Significant concurrent positions

Visiting Professor, Keio University Law School
Visiting Professor, Graduate School of Law, Kobe University
Of Counsel, Blakemore & Mitsuki

Reasons for nomination as candidate for outside director position

Having accumulated a wealth of experience as an international lawyer over many years, Masako Miyatake has been practicing law in the fields of international transactions, finance, corporate governance, and litigation, arbitration and conciliation. Furthermore, she served as an outside director at another publicly listed company. We have nominated her as a candidate for outside director in the expectation that she will effectively apply her wide experience and professional expertise as an attorney as well as her wide experience in international transactions and global point of view to the management of our Group. Aside from her duties as an outside director, Ms. Miyatake has not been directly involved in corporate management. However, we believe she is capable of effectively fulfilling the role of an outside director at our Company, for the reasons given above.

Special interests

Masako Miyatake has no special interests in the Company.

Reporting of independent director status

Masako Miyatake is a candidate for the position of outside director. Also, she satisfies the requirements for independent directors as set forth in the Securities Listing Regulations of the Tokyo Stock Exchange, and we have notified the Tokyo Stock Exchange of her selection as an independent director. If this Proposal is approved and adopted, we will notify the Tokyo Stock Exchange of her continued selection as an independent director.

Overview of liability limitation agreement

With regard to liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, the Company and Masako Miyatake have entered into a liability limitation agreement that limits said liability to the amount stipulated by law in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. This agreement with Ms. Miyatake will be extended if she is reelected as a director.

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Hideo Nakajima (Date of birth: July 23, 1955) Male



Reappointment

outside director

independent

Number of Company shares owned:

0

Years of service as an outside director:

3

Record of attendance at the Board of Directors meetings:
11 appearances at 11 meetings

Career summary, position and responsibilities in the Company

April 1978	Joined the Ministry of Finance of Japan
July 2002	Director General of Budgeting and Personnel Management, Asian Development Bank (in Manila, Philippines)
July 2005	Commissioner, Japan Fair Trade Commission (in charge of international affairs)
January 2014	Secretary General, Japan Fair Trade Commission
September 2017	Special Advisor, White & Case LLP/White & Case Law Offices (Registered Association) (current)
June 2023	Outside director, the Company (current)

Significant concurrent positions

Special Advisor, White & Case LLP/White & Case Law Offices (Registered Association)

Reasons for nomination as candidate for outside director position

Hideo Nakajima has occupied important posts at the Ministry of Finance and the Japan Fair Trade Commission. He is currently serving as a special advisor to a law firm that provides global services. We have nominated him as a candidate for outside director in the expectation that he will apply his wealth of experience and professional expertise to the management of our Group. Aside from his duties as an outside director, Mr. Nakajima has not been directly involved in corporate management. However, we believe he is capable of effectively fulfilling the role of an outside director at our Company, for the reasons given above.

Special interests

Hideo Nakajima has no special interests in the Company.

Reporting of independent director status

Hideo Nakajima is a candidate for the position of outside director. Also, he satisfies the requirements for independent directors as set forth in the Securities Listing Regulations of the Tokyo Stock Exchange and we have notified the Tokyo Stock Exchange of his selection as an independent director. If this Proposal is approved and adopted, we will notify the Tokyo Stock Exchange of his continued selection as an independent director.

Overview of liability limitation agreement

With regard to liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, the Company and Hideo Nakajima have entered into a liability limitation agreement that limits said liability to the amount stipulated by law in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. This agreement with Mr. Nakajima will be extended if he is reelected as a director.

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Katsuhito Yamaji (Date of birth: November 28, 1958) Male



Reappointment

outside director

independent

Number of Company shares owned:

0

Years of service as an outside director:

3

Record of attendance at the Board of Directors meetings:
11 appearances at 11 meetings

Career summary, position and responsibilities in the Company

April 1982	Joined Yamaha Motor Co., Ltd.
April 2003	Director, Yamaha Motor da Amazonia Ltda.
July 2009	Senior General Manager, Manufacturing and Engineering Section, Technology Center, Yamaha Motor Co., Ltd.
March 2012	Executive Officer, Senior General Manager, EG Manufacturing Section, Manufacturing Center, Yamaha Motor Co., Ltd.
January 2014	Executive Officer, Chief General Manager, Manufacturing Center, Yamaha Motor Co., Ltd.
March 2015	Senior Executive Officer, Chief General Manager, Manufacturing Center, Yamaha Motor Co., Ltd.
January 2017	Senior Executive Officer, Chief General Manager, Manufacturing Center, concurrently in charge of Procurement Center, Yamaha Motor Co., Ltd.
March 2017	Senior Executive Officer and Director, Yamaha Motor Co., Ltd.
March 2019	Managing Executive Officer and Director, Yamaha Motor Co., Ltd.
March 2022	Advisor, Yamaha Motor Co., Ltd.
June 2023	Outside director, the Company (current)
June 2024	Outside director, ENSHU Limited (current)

Significant concurrent positions*

Outside director, ENSHU Limited

Reasons for nomination as candidate for outside director position

Katsuhito Yamaji has worked for many years in the areas of technology development and production and procurement at a transport equipment manufacturer, and engaged in management after assuming the post of a director. We have nominated Mr. Yamaji as a candidate for outside director in the expectation that he will effectively apply his professional expertise in overall technology and wide experience including procurement, as well as experience in corporate management in the manufacturing industry, to the management of our Group.

Special interests

Katsuhito Yamaji has no special interests in the Company.

Reporting of independent director status

Katsuhito Yamaji is a candidate for the position of outside director. Also, he satisfies the requirements for independent directors as set forth in the Securities Listing Regulations of the Tokyo Stock Exchange and we have notified the Tokyo Stock Exchange of his selection as an independent director. If this Proposal is approved and adopted, we will notify the Tokyo Stock Exchange of his continued selection as an independent director.

Overview of liability limitation agreement

With regard to liability for damages as provided for in Article 423, Paragraph 1 of the Companies Act, the Company and Katsuhito Yamaji have entered into a liability limitation agreement that limits said liability to the amount stipulated by law in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. This agreement with Mr. Yamaji will be extended if he is reelected as a director.

*Katsuhito Yamaji served as a director for Yamaha Motor Co., Ltd. until March 2022. In June 2024, Yamaha Motor Co., Ltd. was directed by the Ministry of Land, Infrastructure, Transport and Tourism to suspend shipment of certain motorcycle models and became the subject of an on-site inspection in connection with inappropriate handling of applications submitted for motorcycle model designations. These motorcycles were sold by Yamaha Motor Co., Ltd. during the time Mr. Yamaji served as a director there.

(Note) Matters common to all candidates for directors

The Company has entered into a directors and officers (D&O) liability insurance agreement with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. In the event that claims for damages including third party litigations, derivative lawsuits, and corporate litigations are made against the insured persons including directors of the Company due to the acts in the course of their duties as directors and officers of the Company, the said insurance agreement shall compensate for legal damages and litigation expenses to be borne by the insured. (However, the said insurance agreement shall not cover damages arising from any criminal acts, etc. committed by the insured.) If each candidate is reelected or elected, each candidate will be insured under the said insurance agreement. Also, the Company intends to renew the said insurance agreement at the time of next renewal.

Reference: Advisory Committee on Appointments and Remuneration

The Company has established an Advisory Committee on Appointments and Remuneration as a discretionary advisory committee under the Board of Directors. The Company Representative Director, president CEO and five independent outside directors are the members of this committee. The committee is chaired by an independent outside director.

The Board of Directors consults with and receives advice from the Advisory Committee on Appointments and Remuneration on the election of candidates for the position of director and Audit & Supervisory Board member, appointment and removal of the president (CEO), election and dismissal of executive officers, and revisions to the internal regulations governing the remuneration of the Board of Directors, thereby ensuring the transparency and objectivity of decision making.

Reference: Standards for the Independence of Outside Directors and Audit & Supervisory Board members

The Company considers a candidate for the position of Outside Director or Audit & Supervisory Board member to be independent provided the candidate does not fit any of the descriptions listed below as a result of a reasonable and feasible investigation by the Company.

1. A person who executes business for the Company and for a Company subsidiary (collectively the "Group")^{*1}.
2. A person who executes business for the Company's parent company or one of the Company's sister companies.
3. A major shareholder of the Company (who directly or indirectly holds 10% or more of the total voting rights), or a person who executes business for such a shareholder.
4. A major business partner of the Group, or a person who executes business for such a partner:
 - (1) A major supplier^{*3} of the Company or important subsidiary of the Company^{*2}, or a person who executes business for such a supplier
 - (2) A major client^{*4} of the Company or important subsidiary of the Company, or a person who executes business for such a client
 - (3) A major financial institution^{*5} from which the Group raised funds, or a person who executes business for such a financial institution.
5. A person who executes business for an auditing firm which is the Group's accounting auditor.
6. A person who executes business for a company in which an individual with an executive role in the Group serves as an outside director or an outside audit & supervisory board member.
7. A consultant, accounting professional, legal professional or any other individual who receives on average 10 million yen or more in cash or other assets per year in the last three fiscal years from the Group in addition to director's remuneration^{*6}.
8. A person, or board member or other persons executing business for a judicial person, partnership or other organizations, that receives on average 10 million yen or more per year as donation in the last three fiscal years from the Group.
9. A spouse or relative within the second degree of kinship of a person who falls under the following (excluding non-important personnel):
 - (1) A person as described in 1 through 8 above

However, those who are considered applicable shall fall under 1. or 2. above for the past ten years, and under 3 through 8 above for the past three years.

Supplementary provision: These Standards shall be effective for persons newly appointed from April 1, 2022 onwards.

*1 A person who executes business refers to a director, corporate executive officer, executive officer, managing member who executes operations, board member and those equivalent thereto and employees of a judicial person, partnership, or other organizations.

*2 Important subsidiaries of the Company refer to Nippon Sanso Corporation, Nippon Sanso Matheson, Inc., Nippon Sanso Euro-Holding S.L.U., and Thermos K.K.

*3 A major supplier refers to a party who received payment of 2% or more of that supplier's annual consolidated net sales in the most recent fiscal year from the Company or its important subsidiaries.

*4 A major client refers to a party to whom the Company or its important subsidiaries sold goods or services of 2% or more of its consolidated net sales in the most recent fiscal year.

*5 A major financial institution refers to a party whose outstanding loans to the Group exceed 2% of the Company's consolidated total assets at the end of the most recent fiscal year.

*6 If the recipient is a judicial person, partnership, or other organization, this includes persons belonging to that organization.

Proposal 3: Introduction of a performance-linked stock-based remuneration plan for directors

1. Reasons for the proposal and its appropriateness

The Company seeks approval for the introduction of a new performance-linked stock-based remuneration plan, the “Board Benefit Trust (BBT)” (the “Plan”), for the Company’s directors, excluding outside directors, directors whose primary duties are as officers or employees of the Company’s parent company or sister companies, and non-residents of Japan (the “Eligible Directors”).

If Proposal 2, “Election of nine directors,” is approved as originally proposed, and this Proposal is also approved as originally proposed, the number of Eligible Directors covered by the Plan will be two.

As described below, in addition to the Eligible Directors, executive officers (excluding non-residents of Japan; hereinafter referred to as the “Eligible Executive Officers,” and collectively with the Eligible Directors, the “Eligible Directors, etc.”) will also be included as participants in the Plan.

The purpose of this Proposal is to further clarify the linkage between the remuneration of Eligible Directors and the Company’s performance and share value, and to enhance Eligible Directors’ awareness of contributing to improvement of business performance and corporate value over the medium to long term by sharing with shareholders not only the benefits of share price increases but also the risks associated with share price declines. The Company has established a new policy for determining remuneration, etc. for officers, subject to the approval of this Proposal at the meeting of the Board of Directors held on April 27, 2026. An outline of the policy is described below. As the content of this Proposal is consistent with such policy, the Company considers it to be appropriate. Furthermore, the Company has received a recommendation from the Advisory Committee on Appointments and Remuneration that the introduction of the Plan is appropriate, taking into account the purpose of the Plan and its expected effectiveness in providing incentives to enhance medium- to long-term business performance.

The maximum amount of remuneration for directors was approved at the 18th Ordinary General Meeting of Shareholders held on June 17, 2022, at up to 800 million yen per year (including up to 100 million yen per year for outside directors; excluding their employee portion), and this remains in effect to date. This Proposal requests approval for the specific method for calculating the amount of remuneration and other benefits under the Plan and related details, for the purpose of granting remuneration to the Eligible Directors under the Plan, separately from the aforementioned remuneration limit.

If this Proposal is approved as originally proposed, under the Company’s remuneration structure for directors, remuneration will consist of basic monthly remuneration, annual bonuses as short-term incentives, and stock-based remuneration under the Plan as a medium- to long-term incentive (for non-residents of Japan, cash remuneration equivalent to stock-based remuneration will be provided).

The Company respectfully requests that determination of the details of the Plan be delegated to the Board of Directors within the scope set forth in Section 2 below.

2. Specific method for calculating the amount of remuneration and other benefits under the Plan and related details

(1) Overview of the Plan

The Plan is a performance-linked stock-based remuneration plan under which the Company’s shares are acquired through a trust (hereinafter, the trust established under the Plan shall be referred to as the “Trust”) using funds contributed by the Company, and the Company’s shares and cash equivalent to the market value of such shares (the “Company Shares, etc.”) are delivered to Eligible Directors, etc., through the Trust in accordance with the Company’s Share Delivery Regulations for Officers, etc.. In principle, Eligible Directors, etc., will receive the Company Shares, etc., upon their retirement.

(2) Eligible persons under the Plan (Eligible Directors, etc.)

Directors and executive officers (excluding outside directors, directors whose primary duties are as officers or employees of the Company’s parent company or sister companies, and non-residents of Japan).

(3) Trust period

From August 2026 (planned) until the termination of the Trust. (No specific termination date is set for the Trust period, and the Trust will continue as long as the Plan remains in effect. The Plan will terminate upon delisting of the Company’s shares, abolition of the Share Delivery Regulations for Officers, etc., or other similar events.)

(4) Amount of funds to be contributed to the Trust

Subject to shareholder approval of this Proposal, the Company will implement the Plan for the four fiscal years from the fiscal year ending March 31, 2027, to the fiscal year ending March 31, 2030 (hereinafter, the said four-fiscal-year period is referred to as the “Initial Applicable Period,” and each of the Initial Applicable Period and every subsequent four-fiscal-year period commencing after the Initial Applicable Period is referred to as an “Applicable Period”) and for each Applicable period. In order to deliver the Company Shares, etc. to Eligible Directors, etc., the Company will contribute the following funds to the Trust for the acquisition of the Company’s shares by the Trust ^(Note). The Applicable Period will be aligned with the period of the Company’s medium-term management plan. If the term of the medium-term management plan is changed in the future, the Applicable Period will be adjusted accordingly.

First, upon the establishment of the Trust (scheduled for August 2026), the Company will contribute to the Trust an amount of funds reasonably estimated to be necessary for the Initial Applicable Period. Under the Plan, each point shall correspond to one share of the Company’s common shares. As described in (6) below, the maximum number of points to be granted to Eligible Directors, etc., under the Plan shall be 50,000 points per fiscal year and 200,000 points in total for four fiscal years. Accordingly, at the time of the establishment of the Trust, the Company will contribute funds reasonably estimated to be necessary to acquire up to 200,000 shares, taking into account the closing price of the Company’s common shares in regular trading on the Tokyo Stock Exchange immediately prior to such establishment. For reference, if the closing price as of March 31, 2026 (5,533 yen) is applied, the above necessary amount of funds would be approximately 1,106 million yen.

After the Initial Applicable Period, for so long as the Plan continues, the Company will, in principle, make additional contributions to the Trust for each Applicable Period, in an amount considered necessary for the Trust to acquire in advance the number of shares reasonably expected to be required for the delivery of benefits to Eligible Directors, etc., under the Plan. However, if, when making such additional contributions, any Company shares remaining in the trust assets (excluding those corresponding to the number of points already granted for prior Applicable Periods for which delivery has not yet been completed) and cash (collectively, the “Remaining Shares, etc.”), the Remaining Shares, etc., shall be used to fund the benefits under the Plan for subsequent Applicable Periods, and the amount of additional contributions shall be determined after taking into account such Remaining Shares, etc. If the Company decides to make any additional contribution, it will disclose such decision in a timely and appropriate manner.

(Note) The actual amount of funds to be contributed by the Company to the Trust will include, in addition to the funds for the acquisition of shares described above, the estimated amount of necessary expenses such as trust fees.

(5) Method of acquisition of the Company’s shares by the Trust and number of shares to be acquired

The Trust will acquire the Company’s shares using the funds contributed as described in (4) above, through the stock exchange market.

As described in (6) below, the maximum number of points to be granted to Eligible Directors, etc., is 50,000 points per fiscal year. Accordingly, the maximum number of the Company’s shares to be acquired by the Trust for Initial Applicable Period shall be 200,000 shares. In addition, for each Applicable Period after the expiration of the Initial Applicable Period, the maximum number of shares of the Company to be acquired by the Trust shall be the number obtained by multiplying 50,000 shares by the number of fiscal years included in each Applicable period. Details of the acquisition of the Company’s shares by the Trust will be disclosed in a timely and appropriate manner.

(6) Maximum number of Company Shares, etc., to be delivered to Eligible Directors, etc.

Eligible Directors, etc., will be provisionally granted the number of points for each fiscal year in accordance with their respective positions, pursuant to the Share Delivery Regulations for Officers, etc.. The points provisionally granted to Eligible Directors, etc., for each fiscal year will, in principle, be finalized after the end of each Applicable Period, upon adjustment by multiplying a coefficient based on the degree of achievement of performance targets.

The total number of points to be granted to Eligible Directors, etc., per fiscal year shall be limited to 50,000 points (of which 20,000 points shall be allocated to Eligible Directors). This limit was determined after comprehensively considering various factors, including the current level of officers’ remuneration, trends in and future projections of the number of Eligible Directors, etc., and the Company considers it appropriate.

Points granted to Eligible Directors, etc., will, upon delivery of the Company Shares, etc., as described in (7) below, be converted at a rate of one share of the Company's common shares per point. However, in the event of a stock split, share allotment without contribution, share consolidation, or any other similar event with respect to the Company's shares after the approval of this Proposal, reasonable adjustments will be made to the maximum number of points, the number of points already granted, or the conversion ratio, in accordance with the applicable ratio or other relevant factors.

The ratio of the number of voting rights (200 voting rights) pertaining to the shares corresponding to the maximum number of points to be granted to Eligible Directors per fiscal year to the total number of voting rights (4,326,868 voting rights as of March 31, 2026) in respect of the total number of outstanding shares is approximately 0.0046%.

The number of points of each Eligible Director, etc., to be used as the basis for the delivery of the Company Shares, etc., as described in (7) below shall, in principle, be the total number of points granted to such Eligible Director, etc., up to the time of retirement (the "Finalized Points").

- (7) Delivery of the Company Shares, etc., and specific method for calculating the amount of remuneration, etc.

If an Eligible Director, etc., retires and satisfies the beneficiary requirements set forth in Share Delivery Regulations for Officers, etc., such Eligible Director, etc., shall, after retirement and upon completion of the prescribed procedures for determination of beneficiary status, receive from the Trust, in principle, the number of the Company's shares corresponding to the Finalized Points determined in accordance with (6) above. However, where the requirements set forth in the Officers' Share Benefit Regulations are satisfied, a certain portion of such benefits may be provided in cash equivalent to the market value of the Company's shares in lieu of the delivery of such shares. The Trust may sell the Company's shares to provide such cash benefits.

Even where points have been granted to Eligible Directors, etc., all or part of their right to receive benefits may be forfeited in the event of any material violation of laws or regulations, inappropriate accounting treatment, or any other similar event relating to the execution of their duties. Furthermore, if any such event occurs after benefits have been received, the Company may seek monetary repayment of all or part of the economic value equivalent to the shares and cash received.

The amount of remuneration, etc., to be received by Eligible Directors, etc. under the Plan shall be based on the amount obtained by multiplying the total number of points granted to the Eligible Directors, etc. at the time of grant by the book value per share of the Company's shares held by the Trust (provided, however, that in the event of a stock split, share allotment without contribution, share consolidation, or any similar event with respect to the Company's shares, reasonable adjustments shall be made in accordance with the applicable ratio or other relevant factors).

- (8) Exercise of voting rights

Voting rights attached to the Company's shares held in the Trust account shall not be exercised at all in accordance with the instructions of the trust administrator. This approach is intended to ensure neutrality toward the Company's management in the exercise of such voting rights.

- (9) Treatment of dividends

Dividends on the Company's shares held in the Trust account will be received by the Trust and used to pay the acquisition cost of the Company's shares and trust-related expenses, including trust fees. In the event of the termination of the Trust, any dividends and other funds remaining in the Trust will be donated, in accordance with the Share Delivery Regulations for Officers, etc., to organizations that have no interest in the Company or the officers of the Group.

- (10) Treatment upon termination of the trust

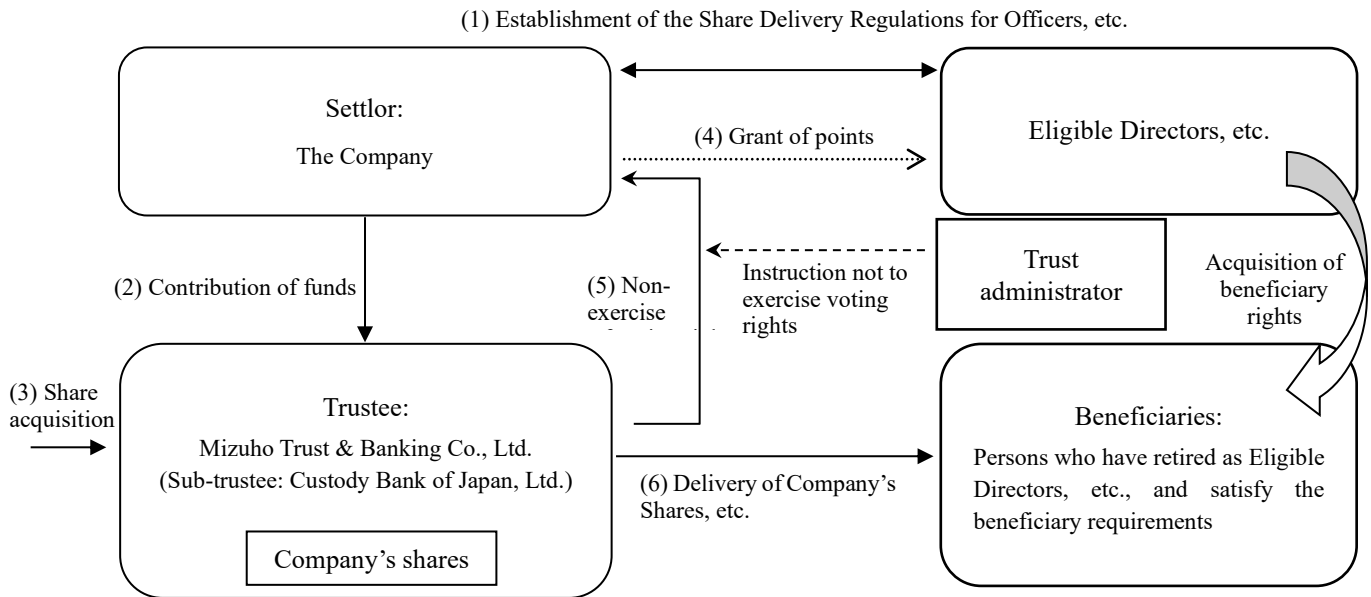
The Trust will terminate upon the occurrence of events such as the delisting of the Company's shares or the abolition of the Share Delivery Regulations for Officers, etc..

Upon termination of the Trust, all of the Company's shares remaining as residual assets in the Trust will be acquired by the Company without consideration and are expected to be cancelled by resolution of the Board of Directors. Any residual cash remaining in the Trust upon its termination, less the portion to be donated to organizations as described in (9) above will be distributed to the Company.

- (11) Treatment of non-residents of Japan

Directors (excluding outside directors and directors whose primary duties are as officers or employees of the Company's parent company or sister companies) and executive officers who are non-residents of Japan will not be eligible for the Plan. Instead, they will be provided with stock price-linked cash remuneration (i.e., phantom stock remuneration) within the limits of cash remuneration.

Reference: Framework of the Plan



- (1) The Company will establish the Share Delivery Regulations for Officers, etc. within the framework approved under this Proposal.
- (2) The Company will contribute funds to the Trust within the scope approved under this Proposal.
- (3) The Trust will acquire the Company's shares through purchases on the stock market using the funds entrusted in (2).
- (4) The Company will grant points to Eligible Directors, etc., in accordance with the Share Delivery Regulations for Officers, etc.
- (5) The Trust will not exercise voting rights attached to the Company's shares held in the Trust account, in accordance with the instructions of the trust administrator who is independent from the Company.
- (6) The Trust shall deliver to persons who have retired as Eligible Directors, etc., and satisfy the beneficiary requirements set forth in the Share Delivery Regulations for Officers, etc. (the "Beneficiaries") the Company's shares in a number corresponding to the points granted to such Beneficiaries. However, where the requirements set forth in the Share Delivery Regulations for Officers, etc. are satisfied, a certain portion of the points will be settled in cash in an amount equivalent to the market value of the Company's shares.

Reference: Overview of the Revised Policy for Determining Remuneration, etc. for Officers

a. Purpose and basic policy

The Policy sets forth the basic principles, structure, and decision-making process for remuneration of the Company's officers, as well as the policy for determining individual remuneration. Its purpose is to provide appropriate incentives that contribute to the sustainable growth of the Company's group and the enhancement of its medium- to long-term corporate value, while improving the transparency, objectivity, and accountability of the officer remuneration system.

The Company designs and operates its directors' remuneration system based on the following basic principles:

- (1) To establish a remuneration system that contributes to the sustainable growth of the Group as a whole and the enhancement of medium- to long-term corporate value.
- (2) To establish a remuneration system that promotes alignment of interests and sharing of risks with shareholders and other stakeholders.
- (3) To maintain a competitive remuneration level capable of attracting and retaining talented personnel, taking into account an appropriate balance with remuneration levels at companies in the same industry or of similar size, the Company's business conditions, and executive officers' remuneration levels, and employees' salary levels, etc..
- (4) To establish a remuneration system that appropriately reflects performance, roles, and responsibilities, with a high level of accountability.
- (5) To ensure objectivity, transparency, and governance with respect to the remuneration determination process and calculation methods.

b. Approach to remuneration levels and remuneration structure for directors

The Company determines directors' remuneration levels to ensure both competitiveness and fairness, taking into account various factors, including remuneration levels at companies in the same industry or of similar size, the Company's business conditions, the performance of the Group, and labor market trends, while referring, as appropriate, to external remuneration survey data.

Remuneration for internal directors consists of the following components. For each position, the standard amounts for basic monthly remuneration, annual bonus, and stock-based remuneration are set at an approximate ratio of 45:30:25, respectively, in order to strengthen incentives for performance achievement and alignment with shareholder value.

(1) Basic monthly remuneration (fixed remuneration)

Basic monthly remuneration is fixed remuneration paid monthly at a predetermined amount for each position, taking into account each director's roles, responsibilities, duties, and experience, with the objective of providing a basic level of remuneration commensurate with such roles and responsibilities. Specific levels, including the standard amount, are separately set forth in the Regulations on Directors' Remuneration (the "Remuneration Regulations").

(2) Annual bonus (short-term incentive)

The annual bonus is a short-term incentive paid annually based on the degree of achievement of consolidated financial and sustainability indicator targets for each fiscal year, in light of the medium-term management plan and our Group's medium- and long-term strategy. It is designed to encourage the achievement of performance targets for the relevant fiscal year. Specific evaluation indicators, targets, payout ranges, and standard amounts by position are defined in the Remuneration Regulations.

(3) Stock-based remuneration (medium- to long-term incentive; for non-residents of Japan, cash remuneration equivalent to the amount of stock-based remuneration)

Stock-based remuneration is a medium- to long-term incentive with the evaluation period corresponding to the period of the medium-term management plan. It is, in principle, granted upon retirement based on the degree of achievement of consolidated financial and sustainability indicator targets in the final fiscal year of the evaluation period. It is intended to encourage performance that enhances medium- to long-term corporate value while aligning interests and sharing risks with shareholders. Specific performance indicators, targets, payout ranges, and standard amounts by position are defined in the Remuneration Regulations and the Share Delivery Regulations for Officers, etc. (or, for non-residents of Japan, the Phantom Stock Regulations for Officers, etc.).

Remuneration for outside directors and directors whose primary duties are as officers or employees of the Company's parent company or sister companies consists solely of basic monthly remuneration (fixed remuneration), in order to ensure independence and avoid conflicts of interest. Such directors are not eligible for annual bonuses or stock-based remuneration.

c. Process for determining individual directors' remuneration

The determination of the details of individual directors' remuneration shall be carried out in accordance with the following process:

- (1) The Board of Directors may, for each fiscal year, delegate the calculation and determination of individual remuneration amounts for each director to the Representative Director, President in accordance with the Remuneration Regulations, etc.
- (2) Where such delegation is made pursuant to the preceding paragraph, the Representative Director, President shall unambiguously calculate and determine the individual remuneration amounts for each director by applying the standard amounts by position, performance-linked indices, and other calculation factors set forth in the Remuneration Regulations, etc.
- (3) The Representative Director, President shall report the calculated individual remuneration amounts and the basis for such calculations to the Advisory Committee on Appointments and Remuneration.
- (4) The Advisory Committee on Appointments and Remuneration shall review whether the matters reported are consistent with this policy and the Remuneration Regulations, etc., and whether they fall within the scope approved by the General Meeting of Shareholders.

d. Reduction and clawback of remuneration

The Company may, in the event of any material violation of laws or regulations, inappropriate accounting treatment, or any other similar event relating to the execution of duties by a director, taking into account the nature and severity of such event, reduce remuneration prior to payment or seek the clawback of remuneration already paid.

e. Governance and decision-making process

The Company shall consult the Advisory Committee on Appointments and Remuneration, which is established as a voluntary advisory body to the Board of Directors, on important matters concerning the structure, allocation, and levels of directors' remuneration and other benefits, and shall make decisions by resolution of the Board of Directors based on the committee's recommendations.

(Attachment)

Business Report

From April 1, 2025
to March 31, 2026

1. Current Status of Corporate Group

(1) Business conditions in fiscal year under review

1) Overview of Business Results for the Fiscal Year Under Review

The business environment for our group during the fiscal year (from April 1, 2025 to March 31, 2026) remained such that it was still difficult to forecast future conditions in our major markets and regions.

Under these circumstances, Nippon Sanso Holdings Group (NSHD Group) shipment volumes of products declined year-on-year. As a group, the volume decline was partially offset with our continued focus on price management, including passing on cost increases to selling prices, and productivity improvement initiatives across each region. As a result, business performance for the full fiscal year under review was as follows: revenue on a consolidated basis increased by 3.9% year-on-year to ¥1,359,611 million, core operating income increased by 7.4% to ¥203,084 million, operating income increased by 19.3% to ¥197,882million, and net income attributable to owners of the parent increased by 25.4% to ¥123,891 million.

Year-on-year, foreign exchange rate fluctuations had a mixed impact: the Japanese yen depreciated against the U.S. dollar from ¥152.57 to ¥151.09 (a change of -¥1.48, or -1.0%), while it depreciated against the euro from ¥163.66 to ¥175.58 (+¥11.92, or +7.3%). As a result, overall revenue and core operating income were positively affected by approximately ¥22.9 billion and ¥4.4 billion, respectively.

Core operating income is calculated by excluding from operating income certain gains and losses attributable to non-recurring factors such as losses incurred due to business withdrawal or downsizing.

(Overview of business performance by reportable segment)

A breakdown of business performance by reportable segment is as follows.

Segment income represents core operating income.

a. Japan

In the industrial gas-related business, price management continued, with a primary focus on carbon dioxide, packaged gases, and electronic material gases. However, shipment volumes of gases, including air separation gases and LP gas, declined, resulting in lower sales. Within the equipment and installation business, while the electronics-related business achieved higher sales driven by progress in medium- and large-scale projects, the industrial gas-related business recorded lower sales. Segment income increased, supported by the positive impact of price management and stronger electronics-related equipment and installation sales.

As a result, in the Japan segment, revenue decreased by 0.9% year-on-year to ¥406,296 million, while segment income increased by 15.1% to ¥54,182 million.

b. United States

In the industrial gas-related business, shipment volumes of products remained soft. However, sales increased primarily due to the positive effects of price management. In the equipment and installation business, the electronics-related business recorded a sales decline. Segment income decreased despite the positive contributions from price management and productivity improvement initiatives, mainly due to higher costs and the negative impact of lower shipment volumes of products.

As a result, in the United States segment, revenue increased by 0.1% year-on-year to ¥360,557 million, while segment income decreased by 11.5% to ¥52,914 million.

c. Europe

In the industrial gas-related business, shipment volumes of gases, including air separation gases, decreased. However, sales increased due to the positive impact of foreign exchange and price management. In the equipment and installation business, sales increased, supported by steady performance in medical-related equipment and installation, as well as contributions from the Italian plant engineering company acquired in the previous fiscal year. Segment income rose despite the impact of reduced gas shipment volumes, driven by the benefits of price management and productivity improvement initiatives.

As a result, in the Europe segment, revenue increased by 6.8% year-on-year to ¥350,978 million, and segment income increased by 12.8% to ¥70,426 million.

d. Asia & Oceania

In the industrial gas-related business, sales increased due to contributions from the Australian LP gas sales business acquired in the previous fiscal year and the industrial gas business in the Oceania region acquired in the current fiscal year. In the electronics-related business, shipment volumes of electronic material gases showed a recovering trend, and equipment and installation performed steadily, resulting in increased sales. Segment income rose due to the increase in sales.

As a result, in the Asia & Oceania segment, revenue increased by 18.1% year-on-year to ¥208,452 million, and segment income increased by 31.2% to ¥19,746 million.

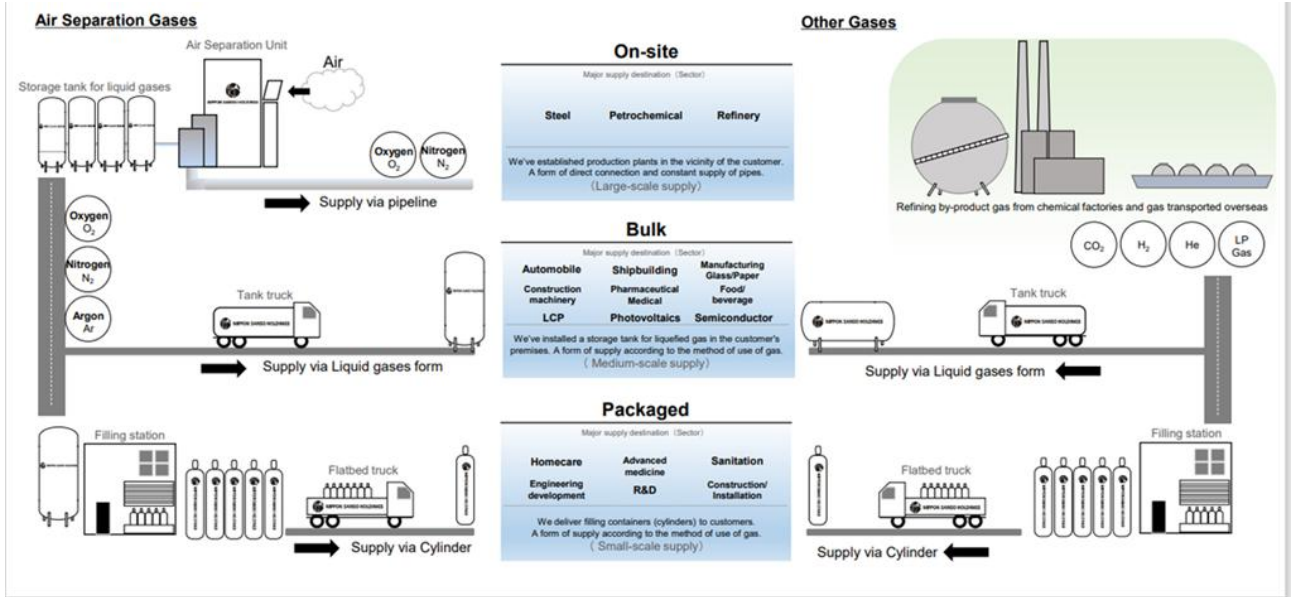
e. Thermos

In Japan, sales increased, driven by strong demand for sports bottles primarily in the first half amid the intense summer heat and the successful launch of new products featuring functional and stylish designs. Conversely, sales decreased in Korea. Segment income increased due to higher sales in Japan and continuous cost reduction efforts.

As a result, in the Thermos segment, revenue increased by 2.1% year-on-year to ¥33,263 million, and segment income increased by 3.6% to ¥6,511 million.

(Note) The core operating income of ¥203,084 million yen for the fiscal year under review is the total amount of core operating income of each segment minus the adjustment amount of ¥697 million. The negative adjustment amount is comprised of (¥904) million of intersegment eliminations and companywide expenses, etc. of (¥1,601) million that were not allocated to any particular reportable segment. The companywide expenses, etc. are related principally to group management expenses that were not allocated to a particular reportable segment.

(Reference) Industrial gas supply systems



2) Plant & equipment investments

The Group makes capital investments primarily to acquire new facilities, including gas production facilities, upgrade existing facilities, rationalize, and conduct research and development.

The total investment in the Group's plant and equipment in the fiscal year under review was 133,171 million yen. The breakdown by segment is as follows.

Segment	Capital expenditure
Japan	26,738 mil. yen
United States	43,768 mil. yen
Europe	38,682 mil. yen
Asia & Oceania	21,315 mil. yen
Thermos	971 mil. yen

(Note) In addition to the above, "companywide (common) capital investment" amounted to 148 million yen, and intersegment eliminations amounted to 1,545 million yen.

3) Fund procurements

Item	Balance at the beginning of the period	Balance at the end of the period	Change
Borrowings	653,064 mil. yen	654,560 mil. yen	+1,495 mil. yen
Bonds and commercial papers	197,501 mil. yen	227,500 mil. yen	+29,999 mil. yen
Total	850,566 mil. yen	882,060 mil. yen	+31,494 mil. yen

4) Important organizational restructuring, etc.

- i. Through our Australian subsidiary, NSC (Australia) Pty Ltd, we acquired all shares of Coregas Pty Ltd, Blacksmith Jacks Pty Ltd, and Coregas NZ Limited, which operate industrial gas businesses in Australia and New Zealand, in July 2025, making them consolidated subsidiaries.
- ii. Through Oximesa S.L.U., the Spanish subsidiary of our European subsidiary Nippon Gases Euro-Holding S.L.U., we acquired all shares of Esteve Teijin Healthcare, S.L., a Spanish home healthcare service provider, in March 2026, making it a consolidated subsidiary, and it was subsequently renamed Nippon Sanso Homecare Espana, S.L.U.

(2) Assets & profits/losses in the past three fiscal years

Category	FYE March 2023	FYE March 2024	FYE March 2025	(FY Under Review) FYE March 2026
Revenue (millions of yen)	1,186,683	1,255,081	1,308,024	1,359,611
Core operating income (millions of yen)	123,124	165,996	189,149	203,084
Operating income (millions of yen)	119,524	172,041	165,906	197,882
Net income attributable to owners of the parent (millions of yen)	73,080	105,901	98,779	123,891
Basic earnings per share (yen) (FY Under Review)	168.85	244.66	228.20	286.22
Total assets (millions of yen)	2,158,950	2,409,083	2,418,197	2,767,679
Total equity (millions of yen)	757,996	946,112	1,020,930	1,260,671

(3) Status of parent company & significant subsidiaries

1) Status of parent company

Our parent company is Mitsubishi Chemical Group Corporation, which owns 218,996 thousand shares or 50.59% of Nippon Sanso Holdings Corporation stock.

The Company concluded a master agreement with Mitsubishi Chemical Group Corporation, dated May 13, 2014. The agreement calls for Mitsubishi Chemical Group Corporation to respect the autonomy of the Company and to provide us with comprehensive support and cooperation under Mitsubishi Chemical Group Corporation's "group management rules."

The Company paid Mitsubishi Chemical Group Corporation 1,334 million yen as outsourcing fees during the fiscal year under review. The Company was given a necessary and sufficient explanation on the basis of the calculation before the amount of the fees was determined. Additionally, the Board of Directors has carefully considered the explanation and concluded that these outsourcing fees are appropriate in light of the nature of the services to be provided.

2) Status of significant subsidiaries

Segment	Subsidiary name	Location	Capital	NSHD's Ownership Percentage (%)	Main business lines
Japan	Taiyo Nippon Sanso Corporation	Shinagawa-ku, Tokyo	mil. yen 1,500	100	Manufacture & sales of oxygen, nitrogen, argon, helium, hydrogen, gas-related equipment, specialty gases, electronics-related equipment & installation, compound semiconductor-producing equipment, machinery & plants, liquefied petroleum gas, medical-use gases, medical equipment and stable isotopes
	Nippon Ekitan Corporation	Minato-ku, Tokyo	mil. yen 600	*85.40	Manufacture & sales of liquefied carbon dioxide, dry ice, and sales of various compressed and liquefied gases
	Taiyo Nippon Sanso Gas & Welding Corporation	Nishi-ku, Osaka	mil. yen 100	*100	Sales of cutting and welding equipment, and manufacture & sales of various compressed gases
United States	Matheson Tri-Gas, Inc.	United States	US dollar 55	100	Manufacture & sales of oxygen, nitrogen, argon, specialty gases, hydrogen, dry ice, equipment, and sales of cutting & welding equipment
Europe	Nippon Gases Euro-Holding S.L.U.	Spain	Thousand Euros 100,000	100	Ownership of shares in related companies in Europe, etc.
	Nippon Gases Italia S.r.l.	Italy	Thousand Euros 30,000	*100	Ownership of shares in related companies in Italy, etc.
	Nippon Gases Belgium NV	Belgium	Thousand Euros 125,284	*100	Manufacture & sales of oxygen, nitrogen, and argon
	Nippon Gases Industrial S.r.l.	Italy	Thousand Euros 46,326	*100	Manufacture & sales of oxygen, nitrogen, and argon
	Nippon Sanso Deutschland Holding GmbH	Germany	Thousand Euros 5,000	*100	Ownership of shares in related companies in central Europe, etc.
	Nippon Sanso Homecare Espana, S.L.U.	Spain	Thousand Euros 35,700	*100	Provision of home healthcare services and sales of medical devices

Segment	Subsidiary name	Location	Capital	NSHD's Ownership Percentage (%)	Main business lines
Asia & Oceania	Nippon Sanso Holdings Singapore Pte. Ltd.	Singapore	Thousand Singapore dollar 233,436	100	Ownership of shares in related companies in Southeast Asia, etc.
	Leeden National Oxygen Ltd.	Singapore	Thousand Singapore dollar 53,483	*100	Sales of welding-related equipment, safety equipment, various compressed gases, specialty gases, and manufacture and sale of oxygen, nitrogen and argon
	NSC (Australia) Pty Ltd	Australia	Thousand Australian dollar 1,036,166	99.41	Ownership of shares in related companies in Oceania, etc.
	Coregas Pty Ltd	Australia	Thousand Australian dollar 174,445	*100	Manufacture and sales of industrial gases in Australia
	Nippon Sanso Holdings (China) Co., Ltd.	China	Thousand Chinese yuan 585,248	100	Ownership of shares in related companies in China, etc.
	Nippon Sanso Taiwan, Inc.	Taiwan	Thousand New Taiwan dollar 160,000	*100	Manufacture & sales of nitrogen, and sales of specialty gases and equipment
	Nippon Sanso Matheson (Xi'an) Electronic Materials Co., Ltd.	China	Thousand Chinese yuan 12,322	*100	Sales of specialty gases
	Nippon Sanso (Yangzhou) Electronic Materials Co., Ltd.	China	Thousand Chinese yuan 232,111	*100	Manufacture & sales of specialty gases
	Nippon Sanso Vietnam Joint Stock Company	Vietnam	Million Vietnamese dong 1,533,301	*95.39	Manufacture & sales of oxygen, nitrogen and argon
Matheson Gas Products Korea Co., Ltd.	Korea	Million Korean won 10,572	*100	Manufacture & sales of specialty gases	
Thermos	Thermos K.K.	Tsubame, Niigata	mil. yen 300	100	Manufacture & sales of housewares

- (Note) 1. Figures marked with an asterisk indicate our ownership ratio, including investment by subsidiaries.
 2. As of April 1, 2026, the trade names of certain significant subsidiaries have been changed as follows.

B e f o r e	A f t e r
Taiyo Nippon Sanso Corporation	Nippon Sanso Corporation
Taiyo Nippon Sanso Gas & Welding Corporation	Nippon Sanso Gas & Welding Corporation
Matheson Tri-Gas, Inc.	Nippon Sanso Matheson, Inc.
Nippon Gases Euro-Holding S.L.U.	Nippon Sanso Euro-Holding S.L.U.
Nippon Gases Italia S.r.l.	Nippon Sanso Italia S.r.l.
Nippon Gases Belgium NV	Nippon Sanso Belgium NV
Nippon Gases Industrial S.r.l.	Nippon Sanso Industrial Sud S.r.l.
Leeden National Oxygen Ltd.	Nippon Sanso Singapore Ltd.
Matheson Gas Products Korea Co., Ltd.	Nippon Sanso Matheson Korea Co., Ltd.

3) Status of specified wholly owned subsidiaries

None.

(4) Challenging issues to be addressed

The Company formulated “NS Vision 2026 - Enabling the Future”, a medium-term management plan covering the four-year period from the fiscal year ended March 31, 2023 to the fiscal year ending March 31, 2026, to achieve our Group vision, and have conducted our business operations based on this plan.

Building on our initiatives to date, starting from the fiscal year ending March 31, 2027, we have formulated a new medium-term management plan, “Next Innovation 2030 - Evolving for the Future,” covering the four-year period through the fiscal year ending March 31, 2030, and will conduct business operations aimed at achieving sustainable growth and enhancing corporate value.

The business environment surrounding the Group continues to be highly uncertain, due to factors such as trade frictions arising from rising protectionism driven by U.S. tariff policies, the impact of supply chain disruptions and restructuring, the prolonged situations in the Middle East and Russia and Ukraine, persistently high raw material and energy prices, global inflation, and changes in monetary and fiscal policies in various countries.

In response to cost fluctuations arising from changes in the external environment, the Group has actively implemented various measures, including promoting Group-wide pricing management as well as initiatives to improve productivity and reduce costs, and has worked to maintain and enhance profitability.

As issues to be addressed going forward, the Company recognizes the importance of responding in an agile and flexible manner while closely monitoring fluctuations in energy and raw material prices that affect business activities, responding to sustained inflation, and the impact of concerns over a global economic slowdown on the Company’s business. In addition, the Company will work to capture new business opportunities from a medium- to long-term perspective and further strengthen its initiatives in resilient markets, such as food and beverage, healthcare, and environmental sectors, which are less susceptible to economic fluctuations. Furthermore, as the business becomes increasingly globalized and the operating environment grows more complex, the Company also recognizes the need to further enhance governance systems that support sustainable growth.

In addition, the Company will regard structural changes—such as the acceleration of digital utilization driven by IT and OT digital technologies encompassing information processing, operational control of equipment and processes, and monitoring, as well as the expanding application of generative AI enabled by technological advancements, and the growing social demand for carbon neutrality—as growth opportunities, and will steadily promote the formulation of business strategies and strategic investments from a medium- to long-term perspective to strengthen competitiveness and enhance its business portfolio.

Based on this recognition of the issues, the Company has set forth the following three key strategies in its new medium-term management plan.

- I. **Enhancing the profitability of the industrial gas business:** The Company positions the industrial gas business as the core earnings base of the Group and is working to reinforce and expand its foundation in related fields, while accelerating the sharing of best practices through the expansion of operational excellence beyond production domain. Leveraging an asset-based business model that generates stable cash flows, the Company will maintain a sound financial position while promoting continuous operational improvement initiatives, the introduction of digital technologies, enhanced cross-Group collaboration, human resource development, strengthening supply chain resilience, and problem-solving initiatives through expanded opportunities for dialogue with customers.
- II. **Accelerating the expansion of the electronics business:** The Company will accelerate the global deployment of Total Gas Supply Solutions and strengthen its semiconductor materials business by building a framework that leverages the strengths of each operating company. In addition to expanding production capacity for core specialty material gases and developing the supply chain for advanced semiconductor materials and new semiconductor electronic materials, the Company will promote the global rollout of Full Turn-Key Gas Supply Solutions services, expand its equipment and engineering businesses, and advance automation aimed at labor-saving. Furthermore, the Company will strengthen its on-site business in Asia, consider entry into new markets such as India, and expand its business in Europe. Through focused investments in advanced materials and the enhancement of research and development capabilities, the Company aims to expand its business domains and portfolio.

- III. **Creating future growth driver:** The Company has a proven track record of developing, manufacturing, and bringing to market a variety of products that did not previously exist, through its long-standing business activities. By further fostering this spirit of innovation and expanding its global business development and research and development frameworks, the Company aims to maintain and strengthen its competitiveness. Under the new medium-term management plan, the Company will establish an organization dedicated to exploring business and R&D opportunities and will allocate resources to high-growth areas such as the stable isotope business and the MOCVD business. In addition, the Company will expand its business domains in niche areas where it has competitive advantages, such as carbon neutrality and additive manufacturing, while also exploring future new business opportunities, including in the biotechnology and aerospace sectors, with the aim of establishing new earnings bases.

To support these key strategies, the Company will strive to enhance its management foundation through various initiatives, including the creation of human capital value, branding activities to strengthen corporate value, enhancement of research and technological development capabilities, sustainability initiatives that respond to stakeholder expectations, and the promotion of DX aimed at creating new value. At the same time, the Company will review these initiatives as necessary in light of changes in the business environment and management conditions, and will steadily execute them toward achieving the plan.

In addition, the Group's core business is the industrial gas business operated under a four-region structure, and while addressing the above key strategies on a common basis, the Group is also responding to region-specific management issues.

- **Japan:** As economic growth is expected to remain moderate compared with other countries, the Company recognizes improving profitability as a key issue. Accordingly, while maintaining the industrial gas business as its foundation, the Company will advance the development of a portfolio that expands innovative businesses centered on gas-related solutions. In addition, the Company will promote the expansion of its electronics business in line with trends in the domestic electronics industry and strengthen its research and development capabilities, while aiming to create new growth opportunities through the expansion of innovative businesses such as stable isotopes and additive manufacturing.
- **United States:** Supported by solid economic growth, demand for gases is expected to continue increasing. Under such business conditions, the Company will work to strengthen profitability by optimizing costs through plant operation efficiency management and ongoing productivity improvement initiatives, as well as by enhancing business density through the effective utilization of existing assets. In addition, in the electronics field, where growth is anticipated, the Company will promote the expansion of its materials gas and equipment businesses, aiming to achieve stable growth and enhance business value.
- **Europe:** The Company recognizes that it is operating in the business environment where moderate growth in gas demand is expected to continue going forward. Under these conditions, the Company will expand the footprint (i.e., business and manufacturing sites) of its industrial gas business while strengthening its electronics business, including equipment business and the Total Gas and Chemical Management (TGCM). In addition, the Company will pursue innovative businesses such as those related to carbon neutrality and promote the expansion of resilient markets such as healthcare, while aiming to enhance competitiveness and operational efficiency through the use of DX and robotics.
- **Asia and Oceania:** Among the regions in which the Group operates, this region is expected to achieve the highest economic growth rates, with strong gas demand expansion anticipated going forward. Under such business conditions, the Company will strengthen its gas business, including various applications, while expanding its electronics business. In addition, the Company will actively pursue new opportunities in the HYCO business (i.e., a business engaged in the large-scale supply of hydrogen, carbon monoxide, and other gases manufactured from by-product gases such as natural gas, delivered through pipelines and similar infrastructure) and enhance governance systems to support rapid business growth, aiming to achieve sustainable growth and improve profitability.

Furthermore, in the Thermos business, which is the Group's only B-to-C business, the Company aims to evolve Thermos into a 'lifestyle brand,' moving beyond vacuum flask-based thermal containers to deliver a diverse portfolio of products and services that enrich daily life. Furthermore, the Company will actively introduce new products and implement agile advertising and in-store promotional activities, thereby enhancing customer value and strengthening its business foundation.

Through these initiatives, the Group aims to achieve sustainable growth and enhance corporate value over the medium to long term.

(5) Contents of main business lines (as of March 31, 2026)

Segment	Main products & services
Japan United States Europe Asia & Oceania	Oxygen, nitrogen, argon, carbon dioxide, helium, hydrogen, acetylene, dry ice, gas-related equipment, specialty gases (electronic material gas, pure gas, etc.), electronics-related equipment & installation, compound semiconductor-producing equipment, cutting & welding equipment, welding materials, machinery & plants, liquefied petroleum gas & related equipment, medical-use gases (oxygen, nitrous oxide, etc.), medical equipment, stable isotopes
Thermos	Housewares

(6) Main business offices, etc. (as of March 31, 2026)

1) Company

Head office	Shinagawa-ku, Tokyo
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2) Subsidiaries

As described in “2) Status of significant subsidiaries” on page 38.

(7) Employees (as of March 31, 2026)

Segment	No. of employees	Year-on-year changes
Japan	5,967	+26
United States	4,606	+9
Europe	3,716	+347
Asia & Oceania	4,658	+298
Thermos	1,356	-19
Segments Total	20,303	+661
Companywide (common)	108	-4
Total	20,411	+657

(Note) The numbers are those of employees.

(8) Main sources of borrowings (as of March 31, 2026)

Source of Borrowings	Amount of Borrowings
Mizuho Bank, Ltd.	301,401 mil. yen
The Norinchukin Bank	111,534 mil. yen
MUFG Bank, Ltd.	109,702 mil. yen

2. Status of Company

(1) Status of shares (as of March 31, 2026)

- 1) No. of authorized shares 1,600,000,000
- 2) No. of shares issued 433,092,837
- 3) No. of shareholders 16,200
- 4) Major shareholders (top 10)

Shareholder	Status of investment in Company	
	Shares held (in 1,000 shares)	Shares held (%)
Mitsubishi Chemical Group Corporation	218,996	50.59
The Master Trust Bank of Japan, Ltd. (trust account)	31,272	7.22
Client shareholding association of Taiyo Nippon Sanso Corporation	15,091	3.49
Custody Bank of Japan, Ltd. (trust account)	11,155	2.58
JP MORGAN CHASE BANK 385642	9,076	2.10
Meiji Yasuda Life Insurance Company	9,006	2.08
THE CHASE MANHATTAN BANK, N.A. LONDONSECS LENDING OMNIBUS ACCOUNT	8,114	1.87
STATE STREET BANK AND TRUST CLIENT OMNIBUS ACCOUNT OM02 505002	4,387	1.01
Mizuho Bank, Ltd.	4,332	1.00
STATE STREET BANK AND TRUST COMPANY 505001	4,001	0.92

(Note) 1. Our Company has 190,000 treasury shares.

2. The shareholding ratio excludes treasury shares.

3. “Client shareholding association of Taiyo Nippon Sanso Corporation” was renamed “Client shareholding association of Nippon Sanso Corporation” as of April 1, 2026.

(2) Status of Company officers**1) Status of directors & Audit & Supervisory Board (hereinafter, sometimes referred to as "A&S Board") members (as of March 31, 2026)**

Name	Gender	Position	Duties in charge & main concurrent posts
Toshihiko Hamada	Male	Representative Director President	Chairperson of the Board CEO Member of Advisory Committee on Appointments and Remuneration
Kenji Nagata	Male	Director	Representative Director, President, Taiyo Nippon Sanso Corporation
Raoul Giudici	Male	Director	Chairman and President, Nippon Gases Euro-Holding S.L.U.
Miri Hara	Female	Director	Member of Advisory Committee on Appointments and Remuneration Representative Certified Public Tax Accountant, Tax Corporation Yokohama Benten Accounting, Inc. Outside director, SECOM CO., LTD. Auditor (Part-time), Hitotsubashi University
Katsumi Nagasawa	Male	Director	Chairman of Advisory Committee on Appointments and Remuneration Outside director, Sugino Machine Limited
Masako Miyatake	Female	Director	Member of Advisory Committee on Appointments and Remuneration Visiting Professor, Keio University Law School Visiting Professor, Graduate School of Law, Kobe University Of Counsel, Blakemore & Mitsuki
Hideo Nakajima	Male	Director	Member of Advisory Committee on Appointments and Remuneration Special Advisor, White & Case LLP/White & Case Law Offices (Registered Association)
Katsuhito Yamaji	Male	Director	Member of Advisory Committee on Appointments and Remuneration Outside director, ENSHU Limited
Naoto Yabe	Male	Director	Executive Officer, Chief Strategy Officer, Mitsubishi Chemical Corporation Director, Strategy Office, Mitsubishi Chemical Group Corporation
Satoshi Wataru	Male	A&S Board member (Full-time)	
Kentaro Akashi	Male	A&S Board member (Full-time)	Auditor (Part-time), Taiyo Nippon Sanso Corporation
Kohei Ichiya	Male	A&S Board member (Full-time)	
Riki Shibata	Male	A&S Board member (Full-time)	

- (Notes)
1. Representative Director, President Toshihiko Hamada has been appointed as CEO because he has extensive knowledge and experience in management and is expected to promote the growth of the Group through his leadership.
 2. Directors Miri Hara, Katsumi Nagasawa, Masako Miyatake, Hideo Nakajima, and Katsuhito Yamaji are outside directors.
 3. A&S Board Members Kentaro Akashi, Kohei Ichiya, and Riki Shibata are outside A&S Board Members.
 4. A&S Board Members Satoshi Wataru, Kentaro Akashi, Kohei Ichiya, and Riki Shibata have considerable knowledge of finance and accounting as follows.
 - A&S Board member Satoshi Wataru has long-term professional experience at the Company as the general manager of the Finance Department and officer of the Corporate Planning Office and possesses a substantial level of financial and accounting knowledge.
 - A&S Board member Kentaro Akashi has long-term professional experience at financial institutions, and possesses a substantial level of financial and accounting knowledge.
 - A&S Board member Kohei Ichiya has long-term professional experience at the accounting department of a chemical company, and possesses a substantial level of financial and accounting knowledge.
 - A&S Board Member Riki Shibata has long-term professional experience at financial institutions and possesses a substantial level of financial and accounting knowledge.
 5. The Company has designated Directors Miri Hara, Katsumi Nagasawa, Masako Miyatake, Hideo Nakajima, and Katsuhito Yamaji, and A&S Board Members Kentaro Akashi and Riki Shibata as independent officers based on the Securities Listing Regulations of the Tokyo Stock Exchange and has reported them to the Tokyo Stock Exchange.
 6. “Taiyo Nippon Sanso Corporation” changed its trade name to “Nippon Sanso Corporation” as of April 1, 2026.
 7. “Nippon Gases Euro-Holding S.L.U.” changed its trade name to “Nippon Sanso Euro-Holding S.L.U.” as of April 1, 2026.

2) Overview of liability-limiting contract

In accordance with the Articles of Incorporation of the Company and Article 427, Paragraph 1 of the Companies Act, the Company has an agreement in place with each of its outside directors to limit their liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act. The Company has set each outside director’s maximum liability amount for damages in accordance with Article 425, Paragraph 1 of the Companies Act.

3) Overview of contents of directors and officers (D&O) liability insurance agreement

The Company has entered into a directors and officers (D&O) liability insurance agreement with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. In the event that claims for damages including third party litigations, derivative lawsuits, and corporate litigations are made against the insured persons due to the acts in the course of their duties, the said insurance agreement shall compensate for legal damages and litigation expenses to be borne by the insured.

The insured parties of the insurance policy are directors, A&S Board members, and executive officers, etc. of the Company and all of its subsidiaries. The Company and the subsidiaries bear the full premium and the insured parties do not need to pay.

In order to ensure that the appropriateness of the execution of duties by the insured is not impaired, damages arising from the insured’s illegal acquisition of private benefits or advantages, as well as criminal acts or acts committed with the knowledge that they violate laws and regulations, are excluded from coverage under the insurance policy.

4) Directors and A&S Board members who resigned or were discharged during the business year

There were no Directors and A&S Board members who resigned or were discharged during the fiscal year under review.

5) Total amount of remunerations, etc. for directors & A&S Board members

Category of officers	Total remunerations (millions of yen)	Total amount of remunerations by type (millions of yen)			No. of corresponding officers
		Basic remuneration	Performance-linked remuneration	Non-financial KPI-linked remuneration	
Director (of which outside directors)	220 (68)	156 (68)	52 (—)	10 (—)	10 (5)
A&S Board members (of which outside A&S Board members)	113 (82)	113 (82)	— (—)	— (—)	5 (4)
Total (of which outside officers)	333 (151)	270 (151)	52 (—)	10 (—)	15 (9)

- (Notes)
- The Company does not pay a director-cum-employee the employee portion of his/her pay.
 - The total amount of remunerations for directors was limited to 800 million yen per year (including 50 million yen or less for outside directors, excluding their employee portion) under a resolution passed at the 11th Ordinary General Meeting of Shareholders held on June 23, 2015. (The number of directors as of the end of the relevant Ordinary General Meeting of Shareholders was 11, including two outside directors.)
Due to the increase in the number of outside directors, etc., a resolution was passed at the 18th Ordinary General Meeting of Shareholders on June 17, 2022, to retain the limit of 800 million yen as remuneration for directors, of which the portion for outside directors will be “up to 100 million yen on an annual basis” (excluding the salary under employee status). The number of directors as of the end of the relevant Ordinary General Meeting of Shareholders was 9 (including five outside directors).
 - The total amount of remunerations for A&S Board members is limited to 200 million yen per year under a resolution passed at the 3rd Ordinary General Meeting of Shareholders held on June 28, 2007. (The number of A&S Board members as of the end of the relevant Ordinary General Meeting of Shareholders was 4.)
 - The above total amount of remunerations includes remuneration, etc. paid to one director and one A&S Board member who retired during the fiscal year under review.

6) Matters related to performance-linked remunerations, etc.

a. Outline of performance-linked remunerations, etc.

The Board of Directors and the Audit & Supervisory Board consult with the Advisory Committee on Appointments and Remuneration regarding the appropriateness of the remuneration system for directors and A&S Board members. The Committee deliberates on the matter and reports its findings to the Board of Directors and the Audit & Supervisory Board.

Remunerations for directors consist of (i) fixed “Basic Monthly Remuneration,” which is a base salary specific to each rank; (ii) “Performance-linked Remuneration,” which vary according to business results; and (iii) “Non-financial KPI-linked Remuneration,” which are linked to the degree of the progress, achievement and other related aspects of certain non-financial KPI targets set out in the medium-term management plan. These components are reflected in the amount paid to each individual director. Remuneration for directors is based, in principle, on the annual salary system, with the amount paid monthly equivalent to one-12th of the annual salary. Revision of remuneration is reflected in the payments made from July onward each year.

Of the remuneration, the amount of “(ii) Performance-linked Remuneration” is calculated in accordance with (I) the degree of achievement of each fiscal year’s budget based on the targets of the medium-term management plan, (II) the degree of growth in business results, and (III) the degree of efficiency improvement. The amount of “(iii) Non-financial KPI-linked Remuneration” fluctuates in accordance with the degree of progress, achievement, and other related factors in each fiscal year of certain non-financial KPI targets set out in the medium-term management plan, and is calculated based on (a) the progress in the lost-time injury frequency rate, (b) the achievement level of the compliance training attendance rate, and (c) the degree of growth in GHG reduction contributions from environmentally friendly products. Each of these amounts is reflected in the remuneration paid from July onward (for example, the amount calculated based on performance evaluations, etc. for the fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025) is reflected in the remuneration paid to directors from July 2025 onward) (Note).

Also, outside directors and directors whose primary positions are officers or employees of the Company's parent company or its sister companies receive only the fixed "Basic Monthly Remuneration" as remuneration for directors of the Company.

The Performance-linked Remuneration and Non-financial KPI-linked Remuneration are determined on the basis of the following formulas, respectively.

- Performance-linked Remuneration (variable) = Rank-specific standard amount x "coefficient based on evaluation related to Performance-linked Remuneration"
- Non-financial KPI-linked Remuneration (variable) = Rank-specific standard amount x "coefficient based on evaluation related to Non-financial KPI-linked Remuneration"

The following figures are applied to the "coefficient based on evaluation related to Performance-linked Remuneration" and "coefficient based on evaluation related to Non-financial KPI-linked Remuneration" respectively, in order to judge the status of achievements of medium-term management plan targets while strengthening the extent of their interlocking with the Company's business results as well as improving their objectivity and transparency.

[Coefficient based on evaluation related to Performance-linked Remuneration]

- Degree of achievements of each fiscal year's budget based on medium-term management plan targets (consolidated revenue and consolidated core operating income margin)
- Improvements in business results of each fiscal year (consolidated revenue, consolidated core operating income, and net income attributable to owners of the parent company)
- Efficiency improvement in each fiscal year (consolidated ROCE after tax)

[Coefficient based on evaluation related to Non-financial KPI-linked Remuneration]

- Progress in lost-time injury frequency rate against the baseline at the start of the medium-term management plan
- Achievement level of compliance training attendance rate in the previous fiscal year
- Growth rate of GHG reduction contributions from environmentally friendly products in each fiscal year

(Note) With respect to "Non-financial KPI-linked Remuneration" for directors whose primary positions are officers of subsidiaries, only "GHG reduction contributions from environmentally friendly products" is applied as a non-financial KPI. For details, please refer to the table below.

b. Targets & results of indicators tied to Performance-linked Remuneration, etc. for directors in FYE March 2026

Types of remuneration *1	Attributes	Composition ratio *2 (Representative Director, President)	Composition ratio *2 (Directors whose primary positions are officers of subsidiaries)	Performance indicators and non-financial indicators (KPI)		Weight for evaluation (Representative Director, President)	Weight for evaluation *3 (Directors whose primary positions are officers of subsidiaries)	Reference values, etc.	Results, etc.
Basic Monthly Remuneration	Fixed	53	74	—	—	—	—	—	—
Performance-linked Remuneration	Variable	40	22	Degree of achievements of each fiscal year's budget based on medium-term management plan targets	Consolidated revenue	16.6	16.6	FYE March 2025 target 1,300,000 mil. yen	FYE March 2025 results 1,308,024 mil. yen
					Consolidated core operating income margin	16.6	16.6	FYE March 2025 target 13.6%	FYE March 2025 results 14.5%
				Improvements in business results of each fiscal year	Consolidated revenue	16.6	16.6	FYE March 2024 results 1,255,081 mil. yen	FYE March 2025 results 1,308,024 mil. yen
					Consolidated core operating income	16.6	16.6	FYE March 2024 results 165,996 mil. yen	FYE March 2025 results 189,149 mil. yen
					Net income attributable to owners of the parent company	16.6	16.6	FYE March 2024 results 105,901 mil. yen	FYE March 2025 results 98,779 mil. yen
				Efficiency improvement in each fiscal year	Consolidated ROCE after Tax	16.6	16.6	FYE March 2024 results 6.7%	FYE March 2025 results 7.2%
Non-financial KPI-linked Remuneration	Variable	7	4	Degree of progress, achievement, and other related aspects in each fiscal year of certain non-financial KPI targets set out in the medium-term management plan	Lost-time injury frequency rate *4	50	—	FYE March 2022 results 2.1 *4	FYE March 2025 results 1.8
					Compliance training attendance rate *4	25	—	100% *4)	FYE March 2025 results 100%
					GHG reduction contributions from environmentally friendly products *3	25	100	FYE March 2024 results 7,454 thousand tons	FYE March 2025 results 8,012 thousand tons

*1. Outside directors and directors whose primary positions are officers or employees of the Company's parent company or its sister companies receive only the fixed "Basic Monthly Remuneration."

*2. The composition ratio indicates the percentage of the rank-specific standard amount.

*3. With respect to directors whose primary duty is serving as officers of subsidiaries, only "GHG reduction contributions from environmentally friendly products" is applicable as an indicator for "Non-financial KPI-linked Remuneration"; "lost-time injury frequency rate" and "compliance training attendance rate" do not apply.

*4. With respect to the lost-time injury frequency rate, the target is to reduce it to 1.6 or less by the end of FYE March 2026, using the start of the medium-term management plan as the baseline. The achievement target for compliance training attendance rate is 100% every fiscal year.

7) Details of non-monetary remuneration

None

8) Matters related to resolutions at General Meeting of Shareholders regarding remuneration, etc. for directors & A&S Board members

This is as described in the above (Notes) 2. and 3. of "5) Total amount of remunerations, etc. for directors & A&S Board members."

9) Policy on determining contents of remuneration, etc. for individual directors

a. Method of determining policy on determining contents of remuneration, etc. for individual directors

The Board of Directors approved a policy on determining contents of remuneration, etc. for individual directors at its meeting held on May 11, 2016. The Board also approved establishment of the Advisory Committee on Appointments & Remuneration and revision to the Company's internal regulations on remuneration for directors at its meeting on June 21 that year. The Committee comprises two or more independent outside directors and the Representative Director, President with an outside director acting as its chairman. The Committee has been discussing remuneration for directors continuously and, based on the Committee's recommendation, the internal regulations on remuneration for directors have been revised several times.

b. Overview of determination policy

The amount of remuneration, etc. for directors and A&S Board members is determined by a resolution adopted at the General Meeting of Shareholders in the form of a cap on the total amount for all directors and another cap on the total amount for all A&S Board members.

The amount of remuneration for each director is determined on the basis of the policy described in "(6) Matters related to performance-linked remunerations, etc."

The amount of remuneration for individual directors in the fiscal year under review is calculated according to the internal regulations on remuneration for directors approved by the Board of Directors on the basis of the above policy on determining contents of remuneration, etc. for individual directors. Therefore, the Company believes the amount of remuneration is in line with that policy.

10) Matters on delegation of authority on fixing remuneration, etc. for individual directors

At its meeting on June 18, 2025, the Board of Directors passed a resolution delegating the decision-making authority to Representative Director, President Toshihiko Hamada regarding the details of the amount of remuneration for individual directors. The contents of the delegated authority are calculations and decisions of the monthly amount of remuneration, performance-linked remuneration, and non-financial KPI-linked remuneration for individual directors based on the internal regulations on remuneration for directors. The reason for delegating these powers is that the Representative Director, President who is in a position to supervise the Company's business execution is best suited for determining remuneration amounts based on the internal regulations.

The amount of remuneration for directors is to be unambiguously calculated from their rank and performance, etc., based on the internal regulations, and it is possible to verify the results of calculations by the Representative Director, President. The result of the calculation is reported to the Advisory Committee on Appointments & Remuneration.

11) Matters related to outside officers

a. Status of significant concurrent jobs at other firms & relationship between Company & other firms

- Director Miri Hara is the Representative Certified Public Tax Accountant, Tax Corporation Yokohama Benten Accounting, Inc., an outside director, SECOM CO., LTD., and a part-time auditor at Hitotsubashi University. The Company and the three entities where she concurrently works have no special interests in each other.
- Director Katsumi Nagasawa is an outside director at Sugino Machine Limited. The Company and the entity where he concurrently works have no special interests in each other.
- Director Masako Miyatake is a Visiting Professor at Keio University Law School and the Graduate School of Law, Kobe University, and Of Counsel at Blakemore & Mitsuki. The Company and the three entities where she concurrently works have no special interests in each other.
- Director Hideo Nakajima is a Special Advisor at White & Case LLP/White & Case Law Offices (Registered Association). The Company and the entity where he concurrently works have no special interests in each other.
- Director Katsuhito Yamaji is an outside director at ENSHU Limited. The Company and the entity where he concurrently works have no special interests in each other.

b. Main activities in fiscal year under review

• Main activities of outside directors & outside A&S Board members

Category	Name	Board of Directors meeting attendance	Audit & Supervisory Board meeting attendance	Main activities, remarks & overview of duties done in relation to role expected of outside director
Outside director	Miri Hara	11 appearances at 11 meetings	—	Her experience as director of real estate management company for many years, expert knowledge as Certified Public Tax Accountant, and perspective of the promotion of diversity and women's empowerment, were expected to be effectively applied to the management of our Group. While offering necessary advice on the promotion of diversity in the Company, she expressed opinions, as a member of the Advisory Committee on Appointments & Remuneration, in discussing the selection of candidates for directors/A&S Board members, planning a successor to the President/CEO, mulling desirable remuneration for directors, etc.
Outside director	Katsumi Nagasawa	11 appearances at 11 meetings	—	His wide experience and professional expertise mainly in the field of technology, and a wealth of experience in corporate management in the manufacturing industry was expected to be effectively applied to the management of our Group. While offering necessary advice and proposals on desirable ways of governance and discussions on agenda items, he played a leading role, as Chairman of the Advisory Committee on Appointments & Remuneration, in discussing the selection of candidates for directors/A&S Board members, planning a successor to the President/CEO, mulling desirable remuneration for directors, etc.
Outside director	Masako Miyatake	11 appearances at 11 meetings	—	Her wide experience and professional expertise as an attorney as well as her experience in international transactions and global point of view was expected to be effectively applied to the management of our Group. While offering necessary advice and proposals on desirable ways of governance and discussions on agenda items, she expressed opinions, as a member of the Advisory Committee on Appointments & Remuneration, in discussing the selection of candidates for directors/A&S Board members, planning a successor to the President/CEO, mulling desirable remuneration for directors, etc.
Outside director	Hideo Nakajima	11 appearances at 11 meetings	—	His rich experience at administrative organizations and expert knowledge were expected to be effectively applied to the management of our Group. While offering necessary advice and proposals on desirable ways of governance and discussions on agenda items, he expressed opinions, as a member of the Advisory Committee on Appointments & Remuneration, in discussing the selection of candidates for directors/A&S Board members, planning a successor to the President/CEO, mulling desirable remuneration for directors, etc.

Category	Name	Board of Directors meeting attendance	Audit & Supervisory Board meeting attendance	Main activities, remarks & overview of duties done in relation to role expected of outside director
Outside director	Katsuhito Yamaji	11 appearances at 11 meetings	—	His wide experience including procurement and professional expertise mainly in the whole field of technology, and a wealth of experience in corporate management in the manufacturing industry was expected to be effectively applied to the management of our Group. While offering necessary advice and proposals on desirable ways of governance and discussions on agenda items, he expressed opinions, as a member of the Advisory Committee on Appointments & Remuneration, in discussing the selection of candidates for directors/A&S Board members, planning a successor to the President/CEO, mulling desirable remuneration for directors, etc.
Outside A&S Board member	Kentaro Akashi	11 appearances at 11 meetings	14 appearances at 14 meetings	He has provided the Board of Directors with advice to ensure appropriateness of decision-making. Also, as a full-time A&S Board member, he also has held hearings with directors on the status of business execution, exchanged opinions with the Representative Director, President, and visited subsidiaries on an audit mission.
Outside A&S Board member	Kohei Ichiya	11 appearances at 11 meetings	14 appearances at 14 meetings	He has provided the Board of Directors with advice to ensure appropriateness of decision-making. Also, as a full-time A&S Board member, he also has held hearings with directors on the status of business execution, exchanged opinions with the Representative Director, President, and visited subsidiaries on an audit mission.
Outside A&S Board member	Riki Shibata	9 appearances at 9 meetings	11 appearances at 11 meetings	He has provided the Board of Directors with advice to ensure appropriateness of decision-making. Also, as a full-time A&S Board member, he also has held hearings with directors on the status of business execution, exchanged opinions with the Representative Director, President, and visited subsidiaries on an audit mission.

(Notes)

1. The Board of Directors held 11 meetings in the fiscal year under review. In addition, a written resolution in lieu of a resolution in accordance with Article 370 of the Companies Act was held once.
2. The A&S Board held 14 meetings in the fiscal year under review.
3. Outside A&S Board Member Mr. Riki Shibata (Full-time) has been serving as an A&S Board Member since June 2025 and has attended all Board of Directors' meetings and A&S Board meetings held since his appointment.

(3) Status of accounting auditor

1) Name: Ernst & Young ShinNihon LLC.

2) Amount of remuneration, etc.

	Amount paid
Remuneration, etc. for accounting auditor associated with audit for fiscal year under review	123 mil. yen
Total amount of money and other economic benefits to be paid by the Company and its subsidiaries to accounting auditor	263mil. yen

(Note) 1. Among the significant subsidiaries of the Company, the financial statements of Matheson Tri-Gas, Inc., Nippon Gases Euro-Holding S.L.U., Nippon Gases Italia S.r.l., Nippon Gases Belgium NV, Nippon Gases Industrial S.r.l., Nippon Sanso Deutschland Holding GmbH, Nippon Sanso Homecare Espana, S.L.U., Nippon Sanso Holdings Singapore Pte. Ltd., Leeden National Oxygen Ltd., NSC (Australia) Pty Ltd, Coregas Pty Ltd, Nippon Sanso Vietnam Joint Stock Company, Matheson Gas Products Korea Co., Ltd., Nippon Sanso Holdings (China) Co., Ltd., Nippon Sanso Matheson (Xi'an) Electronic Materials Co., Ltd., Nippon Sanso (Yangzhou) Electronic Materials Co., Ltd., and Nippon Sanso Taiwan, Inc. are audited (limited to audits stipulated in the Companies Act or the Financial Instruments and Exchange Act [including similar foreign laws]) by a certified public accountant or an auditing firm (including overseas auditors possessing qualifications equivalent to those of an Accounting Auditor) other than the Accounting Auditor of the Company. As described in “2) Status of significant subsidiaries” on page 38, the trade names of certain significant subsidiaries were changed as of April 1, 2026.

2. Under the audit agreement between the Company and its accounting auditor, the amount of remuneration and other compensation for auditors is not clearly distinguished between audits conducted under the Companies Act and those conducted under the Financial Instruments and Exchange Act. It is also practically impossible to distinguish between them. Therefore, the amount of remuneration and other compensation paid to the accounting auditor in connection with the audits for the fiscal year under review is listed as a total sum of payments for these audits.

3) Contents of non-auditing service

The Company has commissioned the accounting auditor to prepare a comfort letter and support services for compliance with SSBJ (Sustainability Standards Board of Japan) standards, etc. which are other duties outside the services stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act.

4) Consent to remuneration amount, etc. for accounting auditor

The Audit & Supervisory Board confirmed audit plans for prior fiscal years and the status of their implementation and reviewed the reasonableness of estimated audit hours and remuneration amount for the fiscal year under review. As a result, the Board consented to the remuneration and other compensation for the accounting auditor pursuant to Article 399, Paragraph 1 of the Companies Act.

5) Policy on dismissal or non-reappointment of accounting auditor

The Audit & Supervisory Board shall dismiss the accounting auditor by the unanimous consent of all Board member auditors if it determines that the accounting auditor falls under any of the items listed in Article 340, Paragraph 1 of the Companies Act. In that event, an Audit & Supervisory Board member auditor selected by the Audit & Supervisory Board shall report the dismissal of that accounting auditor and its reasons to the first General Meeting of Shareholders to be convened after the dismissal.

If the Audit & Supervisory Board deems it necessary, including in cases where there is significant difficulty in the continuation of the accounting auditor's duties, it shall, by resolution, submit a proposal for the dismissal or non-reappointment of the accounting auditor to the General Meeting of Shareholders.

(Notes) Figures in the tables in this Business Report are presented based on the following method.

1. In the amount of money shown in millions of yen, figures less than a million are omitted.
2. In the number of shares shown in thousands of shares, figures less than 1,000 are omitted.
3. Shareholding and investment ratios are rounded off at the third decimal point.

MEMO

Consolidated Statements of Financial Position

(As of March 31, 2026)

(Unit: Millions of Yen)

Assets		Liabilities	
Accounting item	Amount	Accounting item	Amount
Current assets	623,304	Current liabilities	503,586
Cash and cash equivalents	165,348	Trade payables	144,729
Trade receivables	292,977	Bonds and borrowings	151,111
Inventories	109,018	Income tax payable	23,108
Other financial assets	27,026	Other financial liabilities	115,663
Other current assets	28,933	Provisions	2,807
		Other current liabilities	66,166
Non-current assets	2,144,375	Non-current liabilities	1,003,421
Property, plant and equipment	1,041,801	Bonds and borrowings	730,949
Goodwill	684,970	Other financial liabilities	52,124
Intangible assets	276,351	Retirement benefit liabilities	16,874
Investments accounted for using the equity method	67,314	Provisions	7,378
Other financial assets	55,474	Other non-current liabilities	20,131
Retirement benefit asset	6,683	Deferred tax liabilities	175,963
Other non-current assets	8,362	Total liabilities	1,507,007
Deferred tax assets	3,417		
		Equity	
		Net assets attributable to owners of parent	1,217,357
		Share capital	37,344
		Capital surplus	40,599
		Treasury shares	△ 270
		Retained earnings	817,744
		Other components of equity	321,940
		Non-controlling interests	43,313
		Total equity	1,260,671
Total assets	2,767,679	Total liabilities and equity	2,767,679

(Note) Fractions of one million yen are rounded off

Consolidated Statement of Profit and Loss

(From April 1, 2025 to March 31, 2026)

(Unit: Millions of Yen)

Accounting item	Amount
Revenue	1,359,611
Cost of sales	△ 777,192
Gross profit	582,419
Selling, general & admin. Exps.	△ 385,343
Other operating income	6,890
Other operating expenses	△ 10,637
Equity earnings of affiliates	4,553
Operating income	197,882
Financial income	2,816
Financial costs	△ 23,912
Profit before income taxes	176,786
Income taxes	△ 48,904
Profit	127,882
Profit attributable to	
Owners of parent	123,891
Non-controlling interests	3,990

(Note) Fractions of one million yen are rounded off

(Reference) Condensed consolidated statements of Cash flows (unaudited)

(Unit: ¥ bn.)	FYE2025 Full-term	FYE2026 Full-term	YoY Difference	YoY % Change
Income before income taxes	145.2	176.7	+31.5	+21.7%
Depreciation and amortization	116.1	126.9	+10.8	
Changes in working capital	15.5	-7.9	-23.4	
Others	-41.8	-23.1	+18.7	
Cash flows from operating activities	235.1	272.5	+37.4	+15.9%
Capital expenditures	-146.8	-109.1	+37.7	
Investments and loans	-6.5	-99.8	-93.3	
Others (assets sales, etc.)	10.4	6.1	-4.3	
Cash flows from investing activities	-142.9	-202.7	-59.8	+41.9%
Free cash flow	92.2	69.8	-22.4	-24.3%
Cash flows from financing activities	-73.2	-59.2	+14.0	-19.2%

(Note) This “(Reference) Condensed consolidated statements of Cash flows” is solely for the convenience of shareholders and is outside scope of independent auditor’s nor Audit & Supervisory Board Member’s audit.

(Note) Fractions of 100 million yen are rounded off.

Balance Sheet

(As of March 31,2026)

(Unit: Millions of Yen)

Accounting item (Assets)	Amount	Accounting item (Liabilities)	Amount
Current Assets	93,276	Current Liabilities	179,188
Cash and cash in bank	49,966	Account payable	195
Account receivable	1,533	Short-term loan payable	75,609
Short-term loans receivable	37,875	Current portion of long-term loan	27,716
Other current assets	3,901	Current portion of bonds	70,000
Non Current Assets	917,956	Accrued expenses	4,322
Tangible Assets	3,677	Other current liabilities	1,344
Building and structures	2,558	Non Current Liabilities	571,838
Machinery and equipment	913	Bonds	158,000
Tools, furniture and fixtures	56	Long-term loan payable	413,813
Land	148	Other non-current liabilities	24
Lease assets	0	Total Liabilities	751,026
Investments and Other Assets	914,278	(Net assets)	
Investment in securities	15,545	Shareholders' Equity	281,434
Investment in affiliates stock	708,577	Share capital	37,344
Investment in LLC and partnership	128	Capital surplus	57,861
Investment in affiliates	9,931	Legal capital surplus	56,433
Long-term loans receivables	173,318	Other capital surplus	1,427
Deferred tax assets	6,380	Retained Earnings	186,454
Other investments	430	Legal retained earnings	7,664
Allowance for doubtful accounts	△ 33	Other retained earnings	178,790
		Reserve for tax purpose reduction entry of non-current assets	768
		General reserve	65,717
		Retained earnings	112,304
		Treasury shares	△ 225
		Valuation and Translation Adjustments	△ 21,228
		Valuation difference on available-for-sale securities	7,788
		Deferred gain and loss on hedges	△ 29,016
		Total Net Assets	260,206
Total Assets	1,011,232	Total Liabilities and Net Assets	1,011,232

(Note) Fractions of one million yen are rounded off

Profit and Loss Statement

(From April 1, 2025 to March 31, 2026)

(Unit: Millions of Yen)

Accounting item	Amount	
Operating revenue		63,591
Operating expenses		9,360
Operating Profit		54,231
Non operating income		
Interest income & Dividends	4,960	
Others	16	4,976
Non operating expenses		
Interest expenses	12,251	
Others	1,071	13,322
Ordinary Profit		45,884
Extraordinary gain		
Gain on sale of investment securities	7,373	
Gain on sale of non-current assets	482	7,856
Extraordinary loss		
Loss on valuation of shares of subsidiaries and associates	8,736	8,736
Profit Before Income Taxes		45,004
Income taxes	△ 949	
Deferred tax	△ 91	△ 1,040
Profit		46,045

(Note) Fractions of one million yen are rounded off

**Copy of Report of Accounting Auditor Regarding Consolidated Financial
Statements**

Independent Auditors' Audit Report

May 12, 2026

To: Board of Directors of Nippon Sanso Holdings Corporation

Ernst & Young ShinNihon LLC

Tokyo Office

Motoaki Ikeuchi

Designated Limited Liability Partner, Managing Partner

Certified Public Accountant

Takao Yamamoto

Designated Limited Liability Partner, Managing Partner

Certified Public Accountant

Opinion

Under Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements (i.e., consolidated statement of financial position, consolidated statement of income, consolidated statement of changes in equity, important basic matters for the preparation of the consolidated financial statements, and other notes) of Nippon Sanso Holdings Corporation for the fiscal year from April 1, 2025 to March 31, 2026.

In our opinion, the above-mentioned consolidated financial statements, in all material respects, appropriately present the financial position and results of the operations of the group consisting of Nippon Sanso Holdings Corporation and its consolidated subsidiaries for the period covered by these statements, in compliance with the accounting standards that omit some items whose disclosure is required by the designated International Financial Reporting Standards as stipulated by the provision of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting.

Basis for the Opinion

We conducted our audit by auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for Auditing the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries under the provisions related to professional ethics in Japan (including the provisions applicable to audits of financial statements of public interest entities), and we fulfill other ethical responsibilities as auditors. We believe that we have obtained sufficient and appropriate audit evidence that serves as a basis for presenting our opinion.

Other descriptions

"Other descriptions" means the business report and its supplementary schedules. Management is responsible for preparing and disclosing other descriptions. The Audit & Supervisory Board and its members are responsible for monitoring the performance of duties by the Directors in their development and operation of the reporting process of the other descriptions.

Our firm's audit opinion for the consolidated financial statements does not cover the other descriptions. We do not express any opinion about the other descriptions.

In the audit of the consolidated financial statements, we have the responsibility to read over the other descriptions and, during that reading, to examine whether there are any material differences between the other descriptions and the consolidated financial statements or our knowledge obtained during our audit, and to check to see whether there are any signs of material errors in the other descriptions besides such material differences.

If, based on our work, we determine that there are material errors in the other descriptions, we are required to report that fact. The other descriptions have no issues that should be reported by us.

Responsibility of Management, Audit & Supervisory Board Members, and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for preparing and appropriately presenting consolidated financial statements in compliance with the accounting standards that omit some items whose disclosure is required by the designated International Financial Reporting Standards as stipulated by the provision of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting. The responsibility includes development and operation of internal controls that management determines are necessary to prepare and appropriately present the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for evaluating the appropriateness of doing so on a going concern assumption, and for disclosing matters related to a going concern when such disclosure is obligatory in compliance with the accounting standards that omit some items whose disclosure is required by the designated International Financial Reporting Standards as stipulated by the provision of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting.

The Audit & Supervisory Board and its members are responsible for monitoring the execution of duties by the Directors in their development and operation of the financial reporting process.

Auditor's Responsibility for Auditing the Consolidated Financial Statements

The auditor's responsibility is to obtain reasonable assurance on if the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion in the audit report on these consolidated financial statements from an independent position based on the audit conducted by the auditor. Misstatement can occur due to fraud or error. Misstatement is deemed material when it is reasonably estimated to individually or cumulatively influence the decision-making of the users of the consolidated financial statements.

In its auditing process, the auditor makes judgments as a professional specialist and conducts the following while maintaining professional skepticism by auditing standards generally accepted in Japan:

- Identify and assess the risks of material misstatement due to fraud or error. Design and perform audit procedure that deals with the risks of material misstatement. The selection and application of the audit procedures depend on the auditor's judgement. Moreover, obtain sufficient and appropriate audit evidence to provide a basis for expressing the audit opinion.
- The purpose of auditing the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control. But in assessing risks, the auditor considers internal controls relevant to the audit in order to design audit procedures that are appropriate for the circumstances.
- Evaluate the appropriateness of accounting policies and their application methods adopted by management, the reasonableness of accounting estimates made by management and the propriety of the relevant notes.
- Conclude whether or not it is appropriate for management to prepare the consolidated financial statements under the going concern assumption. Also, conclude whether or not the audit evidence obtained informs some material uncertainties about events or conditions that cast serious doubt on the going concern assumption. When uncertainties about the going concern assumption is acknowledged, it is required to issue an alert about the notes to the consolidated financial statements in the audit report. When the notes to the consolidated financial statements about material uncertainties are inappropriate, it is required to express an opinion with qualifications about these statements. The auditor's conclusion is based on audit evidence obtained up until the issue date of the audit report. Future events or conditions may cause the Company to stop continuing as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and the notes to them comply with the accounting standards that omit some items whose disclosure is required by the designated International Financial Reporting Standards as stipulated by the provision of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting. Also evaluate the presentation, structure, and content of the consolidated financial statements including their related notes, as well as whether the consolidated financial statements appropriately present the underlying transactions and accounting events.
- Plan and perform the audit of the consolidated financial statements for the purpose of obtaining sufficient and appropriate audit evidence concerning the financial information of the Company and its consolidated subsidiaries, which forms the basis for expressing an opinion on the consolidated financial statements. The auditor is responsible for the direction, supervision, and review of the audit of the consolidated financial statements. The auditor is solely responsible for the audit opinion.

The auditor reports to the Audit & Supervisory Board and its members on the scope and timing of the planned audits, material audit findings identified during the audit including any material weakness in internal controls, and other matters required by the auditing standards.

The auditor reports to the Audit & Supervisory Board and its members on its compliance with the provisions in Japan for professional ethics about independence, matters that are reasonably considered to influence the independence of the auditor, and the description of any measures to eliminate impediments or any safeguard measures to reduce impediments to an acceptable level, where applicable.

Conflicts of Interests

The Company and its consolidated subsidiaries have no interest relationship with our audit firm or its managing partners that should be stated under the Certified Public Accountants Act.

**Copy of Report of Accounting Auditor Regarding Non-Consolidated Financial
Statements**

Independent Auditors' Audit Report

May 12, 2026

To: Board of Directors of Nippon Sanso Holdings Corporation

Ernst & Young ShinNihon LLC

Tokyo Office

Motoaki Ikeuchi

Designated Limited Liability Partner, Managing Partner
Certified Public Accountant

Takao Yamamoto

Designated Limited Liability Partner, Managing Partner
Certified Public Accountant

Opinion

Under Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the non-consolidated financial statements and their related documents (i.e., non-consolidated balance sheet, non-consolidated statement of income, non-consolidated statement of changes in equity, notes to the non-consolidated financial statements, and supplementary schedules) of Nippon Sanso Holdings Corporation for the fiscal year from April 1, 2025 to March 31, 2026.

In our opinion, the above-mentioned non-consolidated financial statements and their related documents, in all material respects, appropriately present the financial position and results of operations for the period covered by these statements and documents by accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit by auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for Auditing the Non-consolidated Financial Statements and Their Related Documents." We are independent of the Company under the provisions related to professional ethics in Japan (including the provisions applicable to audits of financial statements of public interest entities), and we fulfill other ethical responsibilities as auditors. We believe that we have obtained sufficient and appropriate audit evidence that serves as a basis for presenting our opinion.

Other descriptions

"Other descriptions" means the business report and its supplementary schedules. Management is responsible for preparing and disclosing other descriptions. The Audit & Supervisory Board and its members are responsible for monitoring the performance of duties by the Directors in their development and operation of the reporting process of the other descriptions.

Our firm's audit opinion for the non-consolidated financial statements and their related documents does not cover the other descriptions. We do not express any opinion about the other descriptions.

In the audit of the non-consolidated financial statements and their related documents, we have the responsibility to read over the other descriptions and, during that reading, to examine whether there are any material differences between the other descriptions and the non-consolidated financial statements and their related documents or our knowledge obtained during our audit, and to check to see whether there are any signs of material errors in the other descriptions besides such material differences.

If, based on our work, we determine that there are material errors in the other descriptions, we are required to report that fact.

The other descriptions have no issues that should be reported by us.

Responsibility of Management, Audit & Supervisory Board Members, and the Audit & Supervisory Board for the Non-consolidated Financial Statements and Their Related Documents

Management is responsible for preparing and appropriately presenting the non-consolidated financial statements and their related documents by accounting principles generally accepted in Japan. The responsibility includes development and operation of internal controls that management determines are necessary to prepare and appropriately present the non-consolidated financial statements and their related documents that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements and their related documents, management is responsible for evaluating the appropriateness of doing so on a going concern assumption, and for disclosing matters related to a going concern when disclosure is obligatory by accounting principles generally accepted in Japan.

The Audit & Supervisory Board and its members are responsible for monitoring the execution of duties by the Directors in their development and operation of the financial reporting process.

Auditor's Responsibility for Auditing the Non-consolidated Financial Statements and Their Related Documents

The auditor's responsibility is to obtain reasonable assurance on if the non-consolidated financial statements and their related documents as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion in the audit report on these statements and documents from an independent position based on the audit conducted by the auditor. Misstatement can occur due to fraud or error. Misstatement is deemed material when it is reasonably estimated to individually or cumulatively influence the decision-making of the users of the non-consolidated financial statements and their related documents.

In its auditing process, the auditor makes judgments as a professional specialist and conducts the following while maintaining professional skepticism by auditing standards generally accepted in Japan:

- Identify and assess the risks of material misstatement due to fraud or error. Design and perform audit procedure that deals with the risks of material misstatement. The selection and application of the audit procedures depend on the auditor's judgement. Moreover, obtain sufficient and appropriate audit evidence to provide a basis for expressing the audit opinion.
- The purpose of auditing the non-consolidated financial statements and their related documents is not to express an opinion on the effectiveness of the entity's internal control. But in assessing risks, the auditor considers internal controls relevant to the audit in order to design audit procedures that are appropriate for the circumstances.
- Evaluate the appropriateness of accounting policies and their application methods adopted by management, the reasonableness of accounting estimates made by management and the propriety of the relevant notes.
- Conclude whether or not it is appropriate for management to prepare the non-consolidated financial statements and their related documents under the going concern assumption. Also, conclude whether or not the audit evidence obtained informs some material uncertainties about events or conditions that cast serious doubt on the going concern assumption. When uncertainties about the going concern assumption is acknowledged, it is required to issue an alert about the notes to the non-consolidated financial statements and their related documents in the audit report. When the notes to the non-consolidated financial statements and their related documents about material uncertainties are inappropriate, it is required to express an opinion with qualifications about these statements and documents. The auditor's conclusion is based on audit evidence obtained up until the issue date of the audit report. Future events or conditions may cause the Company to stop continuing as a going concern.
- Evaluate whether the presentation of the non-consolidated financial statements and their related documents and the notes to them are prepared by principles generally accepted in Japan. Also, evaluate the presentation, structure, and content of these statements and documents including their notes, as well as whether these statements and documents appropriately present the underlying transactions and accounting events.

The auditor reports to the Audit & Supervisory Board and its members on the scope and timing of the planned audits, material audit findings identified during the audit including any material weakness in internal controls, and other matters required by the auditing standards.

The auditor reports to the Audit & Supervisory Board and its members on its compliance with the provisions in Japan for professional ethics about independence, matters that are reasonably considered to influence the independence of the auditor, and the description of any measures to eliminate impediments or any safeguard measures to reduce impediments to an acceptable level, where applicable.

Conflicts of Interests

No interest relationship exists between the Company and our audit firm or its managing partners that should be stated under the Certified Public Accountants Act.

Copy of the Audit & Supervisory Board Audit Report

Audit Report

In regard to the Directors' performance of their duties for the business year from April 1, 2025, to March 31, 2026, the Audit & Supervisory Board has prepared this Audit Report after deliberations based on the audit reports prepared by each Audit & Supervisory Board member and reports as follows.

1. Method and Contents of Audits by the Audit & Supervisory Board and Its Members

- (1) The Audit & Supervisory Board determined the audit policies and division of duties, etc. and received reports from each Audit & Supervisory Board member regarding the implementation status and results of their audits, in addition to which it received reports from the Directors, etc. and the accounting auditor regarding the status of the performance of their duties and requested explanations as necessary.
- (2) In compliance with the audit standards established by the Audit & Supervisory Board and in accordance with the audit policies and division of duties, etc., each Audit & Supervisory Board member communicated with the Directors, the internal audit department, and other employees, etc., endeavored to gather information and develop the audit environment, and conducted audits using the following methods.
 - (i) The Audit & Supervisory Board members attended meetings of the Board of Directors and other important meetings either online or in person, received reports from the Directors and employees, etc. regarding the status of the performance of their duties, requested explanations as necessary, reviewed important decision-making documents, etc., and inspected the status of operations and assets. Additionally, in regard to subsidiaries, the Audit & Supervisory Board members communicated and exchanged information with the Directors and Company Auditors, etc. of subsidiaries either online or in person and received reports on business from subsidiaries as necessary.
 - (ii) In regard to the content of resolutions of the Board of Directors regarding the development of systems to ensure that the Directors' performance of their duties complies with laws, regulations, and the Articles of Incorporation and other systems provided for in Article 100, paragraph (1) and paragraph (3) of Regulations for Enforcement of the Companies Act as systems necessary to ensure the appropriateness of operations of the corporate group composed of a stock company and its subsidiaries, as well as the systems developed pursuant to those resolutions (i.e., internal control systems) stated in the Business Report, the Audit & Supervisory Board members periodically received reports from the Directors and employees, etc. regarding the status of the establishment and operation of those systems and requested further explanations as necessary and expressed opinions in regard thereto. The Audit & Supervisory Board members also received reports from the Directors, etc. and Ernst & Young ShinNihon LLC on their evaluation of internal controls for financial reporting and on the status of auditing such internal controls and requested further explanations as necessary.
 - (iii) In regard to the basic policies provided for in Article 118, item (iii)(a) of Regulations for Enforcement of the Companies Act, the efforts provided for in item (iii)(b) of that article, the matters given due consideration provided for in item (v)(a) of that article, and the judgment and reasons provided for in item (v)(b) of that article, each as stated in the Business Report, the Audit & Supervisory Board members considered the contents thereof taking into account matters such as the status of deliberations at meetings of the Board of Directors and by any other method.
 - (iv) The Audit & Supervisory Board members monitored and checked whether the accounting auditor maintained an independent position and conducted appropriate audits, received reports from the accounting auditor on the status of the performance of its duties, and requested further explanations as necessary. Additionally, the Audit & Supervisory Board members received notification from the accounting auditor that, in accordance with the "Quality Control Standards for Audits" (Business Accounting Council), etc., it had developed systems in order to ensure that its duties are appropriately performed (as listed in each item of Article 131 of the Ordinance on Accounting of Companies) and requested further explanations as necessary.

Using the methods above, the Audit & Supervisory Board examined the Business Report, the supplementary schedules thereto, the accounting documents (i.e., the balance sheet, statement of income, statement of changes in net assets, and explanatory notes to accounting documents), the supplementary schedules to the accounting documents, and the consolidated accounting documents (i.e., the consolidated statement of financial position, consolidated statement of income, consolidated statement of changes in equity, and explanatory notes to consolidated accounting documents) for the business year.

2. Audit Results

(1) Results of audit of business report, etc.

- (i) We acknowledge that the Business Report and the supplementary schedules thereto accurately present the status of the Company in accordance with laws, regulations, and the Articles of Incorporation.
- (ii) We do not acknowledge any misconduct nor any material fact constituting a violation of any law, regulation, or the Articles of Incorporation in relation to the Directors' performance of their duties.
- (iii) We acknowledge the content of the resolutions of the Board of Directors regarding internal control systems to be reasonable. Additionally, we do not acknowledge any matters that should be commented upon in regard to the statements in the Business Report or the Directors' performance of their duties relating to the internal control systems, including the internal controls for financial reporting.
- (iv) We do not acknowledge any matters that should be commented upon in regard to the basic policy regarding persons who control the determination of financial and business policies of the Company stated in the Business Report. We acknowledge that the efforts provided for in Article 118, item (iii)(b) of Regulations for Enforcement of the Companies Act and stated in the Business Report are in compliance with that basic policy and do not harm the common interests of the shareholders of the Company, and that their purpose is not to maintain the positions of the Directors of the Company.
- (v) In regard to transactions with the parent company stated in the Business Report, we do not acknowledge any matters that should be commented upon, in regard to the matters given due consideration so that the interests of the Company are not harmed when engaging in such transactions, the judgment of the Board of Directors regarding whether or not such transactions harm the interests of the Company, and the reasons for that judgment.

(2) Results of audit of accounting documents and supplementary schedules thereto

We acknowledge the methods and results of the audit by the accounting auditor, Ernst & Young ShinNihon LLC, to be reasonable.

(3) Results of audit of consolidated accounting documents

We acknowledge the methods and results of the audit by the accounting auditor, Ernst & Young ShinNihon LLC, to be reasonable.

May 13, 2026

The Audit & Supervisory Board of Nippon Sanso Holdings Corporation

Audit and Supervisory Board Member (Full-time) Satoshi Wataru

Audit and Supervisory Board Member (Full-time) Kentaro Akashi

Audit and Supervisory Board Member (Full-time) Kohei Ichiya

Audit and Supervisory Board Member (Full-time) Riki Shibata

(Note) Audit & Supervisory Board Members Kentaro Akashi, Kohei Ichiya, and Riki Shibata are Outside Company Auditors specified by Article 2, Item (xvi) and Article 335, Paragraph (3) of the Companies Act.

MEMO

MEMO

MEMO

MEMO

Map to the Venue of the 22nd Ordinary General Meeting of Shareholders

Date and time:

Wednesday, June 17, 2026, 10:00 a.m. (Registration desk open from 9:00 a.m.)

Venue:

Grand Prince Hotel Takanawa, in Prince Room on basement floor B1

3-13-1 Takanawa, Minato-ku, Tokyo

Telephone: (03) 3447-1111

Nearest stations:

Shinagawa Station (Takanawa Exit) of JR Line and Keihin Kyuko Line (9-minute walk)

Takanawadai Station (A1 Exit) of Toei Asakusa Line (7-minute walk)