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Securities Code: 6258

June 2, 2023

To Our Shareholders:

Yuichiro Hirata, Representative Director and President
Hirata Corporation
111 Hitotsugi, Ueki-machi, Kita-ku, Kumamoto-shi,
Kumamoto

Notice of the 72nd Annual General Meeting of Shareholders

It is a pleasure to inform you that the 72nd Annual General Meeting of Shareholders (the “Meeting”) of Hirata Corporation (the “Company”) will be held as indicated below.

In convening this General Meeting of Shareholders, the Company takes measures for providing in an electronic format the information that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. (items for which measures for providing information in electronic format are to be taken), and posts this on each of the following websites as well as the Company’s website shown below. To access and review this information on either of those websites, use the corresponding Internet address. (For this general meeting of shareholders, we have delivered paper-based documents stating the items subject to measures for electronic provision to all shareholders, regardless of whether or not they have requested them.)

The Company’s website:

<https://www.hirata.co.jp/ir/library/index/category:shareholders> (in Japanese)

TSE website (Listed Company Search):

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

(Access the TSE website by using the Internet address shown above, enter “Hirata Corporation” in “Issue name (company name)” or the Company’s securities code “6258” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend the meeting in person, you may exercise your voting rights via the Internet, etc. or in writing (by mail). Please exercise your voting rights by 6:00 p.m. on Thursday, June 22, 2023.

- 1. Date and Time:** Friday, June 23, 2023 at 10:00 a.m. (JST)
- 2. Venue:** 3rd Floor of Mielparque Kumamoto
14-1, Suido-cho, Chuo-ku, Kumamoto-shi, Kumamoto

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 72nd fiscal year (from April 1, 2022 to March 31, 2023), and the audit results of the Consolidated Financial Statements by the Financial Auditors and the Audit and Supervisory Board
2. The Non-consolidated Financial Statements for the 72nd fiscal year (from April 1, 2022 to March 31, 2023)

Matters to be resolved:

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| Proposal No. 1 | Partial Amendment of the Articles of Incorporation |
| Proposal No. 2 | Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 3 | Election of Four Directors Who Are Audit and Supervisory Committee Members |
| Proposal No. 4 | Determination of the Amount of Remuneration, Etc. of Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |

- Proposal No. 5** Determination of the Amount of Remuneration, Etc. of Directors Who Are Audit and Supervisory Committee Members
- Proposal No. 6** Determination of the Amount and Other Conditions of Performance-linked Stock Compensation, Etc. of Directors (Excluding Directors and Outside Directors Who Are Audit and Supervisory Committee Members)

Decisions on convocation

- If you are not indicating for or against each of the proposals on the Voting Rights Exercise Form in exercising your voting rights in writing (by mail), the Company will deem that you indicated your approval of the proposal.
 - If you exercise your voting rights multiple times via the Internet, etc., the most recent exercise of such will be treated as a valid manifestation of intention.
 - If you exercise your voting rights both via the Internet, etc. and in writing (by mail), the former will prevail regardless of the date and time the written form was received by the Company.
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- If you attend the Meeting, please submit the enclosed voting rights exercise form at the reception desk.
 - For this general meeting of shareholders, we have delivered paper-based documents stating the items subject to measures for electronic provision to all shareholders, regardless of whether or not they have requested them. Among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 15 of the Articles of Incorporation of the Company, “Notes to Consolidated Financial Statements” and “Notes to Non-consolidated Financial Statements” are not provided in the documents to be mailed. Such documents are available on the Company’s website (<https://www.hirata.co.jp/ir/library/index/category:shareholders> (in Japanese)). Documents attached to the Notice of the General Meeting of Shareholders are part of the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Financial Auditors when preparing the financial audit report and the same documents audited by the Audit and Supervisory Board and Audit and Supervisory Board Members in preparing the audit report.
 - If revisions to the items for which measures for providing information in electronic format are to be taken arise, a notice of the revisions will be posted on the Company’s website and the TSE website.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Partial Amendment of the Articles of Incorporation

1. Reasons for the Proposal

- (1) The Company will strengthen the supervisory function of the Board of Directors by making Audit and Supervisory Committee Members, who are responsible for auditing the Directors' execution of their duties, members of the Board of Directors. The Company will also further enhance corporate governance by further strengthening the supervisory system. To this end, the Company intends to transition to a company with an audit and supervisory committee from a company with an audit and supervisory board, and proposes to make changes necessary for a transition to a company with an audit and supervisory committee, including newly establishing provisions regarding Directors who are Audit and Supervisory Committee Members and the Audit and Supervisory Committee, and deleting existing provisions regarding Audit and Supervisory Board Members and the Audit and Supervisory Board.
- (2) In accordance with the aforementioned amendment, revisions of words and clauses and other necessary changes will be made.

2. Details of Amendment

The details of amendment are as follows:

The amendment to the Articles of Incorporation in the Proposal shall become effective at the conclusion of this meeting.

(The underlined portions represent where changes are made.)

Pre-amendment Articles of Incorporation	After amendment
Chapter 1 General Provisions	Chapter 1 General Provisions
Article 1 to 3 (Omitted) (Establishment of Organization)	Article 1 to 3 (Unchanged) (Establishment of Organization)
Article 4 The Company shall establish the Board of Directors and <u>the Audit and Supervisory Board</u> , and appoint Financial Auditors.	Article 4 The Company shall establish the Board of Directors and <u>the Audit and Supervisory Committee</u> , and appoint Financial Auditors.
Article 5 (Omitted)	Article 5 (Unchanged)
Chapter 2 Stock	Chapter 2 Stock
Article 6 to 10 (Omitted)	Article 6 to 10 (Unchanged)
Chapter 3 General Meeting of Shareholders	Chapter 3 General Meeting of Shareholders
Article 11 to 16 (Omitted)	Article 11 to 16 (Unchanged)
Chapter 4 Directors and the Board of Directors (Number of Directors)	Chapter 4 Directors and the Board of Directors (Number of Directors)
Article 17 The Company shall appoint up to fifteen Directors. (Newly established)	Article 17 1. The Company shall appoint up to 15 Directors <u>(excluding Directors who are Audit and Supervisory Committee Members)</u> . 2. The Company shall appoint up to five Directors who are <u>Audit and Supervisory Committee Members</u> .
(Election of Directors)	(Election of Directors)
Article 18 1. Election of Directors shall be made by one-third or more of the votes of the shareholders present at the General Meeting of Shareholders where the shareholders holding a majority of the votes of the shareholders entitled to exercise their votes at such Meeting are present.	Article 18 1. Election of Directors shall be made by one-third or more of the votes of the shareholders present at the General Meeting of Shareholders where the shareholders holding a majority of the votes of the shareholders entitled to exercise their votes at such Meeting are present, <u>for Directors who serve as Audit and Supervisory Committee Members and the other Directors separately</u> .
2. (Omitted)	2. (Unchanged)

Pre-amendment Articles of Incorporation	After amendment
<p><u>(Dismissal of Directors)</u> <u>Article 19</u> <u>Dismissal of Directors shall be made by two-thirds or more of the votes of the shareholders present at the General Meeting of Shareholders where the shareholders holding a majority of the votes of the shareholders entitled to exercise their votes at such Meeting are present.</u></p> <p>(Term of Office of Directors) <u>Article 20</u> The term of office of Directors expires at the conclusion of the General Meeting of Shareholders for the last fiscal year ending within one year after his or her appointment.</p> <p>(Newly established)</p> <p>(Newly established)</p> <p>(Newly established)</p> <p><u>2. The term of office of a Director who is appointed as a substitute or additional Director shall be the remaining term of office of the incumbent Director.</u></p>	<p>(Deleted)</p> <p>(Term of Office of Directors) <u>Article 19</u> <u>1. The term of office of a Director (excluding Directors who are Audit and Supervisory Committee Members) expires at the conclusion of the General Meeting of Shareholders for the last fiscal year ending within one year after his or her appointment.</u> <u>2. The term of office of a Director who is an Audit and Supervisory Committee Member expires at the conclusion of the General Meeting of Shareholders for the last fiscal year ending within two years after his or her appointment.</u> <u>3. The term of office of a substitute Director who is an Audit and Supervisory Committee Member appointed to fill a vacancy left by a Director who is an Audit and Supervisory Committee Member retiring before the expiration of his or her term of office expires at the expiration of the retired individual's term of office.</u> <u>4. The effective term of a resolution for the election of a substitute Director who is an Audit and Supervisory Committee Member pursuant to Article 329, paragraph (3) of the Companies Act expires at the beginning of the General Meeting of Shareholders for the last fiscal year ending within two years after his or her appointment.</u></p> <p>(Deleted)</p>
<p>(Representative Director) <u>Article 21</u> The Board of Directors appoints a few Representative Directors among its members.</p>	<p>(Representative Director) <u>Article 20</u> The Board of Directors appoints a few Representative Directors among its members <u>(excluding Directors who are Audit and Supervisory Committee Members).</u></p>
<p>(Board of Directors) <u>Article 22</u> 1. Convocation of the Board of Directors meeting shall be notified to each of the Directors <u>and the Audit and Supervisory Board Members</u> at least three days prior to the date set for such meeting. However, the above period may be shortened in case of urgency. 2. In the event that a Director presents a proposal regarding the purpose of a meeting subject to resolution of the Board of Directors, and all Directors entitled to vote on the proposal indicate their will of agreement with it in writing or by electronic means, <u>and Audit and Supervisory Board Members do not state their objection</u>, the resolution of the Board of Directors meeting is deemed to have been approved. 3. (Omitted)</p>	<p>(Board of Directors) <u>Article 21</u> 1. Convocation of the Board of Directors meeting shall be notified to each of the Directors at least three days prior to the date set for such meeting. However, the above period may be shortened in case of urgency. 2. In the event that a Director presents a proposal regarding the purpose of a meeting subject to resolution of the Board of Directors, and all Directors entitled to vote on the proposal <u>indicate their will</u> of agreement with it in writing or by electronic means, the resolution of the Board of Directors meeting is deemed to have been approved. 3. (Unchanged)</p>

Pre-amendment Articles of Incorporation	After amendment
(Newly established)	<u>(Delegation of Decision on Important Business Execution)</u>
	<u>Article 22</u> <u>Pursuant to Article 399-13, paragraph (6) of the Companies Act, the Company may delegate all or part of a decision on important business execution (excluding matters stipulated by each item of paragraph (5) of the same Article) by a resolution of the Board of Directors.</u>
<p style="text-align: center;"><u>Chapter 5</u> <u>Audit and Supervisory Board Members and the Audit and Supervisory Board</u></p>	(Deleted)
<u>Article 23 to 27</u> (Omitted)	(Deleted)
(Newly established)	<u>Chapter 5</u>
(Newly established)	<u>Audit and Supervisory Committee</u>
(Newly established)	<u>(Full-time Audit and Supervisory Committee Members)</u>
(Newly established)	<u>Article 23</u>
	<u>The Audit and Supervisory Committee may appoint a full-time Audit and Supervisory Committee Member by its resolution.</u>
	<u>(Audit and Supervisory Committee)</u>
	<u>Article 24</u>
	<u>1. Convocation of the Board of Directors meeting shall be notified to each of the Audit and Supervisory Committee Members at least three days prior to the date set for such meeting. However, the above period may be shortened in case of urgency.</u>
	<u>2. Rules for the Audit and Supervisory Committee stipulated by the Audit and Supervisory Committee shall apply to operations and other matters regarding the Audit and Supervisory Committee.</u>
Chapter 6	Chapter 6
Exemption of liability of Directors, <u>Audit and Supervisory Board Members</u> , and Financial Auditors	Exemption of liability of Directors and Financial Auditors
(Partial Exemption of Liability for Damages)	(Partial Exemption of Liability for Damages)
<u>Article 28</u>	<u>Article 25</u>
1. By a resolution of the Board of Directors, the Company may, within the extent stipulated by laws and regulations, exempt liability for damages of Directors (including former Directors) <u>and Audit and Supervisory Board Members (including former Audit and Supervisory Board Members)</u> to the Company.	1. By a resolution of the Board of Directors, the Company may, within the extent stipulated by laws and regulations, exempt liability for damages of Directors (including former Directors) and to the Company.
2. The Company may enter into an agreement with Directors (excluding Executive Directors), <u>Audit and Supervisory Board Members</u> , and Financial Auditors which limits their liabilities for damages to the Company. Provided, however, that the amount of maximum liability is an amount determined by laws and regulations.	2. The Company may enter into an agreement with Directors (excluding Executive Directors) and Financial Auditors which limits their liabilities for damages to the Company. Provided, however, that the amount of maximum liability is an amount determined by laws and regulations.
Chapter 7 Calculation	Chapter 7 Calculation
<u>Article 29 to 32</u> (Omitted)	<u>Article 26 to 29</u> (Unchanged)

Pre-amendment Articles of Incorporation	After amendment
<p>Supplementary Provisions</p> <p>1. <u>The deletion of the provision of Article 15 (Internet Disclosure of Reference Documents for the General Meeting of Shareholders, Etc.) of the pre-amendment Articles of Incorporation and the establishment of provisions of Article 15 (Measures, Etc. for Providing Information in Electronic Format) in the post-amendment Articles of Incorporation shall be effective from September 1, 2022, the date of enforcement provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></p> <p>2. <u>Notwithstanding the provision of the preceding paragraph, Article 15 of the pre-amendment Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></p> <p>3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u> (Newly established)</p>	<p>Supplementary Provisions</p> <p>(Deleted)</p> <p>(Deleted)</p> <p>(Deleted)</p> <p><u>By a resolution of the Board of Directors, the Company may, within the extent stipulated by laws and regulations, exempt liability for damages of Audit and Supervisory Board Members (including former Audit and Supervisory Board Members) to the Company concerning their act conducted before the conclusion of the 72nd Annual General Meeting of Shareholders.</u></p>

Proposal No. 2 Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

In the event that Proposal No. 1 “Partial Amendment of the Articles of Incorporation” is approved as proposed, the Company will transition to a company with an audit and supervisory committee, and the terms of office of all eight Directors will expire as of the effective date of the amendment of the Articles of Incorporation. Therefore, the Company proposes the election of eight Directors (excluding Directors who are Audit and Supervisory Committee Members, hereinafter the same applies in the Proposal) after the transition to a company with an audit and supervisory committee. The candidates were determined at the Board of Directors based on discussion at the Nomination and Compensation Advisory Committee, which is an advisory body to the Board of Directors.

The Proposal shall come into effect on the effectuation of the amendment of the Articles of Incorporation in Proposal No. 1 “Partial Amendment of the Articles of Incorporation.”

The candidates for Directors are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company’s shares owned
1	Yuichiro Hirata (August 23, 1961) Reelection	<p>May 1989 Joined the Company</p> <p>June 2003 Director and Executive General Manager of #1 Business Division</p> <p>Feb. 2004 Director and Chairman of HIRATA Production Systems Design & Consulting (Shanghai) Co., Ltd.</p> <p>Aug. 2004 Director and Chairman of HIRATA Corporation of America</p> <p>May 2005 Director of Taihei Computer Co., Ltd. (current Trinity Inc.)</p> <p>June 2005 Director and Executive Vice President in charge of Business Promotion and #1 Business Division of the Company</p> <p>June 2006 Director and Executive Vice President, Executive Officer, and Division Director of Business Headquarters</p> <p>Oct. 2006 Director and Chairman of Hirata Automated Machinery (Shanghai) Co., Ltd.</p> <p>Apr. 2007 Director and Executive Vice President, and Executive Officer of the Company Division Director of International Business Headquarters and Division Director of Technology Headquarters</p> <p>Apr. 2011 Representative Director and President, and Executive Officer (current position)</p>	291,600
<p>(Reasons for nomination as candidate for Director)</p> <p>Candidate Yuichiro Hirata has led the management of the Company and the Group as Representative Director and President, and has made a meaningful contribution to developing businesses. Therefore, the Company judges Mr. Hirata’s abundant experience and insights are essential for the management of the Company, and has decided to appoint him as a candidate for a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p style="text-align: center;">Shojiro Hirata (June 1, 1963)</p> <p style="text-align: center;">Reelection</p>	<p>June 1989 Joined the Company</p> <p>Apr. 2007 Executive General Manager of Robot Department, Semiconductor Business Unit, Business Headquarters</p> <p>Apr. 2012 Executive General Manager of Device Center</p> <p>Apr. 2014 Chairman of Hirata Automated Machinery (Shanghai) Co., Ltd.</p> <p>July 2014 Executive Officer and Executive General Manager of Device Center, Business Headquarters of the Company</p> <p>June 2017 Director, Executive Officer, and Executive General Manager of Device Center, Business Headquarters</p> <p>Apr. 2018 Director, Executive Officer in charge of Manufacturing, Device Center, and Quality Control</p> <p>June 2018 Director, Executive Officer, Division Director of Procurement Division, and in charge of Facility Investment and Quality Control</p> <p>Apr. 2019 Director, Managing Executive Officer, Division Director of Procurement Division, and in charge of Facility Investment</p> <p>June 2019 Managing Executive Officer, Division Director of Procurement Division, and in charge of Facility Investment</p> <p>Apr. 2020 Managing Executive Officer, Division Director of Procurement Division, and in charge of Facility Investment and Quality Control</p> <p>Apr. 2021 Managing Executive Officer, Division Director of Procurement Division, and in charge of Quality Control</p> <p>June 2021 Director, Managing Executive Officer, Division Director of Procurement Division, and in charge of Quality Control</p> <p>Apr. 2023 Director, Senior Managing Executive Officer, Division Director of Procurement Division, and in charge of Quality Control (current position)</p>	163,400
<p>(Reasons for nomination as candidate for Director)</p> <p>Candidate Shojiro Hirata has made a meaningful contribution to enhancing the Chinese business, developing semiconductor-related facilities and industrial robots and other devices business, and enhancing the Company's procurement function through the management of a Chinese subsidiary and the operation of the business division and procurement division. Therefore, the Company judges Mr. Hirata's abundant experience and insights are essential for the management of the Company, and has decided to appoint him as a candidate for a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p style="text-align: center;">Shigeru Maeda (January 1, 1961)</p> <p style="text-align: center;">Reelection</p>	<p>Apr. 1979 Joined the Company</p> <p>Apr. 2012 Executive General Manager of Production Control Department, Business Headquarters</p> <p>Apr. 2013 Manager of Technology Department (in charge of #3 Technology Group), Kumamoto Business Division, Business Headquarters</p> <p>Apr. 2014 Manager of #1 System Department, Kumamoto Business Division, Business Headquarters</p> <p>July 2014 Director of Hirata Corporation of America</p> <p>Apr. 2018 Executive General Manager of #1 Kumamoto Business Division, Business Headquarters of the Company</p> <p>Apr. 2019 Executive Officer and Executive General Manager of #1 Kumamoto Business Division, Business Headquarters</p> <p>Apr. 2020 Executive Officer, Division Director of #1 Business Unit, Business Headquarters</p> <p>Apr. 2021 Executive Officer, Division Director of Business Headquarters and Division Director of #1 Business Unit, Business Headquarters</p> <p>Apr. 2022 Executive Officer, Division Director of Business Headquarters</p> <p>June 2022 Director, Executive Officer, and Division Director of Business Headquarters</p> <p>Apr. 2023 Director, Senior Managing Executive Officer, and Division Director of Business Headquarters (current position)</p>	1,600
<p>(Reasons for nomination as candidate for Director)</p> <p>Candidate Shigeru Maeda served as manager for departments mainly for the automobile sector, as well as manager for the business promotion division for the entire company, and has been fulfilling his role to supervise the overall business management appropriately since taking office as Division Director of Business Headquarters in the fiscal year 2021. Therefore, the Company judges Mr. Maeda's abundant experience and insights are essential for the management of the Company toward the Group's business development, and has decided to appoint him as a candidate for a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Masaru Kozaki (January 5, 1968) Reelection	<p>Apr. 1986 Joined the Company</p> <p>Mar. 2010 Director of HIRATA FA Engineering (S) Pte. Ltd.</p> <p>Mar. 2015 Managing Director</p> <p>Apr. 2017 Manager assigned to General Affairs and Human Resources Department, Administration Division of the Company (HIRATA FA Engineering (S) Pte. Ltd.)</p> <p>Apr. 2021 Executive Officer and Division Director of Global Business Headquarters Managing Director of HIRATA FA Engineering (S) Pte. Ltd.</p> <p>Oct. 2021 Executive Officer and Division Director of Global Business Headquarters of the Company</p> <p>June 2022 Director, Executive Officer, and Division Director of Global Business Headquarters</p> <p>Apr. 2023 Director, Managing Executive Officer, and Division Director of Global Business Headquarters (current position)</p>	400
<p>(Reasons for nomination as candidate for Director)</p> <p>Candidate Masaru Kozaki has made a meaningful contribution to the business development of the Group globally by having served in the capacity of the representative of the local subsidiary in Singapore over six years, as well as being in charge of affiliate companies. Therefore, the Company judges Mr. Kozaki's global and diversified perspective based on his abundant experience and insights is essential for the management of the Company, and has decided to appoint him as a candidate for a Director.</p>			
5	Shigeharu Nishimura (December 4, 1968) New election	<p>Apr. 1987 Joined the Company</p> <p>Apr. 2016 General Manager of System Device Department, Equipment Business Division, Business Headquarters</p> <p>Apr. 2018 Executive General Manager of Equipment Business Division and Manager of System Device Department, Business Headquarters</p> <p>Apr. 2019 Executive General Manager of #1 Equipment Business Division, Business Headquarters</p> <p>Apr. 2020 Executive Officer, Division Director of #3 Business Unit and Executive General Manager of #1 Equipment Business Division, Business Headquarters</p> <p>Oct. 2022 Executive Officer and Division Director of Research and Development Headquarters (current position)</p>	700
<p>(Reasons for nomination as candidate for Director)</p> <p>Candidate Shigeharu Nishimura as General Manager for the business division in the fields of semiconductor-related production facilities and panel manufacturing equipment, and has been working to develop a new business model using plant genetic resources since taking office as Division Director of Research and Development Headquarters in October 2022. Therefore, the Company judges Mr. Nishimura's abundant experience and insights are essential for the management of the Company toward the Group's business development, and has decided to appoint him as a candidate for a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Hideki Ninomiya (October 26, 1966) New election	<p>Apr. 1990 Joined the Company</p> <p>Apr. 2018 General Manager of Legal Department, Administration Division</p> <p>Apr. 2022 Executive Officer, Deputy Division Director of Administration Division, and in charge of Legal, Intellectual Property, Compliance, Accounting of Administration Division</p> <p>June 2022 Statutory Auditor of Trinity Inc. (current position)</p> <p>Apr. 2023 Executive Officer and Division Director of Administration Division of the Company (current position)</p>	2,800
<p>(Reasons for nomination as candidate for Director)</p> <p>Candidate Hideki Ninomiya served as General Manager for departments mainly for risk management and corporate governance, assumed the position of Deputy Division Director of Administration Division in the fiscal year 2022, and has been working to strengthen the Group's governance and business infrastructure, among others, as a supervisor of the administration division since taking office as Division Director of Administration Division in the fiscal year 2023. Therefore, the Company judges Mr. Ninomiya's abundant experience and insights are essential for the management of the Company toward the Group's sustainable growth and corporate value enhancement, and has decided to appoint him as a candidate for a Director.</p>			
7	Satoru Ogawa (August 10, 1965) Reelection Outside Independent officer	<p>Mar. 1992 Joined Coca-Cola (Japan) Company, Limited</p> <p>Jan. 1997 General Manager of Business Systems Department, Coca-Cola Beverage Business Division</p> <p>July 1999 General Manager of Strategic Business System Planning Department of Coca-Cola Tea Products Co., Ltd.</p> <p>Apr. 2000 Vice President & CIO in charge of Business Systems of Coca-Cola (Japan) Company, Limited</p> <p>July 2007 In charge of founding new business of Internet Initiative Japan Inc. Outside Director of Taihei Computer Co., Ltd. (current Trinity Inc.)</p> <p>Dec. 2011 Director and Vice President of Wako Industries Co., Ltd.</p> <p>June 2021 Outside Director of the Company (current position)</p> <p>Sept. 2021 Representative Director and President of Wako Industries Co., Ltd. (current position)</p>	100
<p>(Reasons for nomination as candidate for Outside Director and outline of expected roles)</p> <p>Candidate Satoru Ogawa possesses extensive experience including formulation of information strategies and corporate management in other companies, along with sophisticated insights into manufacturing and corporate management. For this reason, the Company expects that Mr. Ogawa will deliver supervision and advice to the management from an independent and objective standpoint toward sustainable improvement of corporate value of the Company, and has decided to appoint him as a candidate for an Outside Director.</p> <p>At the conclusion of this meeting, Mr. Ogawa's tenure as Outside Director of the Company will have been two years.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	Ryoko Ueda (February 25, 1973) Reelection Outside Independent officer	<p>Oct. 2001 Joined Mizuho Securities Co., Ltd.</p> <p>Apr. 2002 Seconded to Japan Investor Relations and Investor Support, Inc.</p> <p>July 2008 Transferred to Japan Investor Relations and Investor Support, Inc.</p> <p>Nov. 2013 Special Research Fellow of Financial Research Center of the Financial Services Agency</p> <p>Nov. 2017 Seconded to Mizuho International plc (London)</p> <p>Nov. 2019 Senior Researcher of Japan Investor Relations and Investor Support, Inc. (current position)</p> <p>Feb. 2020 External Director of Money Forward, Inc.</p> <p>Mar. 2020 Associate Professor at SBI Graduate School</p> <p>Apr. 2020 Associate Professor at Kyoto University</p> <p>Apr. 2022 Member of Certified Public Accountants and Auditing Oversight Board (current position)</p> <p>June 2022 Professor at SBI Graduate School (current position)</p> <p>June 2022 Outside Director of the Company (current position)</p> <p>Oct. 2022 Adjunct Professor at Kyoto University (current position)</p>	200
<p>(Reasons for nomination as candidate for Outside Director and outline of expected roles)</p> <p>Candidate Ryoko Ueda has never been involved in the management of a company except as an outside officer, however, she possesses extensive experience and sophisticated insights as an expert on corporate governance and ESG, etc. For this reason, the Company expects Ms. Ueda will deliver supervision and advice to the management from an independent and objective standpoint toward sustainable improvement of corporate value of the Company, and has decided to appoint her as a candidate for an Outside Director.</p> <p>At the conclusion of this meeting, Ms. Ueda's tenure as Outside Director of the Company will have been one year.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Satoru Ogawa and Ryoko Ueda are candidates for Outside Director. The Company has submitted notification to the Tokyo Stock Exchange that Mr. Ogawa and Ms. Ueda have been designated as independent officers as provided for by the aforementioned exchange.
 3. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Satoru Ogawa and Ryoko Ueda to limit their liability for damages under Article 423, paragraph (1) of the same Act. Liability pursuant to this agreement will be restricted to the minimum liability amount prescribed in Article 425, paragraph (1) of the Companies Act. If they are reelected, the Company plans to renew this agreement with them.
 4. The Company has entered into a directors' and officers' liability insurance (D&O insurance) contract with an insurance company pursuant to Article 430-3, paragraph (1) of the Companies Act. In the case where a claim for damages is made by a shareholder or a third party, the insurance is designed to cover losses that may arise from the insured persons such as compensation for damages and related litigation expenses, and a premium for the insurance is fully borne by the Company. The above candidates will be included in the insured persons of the D&O insurance contract. The Company plans to renew the contract on similar terms and conditions at the next renewal.

Proposal No. 3 Election of Four Directors Who Are Audit and Supervisory Committee Members

In the event that Proposal No. 1 “Partial Amendment of the Articles of Incorporation” is approved as proposed, the Company will transition to a company with an audit and supervisory committee, and therefore, proposes to elect four Directors who are Audit and Supervisory Committee Members. The candidates were determined at the Board of Directors based on discussion at the Nomination and Compensation Advisory Committee, which is an advisory body to the Board of Directors.

The consent of the Audit and Supervisory Board has been obtained for the Proposal.

The Proposal shall come into effect on the effectuation of the amendment of the Articles of Incorporation in Proposal No. 1 “Partial Amendment of the Articles of Incorporation.”

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

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company’s shares owned
1	Naokuni Motoda (July 20, 1958) New election Outside	Apr. 1981 Joined The Higo Bank, Ltd. June 2004 Trainer of Training Promotion Group, Sales Supervision Department Apr. 2008 Manager of Shinmachi Branch June 2010 Deputy General Manager of Sales Supervision Department and Head of Sales Promotion Office Apr. 2011 Manager of Tamana Branch Apr. 2012 General Manager of Sales Supervision Department June 2012 Director and Executive Officer, and General Manager of Business Supervision Department June 2014 Representative Director of Takara Kogyo Co., Ltd. June 2015 Full-time Audit and Supervisory Board Member of the Company (current position)	500
(Reasons for nomination as candidate for Outside Director who is Audit and Supervisory Committee Member and outline of expected roles) Candidate Naokuni Motoda possesses professional insights and extensive experience as a director and executive officer of a financial institution and the representative director of a private company. For this reason, the Company expects that Mr. Motoda will provide audits and supervision on the execution of duties of Directors from an objective and fair standpoint, and has decided to appoint him as a candidate for an Outside Director who is an Audit and Supervisory Committee Member. Candidate Naokuni Motoda has been serving as Outside Audit and Supervisory Board Member of the Company since June 2015, and at the conclusion of this meeting, the total tenure will have been eight years since his assumption of office.			
2	Ken Imamura (September 15, 1973) New election Outside Independent officer	Oct. 2004 Joined Tsuguo Imamura Law Firm, registered at Daini Tokyo Bar Association Feb. 2009 Joined Miyake & Yamazaki Jan. 2015 Partner June 2015 Outside Audit and Supervisory Board Member of the Company (current position) July 2018 Partner of Okuno & Partners Foreign Law Joint Enterprise (current Okuno & Partners) (current position)	—
(Reasons for nomination as candidate for Outside Director who is Audit and Supervisory Committee Member and outline of expected roles) Candidate Ken Imamura possesses professional insights and extensive experience as a lawyer engaged in corporate legal affairs, etc. For this reason, the Company expects that Mr. Imamura will provide audits and supervision on the execution of duties of Directors from an objective and fair standpoint, and has decided to appoint him as a candidate for an Outside Director who is an Audit and Supervisory Committee Member. Candidate Ken Imamura has been serving as Outside Audit and Supervisory Board Member of the Company since June 2015, and at the conclusion of this meeting, the total tenure will have been eight years since his assumption of office.			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Yasuhiko Endo (July 3, 1957) New election Outside Independent officer	<p>Apr. 1980 Joined New Japan Securities Co., Ltd. (current Mizuho Securities Co., Ltd.)</p> <p>Oct. 2007 Executive Officer, Head of Corporate Planning Department and Head of Business Promotion Office</p> <p>May 2009 Executive Officer in charge of Investment Banking Group of Mizuho Securities Co., Ltd.</p> <p>Apr. 2011 Managing Executive Officer, in charge of Investment Banking Group (Investment Banking Department VIII and IX) and Corporate Finance Promotion Group</p> <p>May 2012 Director and Senior Managing Executive Officer of Mizuho Securities Research & Consulting Co., Ltd. (current Japan Investor Relations and Investor Support, Inc.)</p> <p>Apr. 2018 Advisor</p> <p>June 2018 Outside Audit and Supervisory Board Member of the Company (current position)</p> <p>June 2020 Outside Audit and Supervisory Board Member of Estelle Holdings Co., Ltd. (current position)</p> <p>June 2021 Registered as CFE (Certified Fraud Examiner)</p> <p>June 2022 Outside Audit & Supervisory Board Member of SAC'S BAR HOLDINGS INC. (current position)</p>	400
<p>(Reasons for nomination as candidate for Outside Director who is Audit and Supervisory Committee Member and outline of expected roles)</p> <p>Candidate Yasuhiko Endo possesses professional insights and extensive experience in stocks and business management as a CFE (Certified Fraud Examiner). For this reason, the Company expects that Mr. Endo will provide audits and supervision on the execution of duties of Directors from an objective and fair standpoint, and has decided to appoint him as a candidate for an Outside Director who is an Audit and Supervisory Committee Member.</p> <p>Candidate Yasuhiko Endo has been serving as Outside Audit and Supervisory Board Member of the Company since June 2018, and at the conclusion of this meeting, the total tenure will have been five years since his assumption of office.</p>			
4	Asako Okabe (August 7, 1970) New election Outside Independent officer	<p>Oct. 1997 Joined Tohmatsu & Co. (current Deloitte Touche Tohmatsu LLC)</p> <p>May 2001 Registered as Certified Public Accountant</p> <p>July 2017 Partner of Deloitte Touche Tohmatsu LLC</p> <p>June 2022 Outside Audit and Supervisory Board Member of the Company (current position)</p> <p>July 2022 Representative of Okabe Asako CPA Firm (current position)</p>	—
<p>(Reasons for nomination as candidate for Outside Director who is Audit and Supervisory Committee Member and outline of expected roles)</p> <p>Candidate Asako Okabe possesses professional insights and extensive experience in corporate accounting as a Certified Public Accountant. For this reason, the Company expects that Ms. Okabe will provide audits and supervision on the execution of duties of Directors from an objective and fair standpoint, and has decided to appoint her as a candidate for an Outside Director who is an Audit and Supervisory Committee Member.</p> <p>Candidate Asako Okabe has been serving as Outside Audit and Supervisory Board Member of the Company since June 2022, and at the conclusion of this meeting, the total tenure will have been one year since her assumption of office.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Naokuni Motoda, Ken Imamura, Yasuhiko Endo, and Asako Okabe are candidates for Outside Director. The Company has submitted notification to the Tokyo Stock Exchange that Mr. Imamura, Mr. Endo, and Ms. Okabe have been designated as independent officers as provided for by the aforementioned exchange.
 3. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Naokuni Motoda, Ken Imamura, Yasuhiko Endo, and Asako Okabe to limit their liability for damages under Article 423, paragraph (1) of the same Act as Audit and Supervisory Board Members. Liability pursuant to this agreement will be restricted to the minimum liability amount prescribed in Article 425, paragraph (1) of the Companies Act. If each person

is elected as Director who is an Audit and Supervisory Committee Member, the Company plans to renew this agreement and similar agreements with each of them.

4. The Company has entered into a directors' and officers' liability insurance (D&O insurance) contract with an insurance company pursuant to Article 430-3, paragraph (1) of the Companies Act. In the case where a claim for damages is made by a shareholder or a third party, the insurance is designed to cover losses that may arise from the insured persons such as compensation for damages and related litigation expenses, and a premium for the insurance is fully borne by the Company. The above candidates will be included in the insured persons of the D&O insurance contract. The Company plans to renew the contract on similar terms and conditions at the next renewal.

Skill matrix of the Company's Directors (in the event that the above candidates are elected as Directors at the General Meeting of Shareholders)

	Corporate management	Industry knowledge	Technology, research and development	Global	Risk management	Finance and accounting	ESG
Directors (excluding Directors who are Audit and Supervisory Committee Members)							
Yuichiro Hirata	•	•	•	•			
Shojiro Hirata	•	•	•				
Shigeru Maeda	•	•	•				
Masaru Kozaki	•	•		•			
Shigeharu Nishimura	•	•	•				
Hideki Ninomiya					•		•
Satoru Ogawa (Outside Director)	•			•	•		
Ryoko Ueda (Outside Director)					•	•	•
Directors who are Audit and Supervisory Committee Members							
Naokuni Motoda (Outside Director)	•				•	•	
Ken Imamura (Outside Director)	•				•		
Yasuhiko Endo (Outside Director)	•				•	•	
Asako Okabe (Outside Director)	•					•	

* The above shows knowledge, experience and capability particularly expected of each individual, and is not a complete list of all the expertise possessed by the individuals.

Proposal No. 4 Determination of the Amount of Remuneration of Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the 57th Annual General Meeting of Shareholders held on June 25, 2008, approval was obtained to set the maximum amount of remuneration, etc. for the Directors of the Company to ¥810 million per year (in the case of persons concurrently serving as employees and Directors, the amount of remuneration for the Directors will not include the employee salary and bonus portion). However, in the event that the Proposal No. 1 “Partial Amendment of the Articles of Incorporation” is approved as proposed, the Company will transition to a company with an audit and supervisory committee. For this reason, taking the recent economic and other circumstances into consideration, the Company is submitting this Proposal to seek approval for setting the amount of remuneration, etc. for Directors of the Company after its transition to a company with an audit and supervisory committee to ¥810 million or less per year for the Directors (excluding Directors who are Audit and Supervisory Committee Members, hereinafter the same applies in the Proposal) (including ¥100 million or less per year for Outside Directors). The Company also seeks approval for setting the actual amount and payment timing, etc. of remuneration for each Director by a resolution of the Board of Directors. The basic policy of remuneration for Directors after transition to a company with an audit and supervisory committee is to adopt a remuneration system that functions as an incentive to realize the Company’s sustainable growth and the medium and long-term corporate value improvement, based on an appropriate level based on titles and responsibilities, etc. The basic remuneration for Directors shall be fixed monthly remuneration in accordance with titles, responsibilities, skills, experience and achievements, etc., and determined based on objective and comparative examination results based on the data of an executive officer remuneration survey conducted by an external research institute, the Company’s business environment, and the level of employees’ salaries, etc. The Company’s policy is that bonuses to officers within performance-linked remuneration shall be monetary remuneration that reflects performance indicators in order to increase awareness regarding the enhancement of business performance each business year. The amount of remuneration, etc. in the Proposal is composed of fixed remuneration and performance-linked remuneration based on the policy, which the Company believes is appropriate. Please note that the employee salary and bonus portion of persons concurrently serving as employees and Directors shall not be included in the amount of the aforementioned remuneration, etc.

The number of Directors is eight at present. In the event that Proposal No. 1 “Partial Amendment of the Articles of Incorporation” and Proposal No. 2 “Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” are approved as proposed, the number of Directors will be eight (including two Outside Directors).

The contents of the Proposal shall come into effect on the effectuation of the amendment of the Articles of Incorporation in Proposal No. 1 “Partial Amendment of the Articles of Incorporation.”

Proposal No. 5 Determination of the Amount of Remuneration, Etc. of Directors Who Are Audit and Supervisory Committee Members

In the event that the Proposal No. 1 “Partial Amendment of the Articles of Incorporation” is approved as proposed, the Company will transition to a company with an audit and supervisory committee. For this reason, taking the recent economic and other circumstances into consideration, the Company is submitting this Proposal for setting the amount of remuneration, etc. for Directors who are Audit and Supervisory Committee Members after the Company transitions to a company with an audit and supervisory committee to ¥120 million or less per year. The Company also seeks approval for setting the actual amount and payment timing, etc. of remuneration for each Director who is an Audit and Supervisory Committee Member by a deliberation among Directors who are Audit and Supervisory Committee Members. The Company believes that the amount of remuneration, etc. in the Proposal is appropriate in light of the responsibilities of Directors who are Audit and Supervisory Committee Members.

In the event that Proposal No. 1 “Partial Amendment of the Articles of Incorporation” and Proposal No. 3 “Election of Four Directors Who Are Audit and Supervisory Committee Members” are approved as proposed, the number of Directors who are Audit and Supervisory Committee Members will be four.

The contents of the Proposal shall come into effect on the effectuation of the amendment of the Articles of Incorporation in Proposal No. 1 “Partial Amendment of the Articles of Incorporation.”

Proposal No. 6 Determination of the Amount and Other Conditions of Performance-linked Stock Compensation, Etc. of Directors (Excluding Directors and Outside Directors Who Are Audit and Supervisory Committee Members)

1. Reasons for the proposal and reasons why the remuneration is deemed appropriate

The Company has operated the performance-linked stock compensation plan (hereinafter referred to as the “Plan”) for Directors (excluding Outside Directors) of the Company which was approved to be adopted by a resolution of the 70th Annual General Meeting of Shareholders held on June 24, 2021 (the resolution is hereinafter referred to as the “resolution at the previous General Meeting of Shareholders”). In the event that the Proposal No. 1 “Partial Amendment of the Articles of Incorporation” is approved as proposed, the Company will transition to a company with an audit and supervisory committee. In accordance with this, the Company proposes the approval of the remuneration limit concerning the Plan to be reestablished separately from that for Directors (excluding Directors and Outside Directors who are Audit and Supervisory Committee Members) after a transition to a company with an audit and supervisory committee.

The remuneration limit shall, as is the one concerning the current Plan, be established separately from the remuneration limit which the Company proposes the approval in Proposal No. 4 “Determination of the Amount of Remuneration, Etc. of Directors (Excluding Directors Who Are Audit and Supervisory Committee Members).” The Proposal seeks the approval of the Proposal in accordance with a transition to a company with an audit and supervisory committee, and is identical to what was approved by a resolution at the former general meeting of shareholders.

The details of the policy to determine the remuneration, etc. of individual Directors of the Company are outlined in “2. (3)(iv) Remuneration, Etc. of Directors and Audit and Supervisory Board Members” of the Business Report (in Japanese only). Subject to the approval of Proposal No. 1 “Partial Amendment of the Articles of Incorporation,” Proposal No. 4 “Determination of the Amount of Remuneration, Etc. of Directors (Excluding Directors Who Are Audit and Supervisory Committee Members),” and the Proposal, the Board of Directors meeting held on February 10, 2023 resolved to amend the details as stated in Proposal No. 4 and the Proposal. The details of the Proposal are necessary and reasonable in order to pay remuneration, etc. in accordance with the policy after amendment, and therefore the Company believes the details of the Proposal are appropriate.

In the event that Proposal No. 2 “Election of Eight Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” is approved as proposed, the number of Directors subject to the Plan will be six.

The approval for the Proposal shall come into effect on the effectuation of the amendment of the Articles of Incorporation in Proposal No. 1 “Partial Amendment of the Articles of Incorporation.”

2. Amount and details of remuneration, etc. in the Plan

(1) Outline of the System

The Plan is a stock compensation plan where the trust that the Company establishes by contributing monies (The trust was established on the adoption of the Plan in September 2021; hereinafter referred to as the “Trust”) acquires the Company’s shares, and each Director shall be delivered through the Trust the number of Company’s shares equivalent to the number of points that the Company grants to each Director.

The Company’s shares shall be delivered to Directors at the time of retirement, in principle.

(i) Eligible persons of the Plan (Note)	Directors of the Company (excluding Directors and Outside Directors who are Audit and Supervisory Committee Members)
(ii) Subject period	From the fiscal year ended on the final day of March 2022 through the fiscal year ending on the final day of March 2024
(iii) The Upper limit amount of monies contributed by the Company as the fund to acquire the Company’s shares for delivery to the eligible persons (Note) of (i) within the subject period in (ii) (three fiscal years)	¥307 million in total
(iv) Method of acquiring the Company’s shares	Disposition of the Company’s treasury shares, or acquisition from the exchange market (including off-floor trading)
(v) Upper limit of total number of points to be granted to the eligible persons of (i)	27,000 points for the fiscal year

(vi)	Criteria for granting points	Points are granted in accordance with titles and achievement of performance targets, etc.
(vii)	Time of delivery of the Company's shares to eligible Directors in (i)	At the time of retirement, in principle

Note: Until the transition to a company with an audit and supervisory committee is completed, eligible Directors are Directors excluding Outside Directors in accordance with the resolution at the previous General Meeting of Shareholders.

(2) Upper limit amount of monies contributed by the Company

The previous General Meeting of Shareholders passed a resolution that the Company shall pay remuneration based on the Plan to Directors (excluding Outside Directors before the transition to a company with an audit and supervisory committee) who remain in office for the period from the fiscal year ended on the final day of March 2022 through the fiscal year ending on the final day of March 2024 (hereinafter referred to as the "subject period"), and that the upper limit of the amount of monies that the Company will contribute to the Trust during the subject period as a fund to acquire the Company's shares to deliver to these Directors shall be ¥307 million in total.

Based on the resolution at the previous General Meeting of Shareholders, the Company established the Trust, to which it entrusts funds to acquire the Company's shares to deliver to Directors (Directors excluding Outside Directors before the transition to a company with an audit and supervisory committee) based on the Plan. The Trust later used the monies in the Trust to acquire the Company's shares. In the event that the number of shares in the Trust falls short of the quantity that is expected to be necessary for delivery to Directors based on the Plan, and the monies in the Trust falls short of the funds necessary to acquire the shortfalls of the Company's shares, the Company may entrust extra cash to acquire the shortfalls of the Company's shares. However, entrustment of monies as a fund to acquire the Company's shares within the subject period shall be conducted within an amount of upper limit stated above subtracted by an amount contributed to the Trust already.

Note: The actual amount of monies entrusted by the Company to the Trust will be a sum of the estimated amounts for necessary costs including trust fees and trust administrator fees, in addition to the funds to acquire the Company's shares necessary for delivery to Directors as stated above. In addition, the funds to acquire the Company's shares necessary to deliver to Executive Officers who concluded mandate contracts with the Company pursuant to a stock compensation plan similar to the Plan will be entrusted.

With a decision by the Board of Directors of the Company, the subject period may be extended up to five fiscal years whenever necessary and then the trust period of the Trust may also be extended (including virtual extension of the trust period by transferring the trust assets of the Trust to a trust whose purpose is the same as that of the Trust set by the Company; hereinafter the same applies) or the Plan may be continued (the same applies thereafter). In this case, during the subject period for the extension, the Company shall contribute extra cash within the range of upper limit amount obtained by multiplying the number of fiscal years extended by ¥102 million to the Trust as the fund to additionally acquire the Company's shares necessary for delivery to Directors based on the Plan, and continue to grant points and deliver the Company's shares as described in (3) below.

Furthermore, even in the case where the Trust does not continue the Plan by extending the covered period as above, for a Director who has been granted points already but has not retired yet, the trust period of the Trust may be extended until the relevant Director retires and delivery of the Company's shares is completed.

(3) Method for determining the Company's shares to be delivered to the Directors and the upper limit

(i) Method, etc. of granting points to the Directors

The Company shall grant points based on titles and achievement of performance targets, etc. to each Director on the point granting day specified in the share issuance rules during the trust period based on the shares issuance rules set up at the meeting of the Board of Directors of the Company.

However, the upper limit of the total points that the Company grants to each Director shall be 27,000 points for the fiscal year.

(ii) Delivery of the Company's shares corresponding to the number of points granted

A Director shall be delivered the Company's shares based on the number of points granted in (i) above in accordance with the procedure in (iii) below. However, in cases where a Director retired

voluntarily, etc., all or part of the points granted already shall be extinguished, and the Company's shares equivalent to the extinguished points shall be undelivered.

One point shall be equal to one share of the Company's shares. However, in the case where it is considered reasonable to adjust the number of the Company's shares for delivery such as a share split or share consolidation, the number of the Company's shares per point shall be adjusted in accordance with the relevant split or consolidation ratio, etc.

(iii) Delivery of the Company's shares to the Directors

In principle, each Director shall acquire the beneficiary rights of the Trust and be delivered the Company's shares in the number as described in (ii) above subject to compliance to specified procedures at retirement from office.

However, a certain portion of the Company's shares may be sold and liquidated for cash in the Trust for the purpose that the Company withholds tax funds including income tax payment, and cash may be delivered in lieu of the Company's shares. In addition, in the case that the Company's shares in the Trust have been liquidated for cash, including where the Company's shares in the Trust have been applied for a tender offer and settled, cash may be delivered in lieu of the Company's shares.

(4) Exercise of voting rights

None of the voting rights with respect to the Company's shares in the Trust shall be exercised based on an instruction of the trust administrator who is independent of the Company and its officers. This is intended to ensure neutrality to the Company's corporate management with respect to the exercise of voting rights regarding the Company's shares in the Trust.

(5) Treatment of dividends

Dividends with respect to the Company's shares in the Trust shall be received by the Trust and used to acquire the Company's shares and pay trust fees for the trustee of the Trust.