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(Stock Exchange Code 1959)  
June 6, 2022

**To Shareholders with Voting Rights:**

Naofumi Sato  
Executive Officer  
Representative President  
KYUDENKO CORPORATION  
1-23-35 Nanokawa,  
Minami-ku, Fukuoka City

**NOTICE OF  
THE 94TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

Please be informed that the 94th Annual General Meeting of Shareholders of KYUDENKO CORPORATION (the “Company”) will be held for the purposes as described below.

To avoid the risk of infection with COVID-19, we kindly ask you to refrain from coming to the venue of the meeting, and exercise your voting rights either by submitting the enclosed Voting Rights Exercise Form by mail or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders below and exercise your voting rights by 5:30 p.m. on Monday, June 27, 2022, Japan standard time.

**Exercise of voting rights in writing by mail**

Please indicate your vote for or against each of the proposals on the enclosed Voting Rights Exercise Form and return it so that it is received by the voting deadline indicated above.

**Exercise of voting rights via the Internet, etc.**

Please refer to the “Guidance on the Exercise of Voting Rights via the Internet, etc.” on Page 4 (Japanese original), access the website specified by the Company for exercising voting rights online, and follow the on-screen guidance. Please vote for or against each of the proposals by the voting deadline indicated above.

**Disclosure on the Internet**

- The following items are posted on the Company’s website in accordance with laws and regulations and Article 14 of the Company’s Articles of Incorporation, and thus are not included in this Notice.
  - 1) System to Ensure Appropriateness of Operations and Overview of the Implementation Status of the System in the Business Report
  - 2) Consolidated Statement of Changes in Equity and Notes to Consolidated Financial Statements
  - 3) Non-consolidated Statement of Changes in Equity and Notes to Non-consolidated Financial StatementsThe Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Accounting Auditor and the Audit & Supervisory Board consist of documents included in this Notice and the materials posted on the Company’s website.
- In case of any revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-consolidated Financial Statements, the revised versions will be posted on the Company’s website.  
Company’s website: <https://www.kyudenko.co.jp/ir/>

- 1. Date and Time:** Tuesday, June 28, 2022 at 10:00 a.m. Japan standard time  
(The reception desk opens at 9:00 a.m.)
- 2. Place:** Hall on the 9th floor at KYUDENKO Head Office  
1-23-35 Nanokawa, Minami-ku, Fukuoka City, Japan
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company's 94th Fiscal Year (April 1, 2021 - March 31, 2022)
  2. Results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements for the Company's 94th Fiscal Year
- Proposals to be resolved:**
- Proposal 1:** Partial Amendments to the Articles of Incorporation
- Proposal 2:** Election of Eight (8) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal 3:** Election of Four (4) Directors Serving as Audit and Supervisory Committee Members
- Proposal 4:** Establishment of the Maximum Amount of Remuneration for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal 5:** Establishment of the Maximum Amount of Remuneration for Directors Serving as Audit and Supervisory Committee Members
- 4. Exercise of Voting Rights:**
1. If you exercise the voting rights in duplicate by mail using the Voting Right Exercise Form and also via the Internet, etc., the vote submitted via the Internet, etc. shall be deemed valid.
  2. If you exercise the voting rights via the Internet, etc. and submit multiple votes, the last vote submitted shall be deemed valid.
  3. You may exercise your voting rights via proxy by authorizing another shareholder with voting rights to act as your proxy. In such case, you or your proxy must submit a document evidencing the power of representation to the Company.
  4. If you have not indicated your vote for or against a proposal, you will be deemed to have voted for the proposal.

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1. When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
  2. For the purpose of timely disclosure, this Notice was posted on the Company's website before it was sent by mail.
  3. The presentations on the matters to be reported made at the meeting will be video-streamed later on the Company's website.

# Proposals and References

**Proposal 1:** Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

It is proposed that the Articles of Incorporation of the Company be amended as necessary for the following reasons.

- (1) The Company seeks to shift to a company with Audit and Supervisory Committee with an aim to further strengthen the supervisory function of its Board of Directors and further enhance its corporate governance system. The Company shall accordingly make necessary amendments to the Articles of Incorporation to shift to a company with Audit and Supervisory Committee, such as the establishment of new provisions concerning the Audit and Supervisory Committee and Audit and Supervisory Committee Members, and the deletion of provisions concerning the Audit & Supervisory Board and Audit & Supervisory Board Members, as well as the establishment of new provisions concerning the delegation of decisions on the execution of operations, and the amendment to the provisions concerning the number of Directors.
- (2) With an aim to clarify the separation of supervisory functions from executive functions, the Company plans to amend the position “Director and President” as Director with specific title to “Executive Officer and President” based on an executive officer system. The Company shall accordingly make amendments such as the amendment to the provisions concerning Directors with specific titles, and the establishment of new provisions concerning Executive Officers.
- (3) The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) will be enforced on September 1, 2022. The Company shall accordingly make amendments because the Company is permitted to provide information contained in the reference documents for the general meeting of shareholders, etc. electronically, and the Company is also required to newly establish a provision in the Articles of Incorporation stipulating that it shall take measures to provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.
- (4) Along with the above amendments, other necessary changes, including renumbering articles, shall be made.

2. Details of amendments

The details of the amendments are as follows.

The amendments to the Articles of Incorporation in this proposal shall take effect at the conclusion of this General Meeting of Shareholders.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><b>Chapter 1 General Provisions</b></p> <p><b>(Organizational Bodies)</b></p> <p><b>Article 4</b> The Company shall establish the following organizational bodies:</p> <p>(1) <u>General Meeting of Shareholders</u></p> <p>(2) <u>Directors and</u> Board of Directors</p> <p>(3) <u>Audit &amp; Supervisory Board Members and</u> <u>Audit &amp; Supervisory Board</u></p> <p>(4) Accounting Auditors</p>	<p><b>Chapter 1 General Provisions</b></p> <p><b>(Organizational Bodies)</b></p> <p><b>Article 4</b> The Company shall establish the following organizational bodies <u>in addition to General Meeting of Shareholders and Directors:</u></p> <p>(Deleted)</p> <p>(1) Board of Directors</p> <p>(2) <u>Audit and Supervisory Committee</u></p> <p>(3) Accounting Auditors</p>

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;"><b>Chapter 2 Shares</b></p> <p><b>(Shareholder Registry Administrator)</b>  <b>Article 9</b> The Company shall appoint a shareholder registry administrator. The shareholder registry administrator and its place for handling business shall be determined by resolution of the Board of Directors and public notice thereof shall be made.</p> <p>2 Preparation and keeping of the Company's shareholder registry and the share option registry as well as any other administrative affairs related to the shareholder registry and the share option registry shall be delegated to the shareholder registry administrator, and such affairs shall not be handled by the Company.</p> <p><b>(Share Handling Regulations)</b>  <b>Article 10</b> Share handling and related fees as well as procedures for the exercise of shareholders' rights shall be in accordance with the share handling regulations established by the Board of Directors in addition to laws and regulations and the Articles of Incorporation.</p> <p style="text-align: center;"><b>Chapter 3 General Meeting of Shareholders</b></p> <p><b>(Convening)</b>  <b>Article 11</b> An annual general meeting shall be convened in June every year, and an extraordinary general meeting shall be convened <u>as necessary, by the President</u> based on a resolution of the Board of Directors.</p> <p><b>(Chairperson)</b>  <b>Article 13</b> <u>The President shall be appointed</u> as chairperson of a general meeting.</p> <p>2 In case that <u>the President</u> is prevented from doing so, one of the other Directors shall act as chairperson in the order predetermined by the Board of Directors.</p>	<p style="text-align: center;"><b>Chapter 2 Shares</b></p> <p><b>(Shareholder Registry Administrator)</b>  <b>Article 9</b> The Company shall appoint a shareholder registry administrator. The shareholder registry administrator and its place for handling business shall be determined by resolution of the Board of Directors <u>or by decision of Director(s) delegated by the Board of Directors</u> and public notice thereof shall be made.</p> <p>2 (Unchanged)</p> <p><b>(Share Handling Regulations)</b>  <b>Article 10</b> Share handling and related fees as well as procedures for the exercise of shareholders' rights shall be in accordance with the share handling regulations established by <u>resolution of the Board of Directors or by decision of Director(s) delegated by the Board of Directors,</u> in addition to laws and regulations and the Articles of Incorporation.</p> <p style="text-align: center;"><b>Chapter 3 General Meeting of Shareholders</b></p> <p><b>(Convening)</b>  <b>Article 11</b> An annual general meeting <u>of shareholders of the Company</u> shall be convened in June every year, and an extraordinary general meeting <u>of shareholders</u> shall be convened <u>when necessary, by a Director who chairs a general meeting of shareholders</u> based on a resolution of the Board of Directors.</p> <p><b>(Chairperson)</b>  <b>Article 13</b> <u>The Executive Officer and President who is also a Director shall serve</u> as chairperson of a general meeting <u>of shareholders.</u></p> <p>2 In case that <u>the Executive Officer and President referred to in the preceding paragraph</u> is prevented from doing so, one of the other Directors shall act as chairperson in the order predetermined by the Board of Directors.</p>

Current Articles of Incorporation	Proposed Amendments
<p><b><u>(Disclosure via the Internet of Reference Documents for a General Meeting of Shareholders etc., and Deemed Provision of Information)</u></b></p> <p><b><u>Article 14</u></b> Upon convening a general meeting of shareholders, the Company shall be deemed to have provided the shareholders with information with respect to the matters to be stated or indicated in the reference documents for the general meeting of shareholders, business reports, financial statements and consolidated financial statements by disclosing the same on the Internet in accordance with the ordinances of the Ministry of Justice.</p> <p>(Newly established)</p> <p><b>(Resolution Method)</b></p> <p><b>Article 15</b> Except as otherwise provided for in laws and regulations or by the Articles of Incorporation, <u>ordinary</u> resolutions at a general meeting shall be adopted by a majority of the votes of the shareholders with voting rights present at the meeting.</p> <p>2 <u>Extraordinary</u> resolutions at a general meeting shall be adopted by a <u>majority of</u> 2/3 or more of the voting rights of the shareholders present at the meeting, where shareholders holding 1/3 or more of the total voting rights of shareholders who may exercise the voting rights are in attendance.</p> <p><b>(Minutes)</b></p> <p><b>Article 17</b> A summary and results of proceedings at a general meeting as well as other matters provided for in laws and regulations shall be specified in the minutes, <u>and the chairperson and Directors present at the meeting shall affix their names and seals thereon.</u></p>	<p>(Deleted)</p> <p><b><u>(Measures for Electronic Provision, etc.)</u></b></p> <p><b><u>Article 14</u></b> Upon convening a general meeting of shareholders, the Company shall take measures to provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</p> <p>2 <u>While the Company shall deliver a document specifying the matters to be provided electronically to shareholders who have requested the delivery of the paper copy by the record date for voting rights, it may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy.</u></p> <p><b>(Resolution Method)</b></p> <p><b>Article 15</b> Except as otherwise provided for in laws and regulations or by the Articles of Incorporation, resolutions at a general meeting <u>of shareholders</u> shall be adopted by a majority of the votes of the shareholders with voting rights present at the meeting.</p> <p>2 Resolutions <u>provided for in Article 309, Paragraph 2 of the Companies Act</u> shall be adopted by 2/3 or more of the voting rights of the shareholders present at the meeting, where shareholders holding 1/3 or more of the total voting rights of shareholders who may exercise the voting rights are in attendance.</p> <p><b>(Minutes)</b></p> <p><b>Article 17</b> A summary and results of proceedings at a general meeting <u>of shareholders</u> as well as other matters provided for in laws and regulations shall be specified <u>or recorded</u> in the minutes.</p>

Current Articles of Incorporation	Proposed Amendments
<p align="center"><b>Chapter 4 Directors <u>and the Board of Directors</u></b></p>	<p align="center"><b>Chapter 4 Directors, <u>Board of Directors and Executive Officers</u></b></p>
<p><b>(Number)</b>  <b>Article 18</b> The number of Directors shall not exceed <u>fifteen</u> (15).   <p align="center">(Newly established)</p> </p>	<p><b>(Number)</b>  <b>Article 18</b> The number of Directors <u>of the Company (excluding Directors serving as Audit and Supervisory Committee Members)</u> shall not exceed <u>thirteen</u> (13).  <u>2</u> The number of Directors of the Company serving as Audit and Supervisory Committee Members (hereinafter "Audit and Supervisory Committee Members") shall not exceed six (6).</p>
<p><b>(Appointment)</b>  <b>Article 19</b> Directors shall be appointed at general meetings of shareholders.   <p>2 Directors shall be appointed by a majority of the votes of the shareholders present at the meeting, where shareholders holding 1/3 or more of the total voting rights of the shareholders who may exercise the voting rights are in attendance.</p> <p>3 No cumulative voting shall be applied in appointment of Directors.</p> </p>	<p><b>(Appointment)</b>  <b>Article 19</b> Directors shall be appointed at general meetings of shareholders, <u>while making a distinction between Directors who are Audit and Supervisory Committee Members and the other Directors.</u>  <p>2 Directors shall be appointed <u>by a resolution adopted</u> by a majority of the votes of the shareholders present at the meeting, where shareholders holding 1/3 or more of the total voting rights of the shareholders who may exercise the voting rights are in attendance.</p> <p>3 No cumulative voting shall be applied in <u>a resolution for</u> appointment of Directors.</p> </p>
<p><b>(Term)</b>  <b>Article 20</b> The term of Directors shall be by the closing of the annual general meeting of shareholders related to the last of the business years ending within one (1) year of the appointment.  <p align="center">(Newly established)</p>   <p align="center">(Newly established)</p>   <p align="center">(Newly established)</p> </p>	<p><b>(Term)</b>  <b>Article 20</b> (Unchanged)   <p><u>2 Notwithstanding the provision in the preceding paragraph, the term of Audit and Supervisory Committee Members shall expire at the conclusion of the annual general meeting of shareholders related to the last of the business years ending within two (2) years of the appointment.</u>  <u>3 The term of an Audit and Supervisory Committee Member elected as a substitute for an Audit and Supervisory Committee Member who resigns prior to the expiry of his or her term shall expire at the expiration of the term of the resigning Member.</u>  <u>4 The period of validity of a resolution to appoint an Audit and Supervisory Committee Member as a substitute pursuant to Article 329, Paragraph 3 of the Companies Act shall continue until the beginning of an annual general meeting of shareholders held two (2) years after the general meeting of shareholders where he or she was appointed, provided that the resolution did not shorten that period.</u></p> </p>

Current Articles of Incorporation	Proposed Amendments
<p><b>(Representative Directors and Directors with Specific Titles)</b>  <b>Article 21</b> The Board of Directors shall appoint Representative Directors by its resolution.</p> <p>2 The Board of Directors may appoint one (1) Chairman, Vice Chairman(men) and one (1) <u>President</u> by its resolution.</p>	<p><b>(Representative Directors and Directors with Specific Titles)</b>  <b>Article 21</b> The Board of Directors shall appoint Representative Directors by its resolution <u>from among Directors (excluding Audit and Supervisory Committee Members).</u></p> <p>2 The Board of Directors may appoint one (1) Chairman <u>and</u> Vice Chairman(men) <u>from among Directors (excluding Audit and Supervisory Committee Members)</u> by its resolution.</p>
<p><b>(Duties of Directors with Specific Titles)</b>  <b>Article 22</b> <u>The President shall execute the Company's business according to resolutions of the Board of Directors.</u></p>	<p>(Deleted)</p>
<p><b>(Acting as Representative)</b>  <b>Article 23</b> <u>In the event that the Chairman or the President cannot attend or is prevented from doing so, one of the other Directors shall act as the representative in the order predetermined by the Board of Directors.</u></p>	<p>(Deleted)</p>
<p><b>(Composition of Board of Directors)</b>  <b>Article 24</b> <u>The Board of Directors shall be composed of Directors.</u></p> <p>2 <u>Audit &amp; Supervisory Board Members shall attend meetings of the Board of Directors and state their opinions as deemed necessary.</u></p>	<p>(Deleted)</p>
<p><b>(Convening of Meetings of Board of Directors)</b>  <b>Article 25</b> Meetings of the Board of Directors shall be convened by the Chairman.  (Newly established)</p> <p>2 <u>Notice for convening</u> a meeting of the Board of Directors shall be sent to each Director and <u>Audit &amp; Supervisory Board Members</u> two (2) days prior to the date of the meeting; provided, however, that such period may be shortened in case of emergency.</p>	<p><b>(Convening of Meetings of Board of Directors)</b>  <b>Article 22</b> (Unchanged)</p> <p>2 <u>In case that the Chairman is prevented from doing so, one of the other Directors shall act in his or her place in the order predetermined by the Board of Directors.</u></p> <p>3 <u>Convocation notice</u> for a meeting of the Board of Directors shall be sent to each Director <u>at least</u> two (2) days prior to the date of the meeting; provided, however, that such period may be shortened in case of emergency.</p>
<p><b>(Chairperson of the Board of Directors)</b>  <b>Article 26</b> The Chairman shall <u>be appointed</u> as chairperson of a meeting of the Board of Directors.  (Newly established)</p>	<p><b>(Chairperson of the Board of Directors)</b>  <b>Article 23</b> The Chairman shall <u>serve</u> as chairperson of a meeting of the Board of Directors.</p> <p>2 <u>In case that the Chairman is prevented from doing so, a convener set forth in Paragraph 2 of the preceding article shall act in his or her place.</u></p>
<p><b>(Authority of Board of Directors)</b>  <b>Article 27</b> <u>The Board of Directors shall decide on matters provided for in laws and regulations or the Articles of Incorporation as well as matters concerning the execution of the business of the Company.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p><b>(Method of Resolution by Board of Directors)</b>  <b>Article 28</b> Resolutions of the Board of Directors shall be adopted by a majority of 2/3 or more of Directors present at a meeting where a majority of Directors are in attendance.</p> <p>2 When the requirements of Article 370 of the Companies Act are fulfilled, the Company deems that a resolution of the Board of Directors has been adopted.</p> <p>(Newly established)</p>	<p><b>(Method of Resolution by Board of Directors)</b>  <b>Article 24</b> Resolutions of the Board of Directors shall be adopted by 2/3 or more of Directors present at a meeting where a majority of Directors are in attendance.</p> <p>(Unchanged)</p> <p><b>(Delegation to Directors)</b>  <b>Article 25</b> <u>The Company may, in accordance with the provisions of Article 399-13, Paragraph 6 of the Companies Act, delegate all or part of decisions on the execution of important operations (excluding matters listed in each item of Article 399-13, Paragraph 5 of the Companies Act) to Directors by a resolution of the Board of Directors.</u></p> <p><b>(Regulations of Board of Directors)</b>  <b>Article 26</b> <u>Except as otherwise provided for in laws and regulations or the Articles of Incorporation, all matters concerning the Board of Directors shall be governed by the Regulations of the Board of Directors prescribed by the Board of Directors.</u></p> <p>(Deleted)</p>
<p><b>(Minutes)</b>  <b>Article 29</b> <u>A summary and results of the proceedings at a meeting of the Board of Directors as well as other matters provided for in laws and regulations shall be recorded in the minutes, and Directors and Audit &amp; Supervisory Board Members present at the meeting shall affix their names and seals thereon.</u></p> <p>2 <u>The content of any matter which is deemed to have been adopted under Paragraph 2 of the preceding Article and other matters provided for in laws and regulations shall be recorded in the minutes.</u></p>	
<p><b>(Agreement on Limiting Liabilities of Outside Directors)</b>  <b>Article 30</b> The Company may enter into an agreement with its <u>Outside</u> Directors to limit the liabilities of damages in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act in case of falling under the requirements provided for in laws and regulations related to liabilities of damages pursuant to Article 423, Paragraph 1 of the Companies Act; provided, however, that the maximum amount of liabilities under the agreement shall be the amount provided for in laws and regulations.</p>	<p><b>(Agreement on Limiting Liabilities of Directors)</b>  <b>Article 27</b> The Company may enter into an agreement with its Directors <u>(excluding those serving as Executive Directors, etc.)</u> to limit the liabilities of damages in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act in case of falling under the requirements provided for in laws and regulations related to liabilities of damages pursuant to Article 423, Paragraph 1 of the Companies Act; provided, however, that the maximum amount of liabilities under the agreement shall be the amount provided for in laws and regulations.</p>



Current Articles of Incorporation	Proposed Amendments
(Newly established)	<p><b><u>(Executive Officers)</u></b>  <b><u>Article 28</u></b> The Company may appoint Executive Officers by resolution of the Board of Directors and have them share business execution of the Company.  2 The Board of Directors may appoint, by its resolution, Executive Officer and President and other Executive Officers with specific titles from among the Executive Officers.  3 In case that the Executive Officer and President is prevented from doing so, one of the other Executive Officers shall act in his or her place in the order predetermined by the Board of Directors.</p>
(Newly established)	<p><b><u>Chapter 5 Audit and Supervisory Committee</u></b></p>
(Newly established)	<p><b><u>(Full-time Audit and Supervisory Committee Member and Standing Audit and Supervisory Committee Member)</u></b>  <b><u>Article 29</u></b> The Audit and Supervisory Committee may appoint full-time Audit and Supervisory Committee Members by its resolution.  2 Audit and Supervisory Committee Members may appoint a few standing Audit and Supervisory Committee Members among themselves.</p>
(Newly established)	<p><b><u>(Notice for Convening of Meetings of Audit and Supervisory Committee)</u></b>  <b><u>Article 30</u></b> Notice for convening a meeting of the Audit and Supervisory Committee shall be sent to each Audit and Supervisory Committee Member at least five (5) days prior to the date of the meeting; provided, however, that such period may be shortened in case of emergency.</p>
(Newly established)	<p><b><u>(Regulations of the Audit and Supervisory Committee)</u></b>  <b><u>Article 31</u></b> Except as otherwise provided for in laws and regulations or the Articles of Incorporation, matters concerning the Audit and Supervisory Committee shall be governed by the Regulations of the Audit and Supervisory Committee prescribed by the Audit and Supervisory Committee.</p>
<p><b><u>Chapter 5 Audit &amp; Supervisory Board Members and Audit &amp; Supervisory Board</u></b></p>	(Deleted)
<p><b><u>(Number)</u></b>  <b><u>Article 31</u></b> The number of Audit &amp; Supervisory Board Members shall not exceed six (6).</p>	(Deleted)

Current Articles of Incorporation	Proposed Amendments
<p><b><u>(Appointment)</u></b>  <b><u>Article 32</u></b> <u>Audit &amp; Supervisory Board Members shall be appointed at general meetings of shareholders.</u>  <u>2 Audit &amp; Supervisory Board Members shall be appointed by a resolution adopted by a majority of the votes of the shareholders present at the meeting, where shareholders holding 1/3 or more of the total voting rights of the shareholders who may exercise the voting rights are in attendance.</u></p>	(Deleted)
<p><b><u>(Term)</u></b>  <b><u>Article 33</u></b> <u>The term of Audit &amp; Supervisory Board Members shall be by the closing of the annual general meeting of shareholders related to the last of the business years ending within four (4) years of the appointment.</u>  <u>2 The term of an Audit &amp; Supervisory Board Member appointed to fill a vacancy created by an earlier retirement of any Audit &amp; Supervisory Board Member shall be the remaining period of term of such Audit &amp; Supervisory Board Member who retired.</u></p>	(Deleted)
<p><b><u>(Full-time Audit &amp; Supervisory Board Member and Standing Audit &amp; Supervisory Board Member)</u></b>  <b><u>Article 34</u></b> <u>The Audit &amp; Supervisory Board shall appoint full-time Audit &amp; Supervisory Members by its resolution.</u>  <u>2 Audit &amp; Supervisory Board Members may appoint a few standing Audit &amp; Supervisory Board Members among themselves.</u></p>	(Deleted)
<p><b><u>(Composition of Audit &amp; Supervisory Board)</u></b>  <b><u>Article 35</u></b> <u>The Audit &amp; Supervisory Board shall be composed of Audit &amp; Supervisory Board Members.</u></p>	(Deleted)
<p><b><u>(Notice for Convening of Meetings of Audit &amp; Supervisory Board)</u></b>  <b><u>Article 36</u></b> <u>Notice for convening a meeting of the Audit &amp; Supervisory Board shall be sent to each Audit &amp; Supervisory Board Member five (5) days prior to the date of the meeting; provided, however, that such period may be shortened in case of emergency.</u></p>	(Deleted)
<p><b><u>(Method of Resolution by Audit &amp; Supervisory Board)</u></b>  <b><u>Article 37</u></b> <u>Resolutions of the Audit &amp; Supervisory Board shall be adopted by a majority of Audit &amp; Supervisory Board Members unless otherwise provided for in laws and regulations.</u></p>	(Deleted)

Current Articles of Incorporation	Proposed Amendments
<p><b><u>(Minutes)</u></b>  <b><u>Article 38</u></b> <u>A summary and results of the proceedings at a meeting of the Audit &amp; Supervisory Board as well as other matters provided for in laws and regulations shall be recorded in the minutes, and Audit &amp; Supervisory Board Members present at the meeting shall affix their names and seals thereon.</u></p>	<p>(Deleted)</p>
<p><b><u>(Agreement on Limiting Liabilities of Outside Audit &amp; Supervisory Board Members)</u></b>  <b><u>Article 39</u></b> <u>The Company may enter into an agreement with its Outside Audit &amp; Supervisory Board Members to limit the liabilities of damages in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act in case of falling under the requirements provided for in laws and regulations related to liabilities of damages pursuant to Article 423, Paragraph 1 of the Companies Act; provided, however, that the maximum amount of liabilities under the agreement shall be the amount provided for in laws and regulations.</u></p>	<p>(Deleted)</p>
<p style="text-align: center;"><b>Chapter 6 Accounting Auditors</b></p>	<p style="text-align: center;"><b>Chapter 6 Accounting Auditors</b></p>
<p><b>Articles 40 and 41</b> (Text omitted)</p>	<p><b>Articles 32 and 33</b> (Unchanged)</p>
<p style="text-align: center;"><b>Chapter 7 Accounting</b></p>	<p style="text-align: center;"><b>Chapter 7 Accounting</b></p>
<p><b>Articles 42 to 45</b> (Text omitted)</p> <p style="padding-left: 40px;">(Newly established)</p> <p style="padding-left: 40px;">(Newly established)</p>	<p><b>Articles 34 to 37</b> (Unchanged)</p>
	<p><b><u>Supplementary Provisions</u></b>  <b><u>(Transitional Measures Regarding Exemption from Liability of Audit &amp; Supervisory Board Member)</u></b>  <u>The agreements to limit liability pursuant to Article 423, Paragraph 1 of the Companies Act for acts conducted by Outside Audit &amp; Supervisory Board Members (including former Outside Audit &amp; Supervisory Board Members) entered into before the conclusion of the 94th Annual General Meeting of Shareholders shall still be governed by Article 39 of the Articles of Incorporation before the amendment, which was resolved at the said Annual General Meeting of Shareholders.</u></p>

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<p><b><u>(Transitional Measures Regarding Measures for Electronic Provision, etc.)</u></b></p> <p><u>1 The deletion of Article 14 (Disclosure via the Internet of Reference Documents for a General Meeting of Shareholders etc., and Deemed Provision of Information) of the current Articles of Incorporation and the establishment of Article 14 (Measures for Electronic Provision, etc.) of the proposed amendment shall come into effect on September 1, 2022 (the “Effective Date”). However, the Article 14 of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six (6) months after the Effective Date.</u></p> <p><u>2 These supplementary provisions shall be deleted on the date after six (6) months have lapsed from the Effective Date or on the date after three (3) months have lapsed from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>

**Proposal 2:** Election of Eight (8) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

Subject to the resolution for approval of Proposal 1, “Partial Amendments to the Articles of Incorporation,” the Company will transition to a company with an Audit and Supervisory Committee. The terms of office of all thirteen (13) Directors will accordingly expire at the conclusion of this General Meeting of Shareholders. The Company would like to propose that eight (8) Directors (excluding Directors serving as Audit and Supervisory Committee Members) be elected.


The candidates for Directors (excluding Directors serving as Audit and Supervisory Committee Members) have been determined by the Board of Directors based on the recommendations of the Nomination Advisory Committee.


The resolution for this proposal will take effect subject to the partial amendments to the Articles of Incorporation, as proposed in Proposal 1, having taken effect.


The candidates for Directors (excluding Directors serving as Audit and Supervisory Committee Members) are as follows.

No.	Name		Current positions and responsibilities in the Company	Attendance at Board of Directors meeting
1	Matsuji Nishimura	Reappointment	Director and Chairman	100.0% (13 out of 13 meetings)
2	Naofumi Sato	Reappointment	Executive Officer Representative President	92.3% (12 out of 13 meetings)
3	Hideki Takei	Reappointment	Representative Director and Vice President Executive Officer Representative, Tokyo Head Office	100.0% (13 out of 13 meetings)
4	Kazuyuki Ishibashi	Reappointment	Director and Vice President Executive Officer Responsible for overall operations, corporate strategic planning, and DX promotion	100.0% (13 out of 13 meetings)
5	Masaaki Jono	Reappointment	Director and Vice President Executive Officer General Manager, Green Innovation Business Unit Responsible for overall technology and overall sales	100.0% (13 out of 13 meetings)
6	Sumio Kuratomi	Reappointment Outside Director Independent Officer	Outside Director	84.6% (11 out of 13 meetings)
7	Hiroko Shibasaki	Reappointment Outside Director Independent Officer	Outside Director	90.0% (9 out of 10 meetings)
8	Tatsuya Kaneko	New appointment Outside Director Independent Officer	—	—


- Notes:
1. The percentage of attendance at the Board of Directors meetings indicated for Ms. Hiroko Shibasaki reflects the Board of Directors meetings held after she assumed office as Director on June 25, 2021.
  2. The responsibilities are as of April 1, 2022.
  3. The Company has concluded with an insurance company a directors and officers liability insurance agreement stipulated in Article 430-3, Paragraph 1 of the Companies Act. Please refer to Page 55 (Japanese original) for the outline of this insurance agreement. If this proposal is approved and the candidates take office as Directors, they will be covered as the insured by the insurance agreement.
  4. The age of each candidate in the following pages is as of the conclusion of this General Meeting of Shareholders.


Candidate No. 1	Career summary, positions and responsibilities in the Company
 <p data-bbox="193 622 480 663"><b>Matsuji Nishimura</b></p> <p data-bbox="248 696 424 792">Date of birth: August 5, 1947 (74 years old)</p> <p data-bbox="261 824 411 853">Reappointment</p>	<p data-bbox="539 255 927 284">April 1971 Joined the Company</p> <p data-bbox="539 288 1289 318">August 2002 General Manager, Saga Branch Office, the Company</p> <p data-bbox="539 322 1394 351">June 2004 Director, General Manager, Saga Branch Office, the Company</p> <p data-bbox="539 356 1326 416">April 2005 Director, General Manager, Fukuoka Branch Office, the Company</p> <p data-bbox="539 421 1401 481">June 2006 Managing Director, General Manager, Fukuoka Branch Office, the Company</p> <p data-bbox="539 486 1310 546">June 2008 Senior Managing Executive Officer, General Manager, Fukuoka Branch Office, the Company</p> <p data-bbox="539 551 1347 611">June 2009 Director and Senior Managing Executive Officer, General Manager, Fukuoka Branch Office, the Company</p> <p data-bbox="539 616 1347 676">April 2010 Director and Senior Managing Executive Officer, General Manager, Sales Div., the Company</p> <p data-bbox="539 680 1378 741">April 2011 Director and Senior Managing Executive Officer, General Manager, Sales Technology Management Div., the Company</p> <p data-bbox="539 745 1394 806">April 2012 Director and Senior Managing Executive Officer, General Manager, Sales Technology Management Div. and General Manager, Tokyo Head Office Management Div., the Company</p> <p data-bbox="539 810 1394 916">May 2012 Director and Vice President, Executive Officer, General Manager, Sales Technology Management Div. and General Manager, Tokyo Head Office Management Div., the Company</p> <p data-bbox="539 920 1394 981">April 2013 Director and Vice President Executive Officer, Representative, Tokyo Head Office, the Company</p> <p data-bbox="539 985 1385 1046">June 2013 Representative Director and President, Representative, Tokyo Head Office, the Company</p> <p data-bbox="539 1050 1286 1079">April 2014 Representative Director and President, the Company</p> <p data-bbox="539 1084 1294 1113">June 2020 Director and Chairman, the Company (to the present)</p> <p data-bbox="512 1155 1177 1216">[Significant concurrent positions] Director (outside), KROSAKI HARIMA CORPORATION</p>
Number of shares of the Company held: 129,900 shares	
<p data-bbox="188 1256 783 1285">[Reasons for nomination as a candidate for Director]</p> <p data-bbox="188 1290 1410 1476">Mr. Matsuji Nishimura served as Representative Director and President from June 2013, and successfully led the Company's efforts to achieve its previous Medium-term Management Plan by leveraging his wealth of work experience in the line of business and industry in which the Company operates its business as well as his ability to make effective decisions. In addition, even after taking office as Director and Chairman, he has been fulfilling his duties, engaging in efforts to enhance the oversight function for business execution as the Chairman of the Board, and therefore the Company nominates him as a candidate for Director.</p>	
<p data-bbox="188 1485 389 1514">[Special remarks]</p> <p data-bbox="188 1518 986 1547">There are no special interests between the candidate and the Company.</p>	


Candidate No. 2	Career summary, positions and responsibilities in the Company
 <p data-bbox="229 600 440 636"><b>Naofumi Sato</b></p> <p data-bbox="239 676 430 770">Date of birth: August 27, 1951 (70 years old)</p> <p data-bbox="258 801 411 831">Reappointment</p>	<p data-bbox="545 255 1369 318">June 2012 Director and Managing Executive Officer, General Manager, Operation Div., KYUSHU ELECTRIC POWER CO., INC.</p> <p data-bbox="545 322 1295 385">June 2014 Representative Director and Executive Vice President, KYUSHU ELECTRIC POWER CO., INC.</p> <p data-bbox="539 389 1321 479">April 2017 Representative Director and Executive Vice President General Manager, Business Solutions Management Div., KYUSHU ELECTRIC POWER CO., INC.</p> <p data-bbox="545 483 1107 515">June 2018 Director and Chairman, the Company</p> <p data-bbox="545 519 1273 551">June 2020 Representative Director and President, the Company</p> <p data-bbox="539 555 1372 618">April 2022 Executive Officer Representative President, the Company (to the present)</p> <p data-bbox="513 658 890 689">[Significant concurrent positions]</p> <p data-bbox="513 694 577 725">None</p>
Number of shares of the Company held: 8,600 shares	
<p data-bbox="188 866 782 898">[Reasons for nomination as a candidate for Director]</p> <p data-bbox="188 902 1404 1093">Mr. Naofumi Sato served as Director and Chairman from June 2018, and worked to enhance oversight functions for the business execution by leveraging the knowledge and insight he gained through his service in executive positions at an energy company. In addition, ever since taking office as Representative Director and President, he has been fulfilling his duties including the implementation of various measures to achieve the Company's Medium-term Management Plan, and the formulation of the Company's Long-term Vision. Therefore, the Company nominates him as a candidate for Director.</p>	
<p data-bbox="188 1093 386 1124">[Special remarks]</p> <p data-bbox="188 1128 986 1160">There are no special interests between the candidate and the Company.</p>	


Candidate No. 3	Career summary, positions and responsibilities in the Company
 <p data-bbox="236 562 434 595"><b>Hideki Takei</b></p> <p data-bbox="256 636 416 730">Date of birth: July 14, 1955 (66 years old)</p> <p data-bbox="260 763 413 790">Reappointment</p>	<p data-bbox="520 210 906 237">April 1980    Joined the Company</p> <p data-bbox="520 241 1362 268">April 2007    General Manager, Business Development Div., the Company</p> <p data-bbox="520 273 1342 300">April 2010    General Manager, Kagoshima Branch Office, the Company</p> <p data-bbox="520 304 1398 367">June 2011    Executive Officer, General Manager, Kagoshima Branch Office, the Company</p> <p data-bbox="520 371 1390 434">April 2013    Senior Executive Officer, Deputy General Manager, Sales Div., the Company</p> <p data-bbox="520 439 1294 501">June 2013    Director and Senior Executive Officer, Deputy General Manager, Sales Div., the Company</p> <p data-bbox="520 506 1337 568">April 2015    Director and Managing Executive Officer, Deputy General Manager, Sales Div., the Company</p> <p data-bbox="520 573 1358 636">April 2016    Director and Managing Executive Officer, General Manager, Sales Div., Tokyo Head Office, the Company</p> <p data-bbox="520 640 1358 703">June 2016    Senior Managing Executive Officer, General Manager, Sales Div., Tokyo Head Office, the Company</p> <p data-bbox="520 707 1374 792">June 2020    Representative Director and Vice President Executive Officer, Representative, Tokyo Head Office, the Company (to the present)</p> <p data-bbox="512 819 892 882">[Significant concurrent positions] None</p>
Number of shares of the Company held: 28,100 shares	
<p data-bbox="185 920 783 947">[Reasons for nomination as a candidate for Director]</p> <p data-bbox="185 952 1410 1171">Since joining the Company, Mr. Hideki Takei has been mainly engaged in duties in the sales division. He took office as General Manager of Sales Div., Tokyo Head Office, in April 2016, and has served as Representative Director and Vice President Executive Officer and Representative of Tokyo Head Office since June 2020. In these positions, he has been implementing strategic measures in the Tokyo Metropolitan area based on his extensive work experience and his expertise. He has been fulfilling his duties appropriately and is highly competent and specialized in his job. Therefore, the Company nominates him as a candidate for Director.</p>	
<p data-bbox="185 1178 387 1205">[Special remarks]</p> <p data-bbox="185 1209 986 1236">There are no special interests between the candidate and the Company.</p>	




Candidate No. 4	Career summary, positions and responsibilities in the Company
 <p data-bbox="188 600 481 636"><b>Kazuyuki Ishibashi</b></p> <p data-bbox="252 674 418 768">Date of birth: March 8, 1959 (63 years old)</p> <p data-bbox="260 801 410 828">Reappointment</p>	<p data-bbox="523 259 906 286">April 1982 Joined the Company</p> <p data-bbox="523 293 1398 353">April 2008 General Manager, Human Resources and Labor Affairs Div., the Company</p> <p data-bbox="523 360 1342 387">April 2010 General Manager, Kitakyushu Branch Office, the Company</p> <p data-bbox="523 394 1398 454">May 2012 Executive Officer, General Manager, Kitakyushu Branch Office, the Company</p> <p data-bbox="523 461 1118 488">April 2013 Senior Executive Officer, the Company</p> <p data-bbox="523 495 1267 521">June 2013 Director and Senior Executive Officer, the Company</p> <p data-bbox="523 528 1307 555">April 2015 Director and Managing Executive Officer, the Company</p> <p data-bbox="523 562 1326 622">April 2017 Director and Senior Managing Executive Officer, General Manager, Sales Div., the Company</p> <p data-bbox="523 629 1390 656">April 2020 Director and Senior Managing Executive Officer, the Company</p> <p data-bbox="523 663 1398 768">June 2020 Director and Vice President Executive Officer, the Company (to the present) Responsible for overall operations, corporate strategic planning, and DX promotion</p> <p data-bbox="512 808 890 864">[Significant concurrent positions] None</p>
Number of shares of the Company held: 24,300 shares	
<p data-bbox="188 904 783 931">[Reasons for nomination as a candidate for Director]</p> <p data-bbox="188 938 1410 1155">Since joining the Company, Mr. Kazuyuki Ishibashi has been mainly engaged in duties in the sales division. After his appointment as Director, he has been engaged in improving employees' benefits and strengthening the Company's corporate governance systems, being responsible for the Secretarial Office, safety, human resources and labor affairs, and general affairs. Since taking office as Vice President Executive Officer in June 2020, he has been in charge of overall business duties, as well as the promotion of DX (digital transformation). He has been fulfilling his duties appropriately and is highly competent and specialized in his job. Therefore, the Company nominates him as a candidate for Director.</p>	
<p data-bbox="188 1164 384 1191">[Special remarks]</p> <p data-bbox="188 1198 986 1225">There are no special interests between the candidate and the Company.</p>	

Candidate No. 5	Career summary, positions and responsibilities in the Company
 <p data-bbox="231 607 440 640"><b>Masaaki Jono</b></p> <p data-bbox="245 680 426 775">Date of birth: January 1, 1955 (67 years old)</p> <p data-bbox="261 808 410 835">Reappointment</p>	<p data-bbox="520 257 903 284">April 1973 Joined the Company</p> <p data-bbox="520 288 1334 383">April 2008 General Manager, Information &amp; Communication Systems Dept., Information &amp; Communication Systems Div., the Company</p> <p data-bbox="520 387 1318 448">April 2011 General Manager, Sales Planning Dept., Sales Div., Sales Technology Management Div., the Company</p> <p data-bbox="520 452 1398 512">April 2013 Executive Officer, General Manager, Kagoshima Branch Office, the Company</p> <p data-bbox="520 517 1398 577">April 2014 Senior Executive Officer, General Manager, Kagoshima Branch Office, the Company</p> <p data-bbox="520 582 1398 642">April 2015 Managing Executive Officer, General Manager, Technology Div. and General Manager, Eco-business Creation Div., the Company</p> <p data-bbox="520 647 1382 741">June 2015 Director and Managing Executive Officer, General Manager, Technology Div. and General Manager, Eco-business Creation Div., the Company</p> <p data-bbox="520 745 1366 806">April 2016 Director and Managing Executive Officer, General Manager, Technology Div., the Company</p> <p data-bbox="520 810 1334 871">April 2017 Director and Senior Managing Executive Officer, General Manager, Technology Div., the Company</p> <p data-bbox="520 875 1398 902">April 2020 Director and Senior Managing Executive Officer, the Company</p> <p data-bbox="520 907 1366 967">June 2020 Director and Vice President Executive Officer, the Company Responsible for overall technology and overall sales</p> <p data-bbox="520 972 1366 1093">July 2021 Director and Vice President Executive Officer, the Company General Manager, Green Innovation Business Unit (to the present) Responsible for overall technology and overall sales</p> <p data-bbox="520 1126 887 1153">[Significant concurrent positions]</p> <p data-bbox="520 1158 584 1184">None</p>
Number of shares of the Company held: 23,600 shares	
<p data-bbox="188 1227 783 1254">[Reasons for nomination as a candidate for Director]</p> <p data-bbox="188 1258 1404 1507">Since joining the Company, Mr. Masaaki Jono has been mainly engaged in duties in the technology division. After his appointment as Director, he has been engaged in promoting the improvement and enhancement of engineering power and further improvement of safety and quality control in his capacity as General Manager of Technology Div. Since taking office as Vice President Executive Officer in June 2020, he has been in charge of technology and sales overall, working to achieve synergies and to expand the business area as General Manager of Green Innovation Business Unit. He has been thus fulfilling his duties appropriately, and is highly competent and specialized in his job. Therefore, the Company nominates him as a candidate for Director.</p>	
<p data-bbox="188 1518 384 1545">[Special remarks]</p> <p data-bbox="188 1550 983 1576">There are no special interests between the candidate and the Company.</p>	

Candidate No. 6	Career summary, positions and responsibilities in the Company
 <p data-bbox="209 555 464 593"><b>Sumio Kuratomi</b></p> <p data-bbox="240 629 432 725">Date of birth: August 13, 1953 (68 years old)</p> <p data-bbox="236 757 437 837">Reappointment Outside Director Independent Officer</p>	<p data-bbox="528 208 1401 297">June 2008 Director and Executive Officer, General Manager, City Development Business Div., NISHI-NIPPON RAILROAD CO., LTD.</p> <p data-bbox="528 309 1362 398">June 2011 Director and Managing Executive Officer, General Manager, Corporate Planning Div., NISHI-NIPPON RAILROAD CO., LTD.</p> <p data-bbox="528 409 1302 465">June 2013 Representative Director and President, NISHI-NIPPON RAILROAD CO., LTD.</p> <p data-bbox="528 477 1404 533">June 2016 Representative Director and President Executive Officer, NISHI-NIPPON RAILROAD CO., LTD.</p> <p data-bbox="528 544 1107 566">June 2016 Director, the Company (to the present)</p> <p data-bbox="528 566 1305 633">April 2021 Representative Director and Chairman, NISHI-NIPPON RAILROAD CO., LTD. (to the present)</p> <p data-bbox="512 667 1388 981">[Significant concurrent positions] Representative Director and Chairman, NISHI-NIPPON RAILROAD CO., LTD. Chairman, GENERAL INCORPORATED ASSOCIATION KYUSHU ECONOMIC FEDERATION Outside Director, THE FUKUOKA CHUO BANK, LTD. (scheduled to retire in June 2022) External Director, Audit &amp; Supervisory Committee Member, THE BANK OF FUKUOKA, LTD. Outside Director, THE TORIGOE CO., LTD.</p>
Number of shares of the Company held: 900 shares	
Number of years served as the Company's Outside Director: 6 years	
<p data-bbox="188 1059 1091 1081">[Reasons for nomination as a candidate for Outside Director and expected roles]</p> <p data-bbox="188 1081 1404 1339">Mr. Sumio Kuratomi serves as Representative Director of a company in a different line of business and industry, and has considerable expertise on regional economies, as well as deep insight in corporate management and outstanding oversight capabilities. Using his wealth of experience and knowledge, he has provided constructive opinions and recommendations at the Board of Directors meeting from an independent and objective standpoint and significantly contributed to the strengthening of the oversight functions of the Board of Directors. The Company expects that he will continue to make valuable recommendations to strengthen the corporate governance of the Company, and therefore nominates him as a candidate for Outside Director.</p>	
<p data-bbox="188 1350 767 1373">[Limited liability agreement with Outside Director]</p> <p data-bbox="188 1373 1404 1507">The Company has entered into an agreement with Mr. Sumio Kuratomi to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations. If his reappointment is approved, the Company will enter into the same limited liability agreement as above with him.</p>	
<p data-bbox="188 1518 389 1541">[Special remarks]</p> <ol data-bbox="188 1541 1404 2011" style="list-style-type: none"> <li>1. Mr. Sumio Kuratomi is Representative Director and Chairman of NISHI-NIPPON RAILROAD CO., LTD., which is a shareholder of the Company with 1.61% ownership interest in the Company. Although the Company has transactions with NISHI-NIPPON RAILROAD CO., LTD., the amount of such transactions accounted for less than 0.1% of net sales of the Company and of NISHI-NIPPON RAILROAD CO., LTD. in the most recent fiscal year.</li> <li>2. At THE FUKUOKA CHUO BANK, LTD. where Mr. Sumio Kuratomi serves as an Outside Director, embezzlement of a customer's cash by a bank employee was found in March 2016 and November 2017. In appropriately fulfilling his duties as an Outside Director, Mr. Sumio Kuratomi has been providing ongoing recommendations for the establishment of compliance systems, and after the detection of the embezzlement incident, he provided advice on prevention of recurrence of such incidents.</li> <li>3. In order to ensure the independence of Outside Officers, in addition to applying the standards prescribed by the TOKYO STOCK EXCHANGE and the FUKUOKA STOCK EXCHANGE, the Company has established its own Independence Standards for Outside Officers (Page 28). As Mr. Sumio Kuratomi has been determined to satisfy the requirements under these standards, the Company has filed a notification with the said exchanges, designating him as an Independent Officer.</li> </ol>	

Candidate No. 7	Career summary, positions and responsibilities in the Company
 <p data-bbox="204 562 466 595"><b>Hiroko Shibasaki</b></p> <p data-bbox="256 633 416 730">Date of birth: July 6, 1953 (68 years old)</p> <p data-bbox="236 763 437 842">Reappointment Outside Director Independent Officer</p>	<p data-bbox="523 208 1369 297">April 2012 Executive Officer and General Manager of Fukuoka Chuo Branch, TOKIO MARINE &amp; NICHIDO FIRE INSURANCE CO., LTD.</p> <p data-bbox="523 309 1369 365">April 2015 Managing Executive Officer, TOKIO MARINE &amp; NICHIDO FIRE INSURANCE CO., LTD.</p> <p data-bbox="523 376 1369 432">April 2018 Advisor, TOKIO MARINE &amp; NICHIDO FIRE INSURANCE CO., LTD. (retired in March 2019)</p> <p data-bbox="523 443 1369 499">June 2019 Outside Director, Audit and Supervisory Committee Member, MAZDA MOTOR CORPORATION (to the present)</p> <p data-bbox="523 510 1106 533">June 2021 Director, the Company (to the present)</p> <p data-bbox="512 562 1318 656">[Significant concurrent positions] Outside Director, Audit and Supervisory Committee Member, MAZDA MOTOR CORPORATION</p>
Number of shares of the Company held: 0 shares	
Number of years served as the Company's Outside Director: 1 year	
<p data-bbox="188 925 1090 958">[Reasons for nomination as a candidate for Outside Director and expected roles]</p> <p data-bbox="188 958 1404 1171">Ms. Hiroko Shibasaki has not only considerable experience in different lines of businesses and industries but also deep insights in marketing and risk management. Using her wealth of experience and knowledge, she has provided constructive opinions and recommendations at the Board of Directors meeting from an independent and objective standpoint and significantly contributed to the strengthening of the oversight functions of the Board of Directors. The Company expects that she will continue to make valuable recommendations to strengthen the corporate governance of the Company, and therefore nominates her as a candidate for Outside Director.</p>	
<p data-bbox="188 1193 770 1227">[Limited liability agreement with Outside Director]</p> <p data-bbox="188 1227 1404 1350">The Company has entered into an agreement with Ms. Hiroko Shibasaki to limit her liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations. If her reappointment is approved, the Company will enter into the same limited liability agreement as above with her.</p>	
<p data-bbox="188 1361 387 1395">[Special remarks]</p> <ol data-bbox="188 1395 1404 1984" style="list-style-type: none"> <li>Ms. Hiroko Shibasaki is Outside Director, Audit and Supervisory Committee Member, MAZDA MOTOR CORPORATION. Although the Company has transactions with MAZDA MOTOR CORPORATION, the amount of such transactions accounted for less than 0.1% of net sales of the Company and of MAZDA MOTOR CORPORATION in the most recent fiscal year.</li> <li>In March 2021, the Japan Fair Trade Commission issued a recommendation to MAZDA MOTOR CORPORATION, where Ms. Hiroko Shibasaki serves as Outside Director and Audit and Supervisory Committee Member, under the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors, because the Commission found that MAZDA MOTOR CORPORATION committed an act prohibited under the provisions of the Act (unjustly causing a subcontractor to provide economic gains for oneself) in certain transactions implemented as part of its centralized purchasing initiative for automotive component materials. Ms. Hiroko Shibasaki has appropriately fulfilled her duties as an Outside Director of MAZDA MOTOR CORPORATION, making recommendations from a standpoint of legal and regulatory compliance and compliance management and, since this incident became known, providing advice on prevention of recurrence of such incident.</li> <li>In order to ensure the independence of Outside Officers, in addition to applying the standards prescribed by the TOKYO STOCK EXCHANGE and the FUKUOKA STOCK EXCHANGE, the Company has established its own Independence Standards for Outside Officers (Page 28). As Ms. Hiroko Shibasaki has been determined to satisfy the requirements under these standards, the Company has filed a notification with the said exchanges, designating her as an Independent Officer.</li> </ol>	

Candidate No. 8	Career summary, positions and responsibilities in the Company
 <p data-bbox="213 562 456 600"><b>Tatsuya Kaneko</b></p> <p data-bbox="256 636 413 730">Date of birth: June 10, 1953 (69 years old)</p> <p data-bbox="237 763 432 842">New appointment Outside Director Independent Officer</p>	<p data-bbox="528 210 1401 271">June 2005 Managing Officer, TOYOTA MOTOR CORPORATION (retired in June 2011)</p> <p data-bbox="528 275 1374 336">June 2011 Director and Senior Managing Executive Officer, DAIHATSU MOTOR CO., LTD.</p> <p data-bbox="528 340 1369 400">June 2013 Vice President and Director, DAIHATSU MOTOR CO., LTD. (retired in June 2015)</p> <p data-bbox="528 405 1331 465">June 2015 Representative Director and President, TOYOTA MOTOR KYUSHU, INC.</p> <p data-bbox="528 470 1337 530">June 2018 Representative Director and Chairman, TOYOTA MOTOR KYUSHU, INC. (retired in June 2021)</p> <p data-bbox="512 562 890 622">[Significant concurrent positions] None</p>
Number of shares of the Company held: 2,000 shares	
<p data-bbox="188 887 1091 920">[Reasons for nomination as a candidate for Outside Director and expected roles]</p> <p data-bbox="188 920 1406 1137">Mr. Tatsuya Kaneko possesses not only extensive experience and outstanding oversight capabilities related to overall corporate management cultivated through his service as Representative Director of a company in a different line of business and industry, but also global expertise on marketing and production at manufacturing companies. The Company expects that, using his wealth of experience and knowledge, Mr. Tatsuya Kaneko will duly provide constructive opinions and recommendations at the Board of Directors meeting from an independent and objective standpoint for the strengthening of the oversight functions of the Board of Directors. Therefore, the Company nominates him as a new candidate for Outside Director.</p>	
<p data-bbox="188 1144 767 1178">[Limited liability agreement with Outside Director]</p> <p data-bbox="188 1178 1406 1272">If the election of Mr. Tatsuya Kaneko is approved, the Company will enter into an agreement with him to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations.</p>	
<p data-bbox="188 1279 384 1312">[Special remarks]</p> <ol data-bbox="188 1312 1406 1491" style="list-style-type: none"> <li>1. There are no special interests between the candidate and the Company.</li> <li>2. In order to ensure the independence of Outside Officers, in addition to applying the standards prescribed by the TOKYO STOCK EXCHANGE and the FUKUOKA STOCK EXCHANGE, the Company has established its own Independence Standards for Outside Officers (Page 28). As Mr. Tatsuya Kaneko has been determined to satisfy the requirements under these standards, the Company will file a notification with the said exchanges, designating him as an Independent Officer.</li> </ol>	

**Proposal 3: Election of Four (4) Directors Serving as Audit and Supervisory Committee Members**

Subject to the resolution for approval of Proposal 1, “Partial Amendments to the Articles of Incorporation,” the Company will transition to a company with an Audit and Supervisory Committee. Accordingly, the Company would like to propose that four (4) Directors serving as Audit and Supervisory Committee Members be elected.

The candidates for Directors serving as Audit and Supervisory Committee Members have been determined by the Board of Directors based on the recommendations of the Nomination Advisory Committee. The consent of the Audit & Supervisory Board has been obtained for this proposal.


The resolution for this proposal will take effect subject to the partial amendments to the Articles of Incorporation, as proposed in Proposal 1, having taken effect.

The candidates for Directors serving as Audit and Supervisory Committee Members are as follows.


No.	Name		Current positions and responsibilities in the Company	Attendance at Audit & Supervisory Board meeting
1	Shinji Kato	New appointment	Audit & Supervisory Board Member	100.0% (11 out of 11 meetings)
2	Yukinori Michinaga	New appointment Outside Director Independent Officer	Outside Audit & Supervisory Board Member	90.9% (10 out of 11 meetings)
3	Toru Yoshizako	New appointment Outside Director Independent Officer	Outside Audit & Supervisory Board Member	100.0% (9 out of 9 meetings)
4	Hidetoshi Soeda	New appointment Outside Director Independent Officer	Outside Audit & Supervisory Board Member	100.0% (9 out of 9 meetings)


- Notes:
1. The percentages of attendance at the Audit & Supervisory Board meetings indicated for Mr. Toru Yoshizako and Mr. Hidetoshi Soeda reflect the Audit & Supervisory Board meetings held after they assumed office as Audit & Supervisory Board Members on June 25, 2021.
  2. The Company has concluded with an insurance company a directors and officers liability insurance agreement stipulated in Article 430-3, Paragraph 1 of the Companies Act. Please refer to Page 55 (Japanese original) for the outline of this insurance agreement. If this proposal is approved and the candidates take office as Directors, they will be covered as the insured by the insurance agreement.
  3. The age of each candidate in the following pages is as of the conclusion of this General Meeting of Shareholders.

Candidate No. 1	Career summary, positions and responsibilities in the Company
 <p data-bbox="248 584 424 618"><b>Shinji Kato</b></p> <p data-bbox="248 658 424 748">Date of birth: August 6, 1959 (62 years old)</p> <p data-bbox="248 786 424 808">New appointment</p>	<p data-bbox="539 241 919 271">April 1982 Joined the Company</p> <p data-bbox="539 282 1337 311">April 2012 General Manager, Corporate Planning Div., the Company</p> <p data-bbox="539 322 1353 383">April 2013 General Manager, Corporate Strategic Planning Office, the Company</p> <p data-bbox="539 394 1358 454">July 2015 General Manager, Corporate Strategic Planning Office, and General Manager, Related Business Office, the Company</p> <p data-bbox="539 465 1353 526">April 2016 General Manager, Corporate Strategic Planning Office, the Company</p> <p data-bbox="539 537 1331 607">April 2017 President of Kyudenko Academy, Human Resources and Labor Affairs Div., the Company</p> <p data-bbox="539 618 1347 678">June 2019 Audit &amp; Supervisory Board Member, the Company (to the present)</p> <p data-bbox="512 707 895 768">[Significant concurrent positions] None</p>
Number of shares of the Company held: 5,200 shares	
<p data-bbox="185 891 1401 920">[Reasons for nomination as a candidate for Director serving as Audit and Supervisory Committee Member]</p> <p data-bbox="185 925 1410 1077">Since joining the Company, Mr. Shinji Kato has been mainly engaged in duties in the finance and accounting division, thus having extensive knowledge in such field. He also has extensive familiarity with management of a company group such as by being involved in the corporate planning division. The Company expects that he will contribute to governance enhancement, and therefore nominates him as a candidate for Director serving as Audit and Supervisory Committee Member.</p>	
<p data-bbox="185 1081 387 1111">[Special remarks]</p> <p data-bbox="185 1115 986 1144">There are no special interests between the candidate and the Company.</p>	

Candidate No. 2	Career summary, positions and responsibilities in the Company
 <p data-bbox="256 589 416 667"><b>Yukinori Michinaga</b></p> <p data-bbox="233 703 440 797">Date of birth: November 1, 1957 (64 years old)</p> <p data-bbox="233 831 440 909">New appointment Outside Director Independent Officer</p>	<p data-bbox="533 248 1398 678"> April 2014 Executive Officer, General Manager, Information Communication Dept., SAIBU GAS CO., LTD.  April 2015 Managing Executive Officer, General Manger, General Affairs and Public Relations Dept., SAIBU GAS CO., LTD.  April 2016 Managing Executive Officer, SAIBU GAS CO., LTD.  June 2016 Director and Managing Executive Officer, SAIBU GAS CO., LTD.  April 2019 Representative Director and President, Executive Officer, SAIBU GAS CO., LTD.  June 2019 Audit &amp; Supervisory Board Member, the Company (to the present)  April 2021 Representative Director and President, Executive Officer, SAIBU GAS HOLDINGS CO., LTD. (to the present) </p> <p data-bbox="512 712 1318 835"> [Significant concurrent positions]  Representative Director and President, Executive Officer, SAIBU GAS HOLDINGS CO., LTD.  Outside Director, KROSAKI HARIMA CORPORATION </p>
Number of shares of the Company held: 0 shares	
<p data-bbox="188 954 1398 1010">[Reasons for nomination as a candidate for Outside Director serving as Audit and Supervisory Committee Member and expected roles]</p> <p data-bbox="188 1016 1398 1167">Mr. Yukinori Michinaga has extensive experience and broad knowledge as a corporate manager, and has made contributions to strengthening the oversight functions in the Company by providing useful input at the Board of Directors meetings and other relevant meetings. The Company expects that he will continue to contribute in strengthening the Company's governance, and therefore nominates him as a candidate for Outside Director serving as Audit and Supervisory Committee Member.</p>	
<p data-bbox="188 1178 1398 1211">[Limited liability agreement with Outside Director serving as Audit and Supervisory Committee Member]</p> <p data-bbox="188 1218 1398 1301">If the election of Mr. Yukinori Michinaga is approved, the Company will enter into an agreement with him to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations.</p>	
<p data-bbox="188 1323 384 1357">[Special remarks]</p> <ol data-bbox="188 1364 1398 1729" style="list-style-type: none"> <li>Mr. Yukinori Michinaga is Representative Director and President, Executive Officer of SAIBU GAS HOLDINGS CO., LTD. Although the Company has transactions with SAIBU GAS HOLDINGS CO., LTD., the amount of such transactions accounted for less than 1.8% of net sales of the Company and of SAIBU GAS HOLDINGS CO., LTD. in the most recent fiscal year.</li> <li>In order to ensure the independence of Outside Officers, in addition to applying the standards prescribed by the TOKYO STOCK EXCHANGE and the FUKUOKA STOCK EXCHANGE, the Company has established its own Independence Standards for Outside Officers (Page 28). As Mr. Yukinori Michinaga has been determined to satisfy the requirements under these standards, the Company has filed a notification with the said exchanges, designating him as an Independent Officer.</li> <li>Mr. Yukinori Michinaga currently serves as Outside Audit &amp; Supervisory Board Member of the Company. He will have been in office for three (3) years since at the conclusion of this General Meeting of Shareholders.</li> </ol>	



<p>Candidate No. 3</p>  <p><b>Toru Yoshizako</b></p> <p>Date of birth: September 20, 1952 (69 years old)</p> <p>New appointment Outside Director Independent Officer</p>	<p><b>Career summary, positions and responsibilities in the Company</b></p> <p>June 2009 Executive Officer, General Manager of Kagoshima Branch Office, KYUSHU ELECTRIC POWER CO., INC.</p> <p>July 2011 Executive Officer, Head of Kagoshima Branch Office, KYUSHU ELECTRIC POWER CO., INC.</p> <p>June 2012 Director and Senior Executive Officer, General Manager of Electric Power Distribution Div., KYUSHU ELECTRIC POWER CO., INC.</p> <p>June 2013 Representative Director and Vice President, KYUSHU ELECTRIC POWER CO., INC. (retired in June 2016)</p> <p>June 2016 Representative Director and President, KYUDEN SANGYO.CO., INC.</p> <p>June 2021 Advisor, KYUDEN SANGYO.CO., INC. (to the present)</p> <p>June 2021 Audit &amp; Supervisory Board Member, the Company (to the present)</p> <p>[Significant concurrent positions] None</p>
<p>Number of shares of the Company held: 0 shares</p>	
<p>[Reasons for nomination as a candidate for Outside Director serving as Audit and Supervisory Committee Member and expected roles]</p> <p>Mr. Toru Yoshizako has extensive experience and broad knowledge as a corporate manager, and has made contributions to strengthening the oversight functions in the Company by providing useful input at the Board of Directors meetings and other relevant meetings. The Company expects that he will continue to contribute in strengthening the Company's governance, and therefore nominates him as a candidate for Outside Director serving as Audit and Supervisory Committee Member.</p>	
<p>[Limited liability agreement with Outside Director serving as Audit and Supervisory Committee Member]</p> <p>If the election of Mr. Toru Yoshizako is approved, the Company will enter into an agreement with him to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations.</p>	
<p>[Special remarks]</p> <ol style="list-style-type: none"> <li>1. Until June 2016, Mr. Toru Yoshizako had been engaged in the execution of business at KYUSHU ELECTRIC POWER CO., INC., which is a specified associated company (a major business partner) of the Company.</li> <li>2. Mr. Toru Yoshizako is Advisor of KYUDEN SANGYO.CO., INC. Although the Company has transactions with KYUDEN SANGYO.CO., INC., the amount of such transactions accounted for less than 0.1% of net sales of the Company and of KYUDEN SANGYO.CO., INC. in the most recent fiscal year.</li> <li>3. In order to ensure the independence of Outside Officers, in addition to applying the standards prescribed by the TOKYO STOCK EXCHANGE and the FUKUOKA STOCK EXCHANGE, the Company has established its own Independence Standards for Outside Officers (Page 28). As Mr. Toru Yoshizako has been determined to satisfy the requirements under these standards, the Company has filed a notification with the said exchanges, designating him as an Independent Officer.</li> <li>4. Mr. Toru Yoshizako currently serves as Outside Audit &amp; Supervisory Board Member of the Company. He will have been in office for one (1) year since at the conclusion of this General Meeting of Shareholders.</li> </ol>	

Candidate No. 4	Career summary, positions and responsibilities in the Company
 <p data-bbox="217 562 475 595"><b>Hidetoshi Soeda</b></p> <p data-bbox="248 636 443 730">Date of birth: March 20, 1955 (67 years old)</p> <p data-bbox="240 763 451 842">New appointment Outside Director Independent Officer</p>	<p data-bbox="517 208 1407 241">January 2008 Executive Officer, SEIKO ELECTRIC CO., LTD.</p> <p data-bbox="517 241 1407 275">March 2010 Senior Executive Officer, SEIKO ELECTRIC CO., LTD.</p> <p data-bbox="517 275 1407 342">March 2011 Senior Executive Officer, Head of Tokyo Branch Office, SEIKO ELECTRIC CO., LTD.</p> <p data-bbox="517 342 1407 409">March 2012 Director and Senior Executive Officer, Head of Tokyo Branch Office, SEIKO ELECTRIC CO., LTD.</p> <p data-bbox="517 409 1407 499">March 2013 Director and Senior Executive Officer, General Manager of Sales &amp; Marketing Div., Head of Tokyo Branch Office, SEIKO ELECTRIC CO., LTD.</p> <p data-bbox="517 499 1407 589">March 2015 Director and Managing Executive Officer, General Manager of Sales &amp; Marketing Div., Head of Tokyo Branch Office, SEIKO ELECTRIC CO., LTD.</p> <p data-bbox="517 589 1407 656">March 2018 President and Representative Director, General Manager of Sales &amp; Marketing Div., SEIKO ELECTRIC CO., LTD.</p> <p data-bbox="517 656 1407 723">March 2019 President and Representative Director, SEIKO ELECTRIC CO., LTD. (to the present)</p> <p data-bbox="517 723 1407 790">June 2021 Audit &amp; Supervisory Board Member, the Company (to the present)</p> <p data-bbox="517 835 1407 898">[Significant concurrent positions] President and Representative Director, SEIKO ELECTRIC CO., LTD.</p>
Number of shares of the Company held: 0 shares	
<p data-bbox="188 931 1407 987">[Reasons for nomination as a candidate for Outside Director serving as Audit and Supervisory Committee Member and expected roles]</p> <p data-bbox="188 987 1407 1155">Mr. Hidetoshi Soeda has extensive experience and broad knowledge as a corporate manager, and has made contributions to strengthening the oversight functions in the Company by providing useful input at the Board of Directors meetings and other relevant meetings. The Company expects that he will continue to contribute in strengthening its governance, and therefore nominates him as a candidate for Outside Director serving as Audit and Supervisory Committee Member.</p>	
<p data-bbox="188 1155 1407 1189">[Limited liability agreement with Outside Director serving as Audit and Supervisory Committee Member]</p> <p data-bbox="188 1189 1407 1312">If the election of Mr. Hidetoshi Soeda is approved, the Company will enter into an agreement with him to limit his liability pursuant to Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the minimum amount stipulated by laws and regulations.</p>	
<p data-bbox="188 1312 1407 1346">[Special remarks]</p> <ol data-bbox="188 1346 1407 1731" style="list-style-type: none"> <li>1. Mr. Hidetoshi Soeda is President and Representative Director of SEIKO ELECTRIC CO., LTD., and the Company holds 8.88% shares in the company. Although the Company has transactions with SEIKO ELECTRIC CO., LTD., the amount of such transactions accounted for less than 1.5% of net sales of the Company and of SEIKO ELECTRIC CO., LTD. in the most recent fiscal year.</li> <li>2. In order to ensure the independence of Outside Officers, in addition to applying the standards prescribed by the TOKYO STOCK EXCHANGE and the FUKUOKA STOCK EXCHANGE, the Company has established its own Independence Standards for Outside Officers (Page 28). As Mr. Hidetoshi Soeda has been determined to satisfy the requirements under these standards, the Company has filed a notification with the said exchanges, designating him as an Independent Officer.</li> <li>3. Mr. Hidetoshi Soeda currently serves as Outside Audit &amp; Supervisory Board Member of the Company. He will have been in office for one (1) year since at the conclusion of this General Meeting of Shareholders.</li> </ol>	

**Proposal 4:** Establishment of the Maximum Amount of Remuneration for Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

Subject to the resolution for approval of Proposal 1, “Partial Amendments to the Articles of Incorporation,” the Company will transition to a company with an Audit and Supervisory Committee. Accordingly, the Company would like to request shareholders’ approval to establish a maximum amount of remuneration for Directors (excluding Directors serving as Audit and Supervisory Committee Members) that will replace the currently applicable maximum amount of remuneration for Directors.

To date, the maximum amount of remuneration for Directors has been 500 million yen per year as approved at the 80th Annual General Meeting of Shareholders held on June 27, 2008.

The Company proposes to establish the maximum amount of remuneration for Directors (excluding Directors serving as Audit and Supervisory Committee Members) at 700 million yen per year (including 50 million yen per year for Outside Directors) in consideration of conditions including the following: the number of Directors (excluding Directors serving as Audit and Supervisory Committee Members); the economic environment; the levels of remuneration in other companies; and increase in the roles and presence of Executive Officers as members of the management team. The proposed maximum amount includes Executive Officer remuneration for Directors who also serve as Executive Officers.

The Company has determined this maximum amount of remuneration in consideration of the management environment, the salary levels of employees of the Company, and the levels of management remuneration in other companies in accordance with the “Policy on Determining Remuneration, etc.” described on Page 51 (Japanese original), the basis for determining the remuneration of Directors (excluding Directors serving as Audit and Supervisory Committee Members). The Company thus considers that this amount is appropriate in light of the determination policy. The Remuneration Advisory Committee, which includes Independent Outside Directors as its members, has also reported that it is appropriate.

The Company currently has thirteen (13) Directors. Subject to the resolutions for approval of Proposal 1 and Proposal 2, the number of the Directors (excluding Directors serving as Audit and Supervisory Committee Members) will be eight (8), including three (3) Outside Directors.

Additionally, the resolution for this proposal will take effect subject to the partial amendments to the Articles of Incorporation, as proposed in Proposal 1, having taken effect.

**Proposal 5:** Establishment of the Maximum Amount of Remuneration for Directors Serving as Audit and Supervisory Committee Members

Subject to the resolution for approval of Proposal 1, “Partial Amendments to the Articles of Incorporation,” the Company will transition to a company with an Audit and Supervisory Committee. Accordingly, the Company would like to request shareholders’ approval to establish a maximum amount of remuneration for Directors serving as Audit and Supervisory Committee Members that will replace the currently applicable maximum amount of remuneration for Audit & Supervisory Board members.

To date, the maximum amount of remuneration for Audit & Supervisory Board members has been 110 million yen per year as approved at the 78th Annual General Meeting of Shareholders held on June 29, 2006.

The Company proposes to establish the maximum amount of remuneration for Directors serving as Audit and Supervisory Committee Members at 110 million yen per year in consideration of the recent economic and other circumstances as well as the significance of their responsibilities.

The Company has determined this maximum amount of remuneration in consideration of the management environment and the levels of management remuneration in other companies, and thus considers that this amount is appropriate. The Remuneration Advisory Committee, which includes Independent Outside Directors as its members, has also reported that it is appropriate.

Subject to the resolutions for approval of Proposal 1 and Proposal 3, the number of Directors serving as Audit and Supervisory Committee Members will be four (4), including three (3) Outside Directors.

Additionally, the resolution for this proposal will take effect subject to the partial amendments to the Articles of Incorporation, as proposed in Proposal 1, having taken effect.

## **(Reference)**

### **1. Policy and Procedures for Nomination of Candidates for Directors**

In order to ensure transparency in decision-making, and independence and objectivity of the functions of the Board of Directors, the Company shall establish a Nomination Advisory Committee consisting of three (3) or more Directors including at least one (1) independent Outside Director. The Nomination Advisory Committee shall resolve proposals for nomination of candidates for Directors and for dismissal of Directors (excluding Directors serving as Audit and Supervisory Committee Members), and submit such proposals to the Board of Directors.

#### **(1) Nomination of candidates for Directors (excluding Directors serving as Audit and Supervisory Committee Members)**

Based on the proposals of the Nomination Advisory Committee, the Board of Directors shall nominate from within the Company capable individuals who have the experience, knowledge, and a proven track record in the technology, sales, and/or administration areas as candidates for Directors (excluding Directors serving as Audit and Supervisory Committee Members), and shall nominate individuals who have been determined to satisfy the Company's "Independence Standards for Outside Officers" as well as requirements under applicable laws and regulations, and who are expected to provide guidance and advice to the Company from a global perspective based on their extensive experience and broad knowledge as corporate managers as candidates for independent Outside Directors.

#### **(2) Nomination of candidates for Directors serving as Audit and Supervisory Committee Members**

Based on the proposal of the Nomination Advisory Committee, the Board of Directors shall nominate individuals from within the Company who are well versed in the Company's business and overall operations and are capable of overseeing and supervising overall management and providing valuable opinions at important meetings, including meetings of the Audit and Supervisory Committee and meetings of the Board of Directors as candidates for Audit and Supervisory Committee Members, and shall nominate individuals who have been determined to satisfy the requirements prescribed by the Companies Act and have extensive experience and broad knowledge as candidates for Outside Audit and Supervisory Committee Members.

### **2. Independence Standards for Outside Officers**

An Outside Officer is determined to be independent by the Company if none of the following attributes applies to the Outside Officer himself/herself, his/her spouse, or his/her first or second-degree relative:

- (1) A person who is an executive of the Company or a group company of the Company or was an executive of the Company or a group company of the Company within the past 10 years prior to his/her appointment as an Outside Officer.
- (2) A person who is an executive of a corporation that is a business partner of the Company, and in any of the most recent three past fiscal years of the Company, has made payments to the Company representing more than 2% of non-consolidated net sales of the Company in that fiscal year; or a person who is an executive of a financial institution, which provides indispensable financing to the Company, and cannot be easily replaced because of the Company's reliance on the financing from such institution.
- (3) A person who is an executive of a corporation that is a business partner of the Company, and in any of the most recent three past fiscal years of the Company, has received payments from the Company representing more than 5% of non-consolidated net sales of such corporation in its most recent fiscal year.
- (4) A person who received remuneration exceeding 10 million yen directly from the Company in any of the most recent three past fiscal years of the Company for providing professional services concerning law, accounting, tax affairs, or consulting services to the Company (excluding compensation as Director of the Company) (If the recipient of such remuneration is an organization, a person who is affiliated with such organization).
- (5) A person who belongs to an organization or an entity that received a donation or aid exceeding 10 million yen in any of the most recent three past fiscal years of the Company.
- (6) A person who is an executive of a corporation that is a shareholder of the Company which substantially owns 10% or more of the voting rights of the Company.

[Note]

"Executive" means an executive director, executive officer, other staff members or employee.

**(Reference)****Skills Matrix of the Board of Directors after the Annual General Meeting of Shareholders**

\* If the election of each candidate described in this notice is approved as originally proposed, the expertise and experience of the Directors will be as below. Note that “Positions and responsibilities” and members of the Nomination Advisory Committee and the Remuneration Advisory Committee are to be formally determined at the Board of Directors meeting after this General Meeting of Shareholders.

Name	Positions and responsibilities		Nomination Advisory Committee	Remuneration Advisory Committee	Expected skill areas							
					Corporate management/ Management strategy	Finance/ Accounting	Legal/ Risk management	HR and labor affairs/ HR development	Sales/ Marketing	Technology/ R&D/safety	Sustainability/ ESG/DX	Global experience
Matsuji Nishimura	Director and Chairman	Male	✓	✓	✓				✓	✓	✓	✓
Naofumi Sato	Executive Officer Representative President	Male	✓	✓	✓	✓	✓				✓	
Hideki Takei	Representative Director and Vice President Executive Officer	Male			✓		✓		✓		✓	
Kazuyuki Ishibashi	Representative Director and Vice President Executive Officer	Male			✓			✓	✓		✓	
Masaaki Jono	Representative Director and Vice President Executive Officer	Male			✓					✓	✓	✓
Sumio Kuratomi	Director	Outside Independent Male	✓	✓	✓	✓					✓	✓
Hiroko Shibasaki	Director	Outside Independent Female	✓	✓	✓		✓		✓		✓	
Tatsuya Kaneko	Director	Outside Independent Male	✓	✓	✓				✓			✓
Shinji Kato	Director, Audit and Supervisory Committee Member	Full-time Male				✓	✓	✓				
Yukinori Michinaga	Director, Audit and Supervisory Committee Member	Outside Independent Male	✓	✓	✓				✓		✓	
Toru Yoshizako	Director, Audit and Supervisory Committee Member	Outside Independent Male	✓	✓	✓					✓	✓	
Hidetoshi Soeda	Director, Audit and Supervisory Committee Member	Outside Independent Male	✓	✓	✓				✓	✓	✓	✓