

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

(Securities Code: 6966)

April 6, 2022

To our shareholders:

Yasunari Mitsui, President and Representative Director
Mitsui High-tec, Inc.
2-10-1 Komine, Yahatanishi-ku, Kitakyushu-shi

Notice of the 88th Annual General Meeting of Shareholders

We hereby inform you of the 88th Annual General Meeting of Shareholders of Mitsui High-tec, Inc. (the “Company”) that is to be held as follows.

Instead of attending the meeting in person, you can exercise your voting rights in writing (by mail) or by electromagnetic method (via the internet, etc.), so please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by no later than 5:15 p.m. on Thursday, April 21, 2022 (JST).

1. Date and time: Friday, April 22, 2022, at 10:00 a.m. (JST)

2. Place: Conference Room at Headquarters of the Company
2-10-1 Komine, Yahatanishi-ku, Kitakyushu-shi

3. Purpose of the meeting:

Matters to be reported:

1. The Business Report, Consolidated Financial Statements and results of audit on the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board for the 88th Fiscal Year (from February 1, 2021 to January 31, 2022)
2. Non-consolidated Financial Statements for the 88th Fiscal Year (from February 1, 2021 to January 31, 2022)

Matters to be resolved:

- | | |
|-----------------------|---|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Amendment to the Articles of Incorporation |
| Proposal No. 3 | Election of Six Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) |
| Proposal No. 4 | Election of Seven Directors Who Are Audit & Supervisory Committee Members |
| Proposal No. 5 | Determination of Remuneration Amount for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members) |
| Proposal No. 6 | Determination of Remuneration Amount for Directors Who Are Audit & Supervisory Committee Members |
| Proposal No. 7 | Determination of Amount and Details of Share-based Remuneration etc. for Directors |
| Proposal No. 8 | Payment of Retirement Benefits to Retiring Directors and Retiring Audit & Supervisory Board Members and Final Payments of Retirement Benefits Arising From the Abolition of Retirement Benefit Plan |

- If you attend the meeting, please hand in the enclosed Voting Rights Exercise Form at the reception.
- “Notes to the Consolidated Financial Statements” and “Notes to the Non-consolidated Financial Statements” are posted on the Company website (<https://www.mitsui-high-tec.com/ja/ir/cmeeting.php>) (in Japanese only) pursuant to laws and regulations and Article 17 of the Articles of Incorporation of the Company; therefore, they are not included in this notice.
- Any subsequent changes to be made in the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements will be posted on the above Company website (in Japanese only).
- The results of the resolutions will be posted on the above Company website, instead of sending notification in writing. We ask for your kind understanding.

Reference Documents for the General Meeting of Shareholders

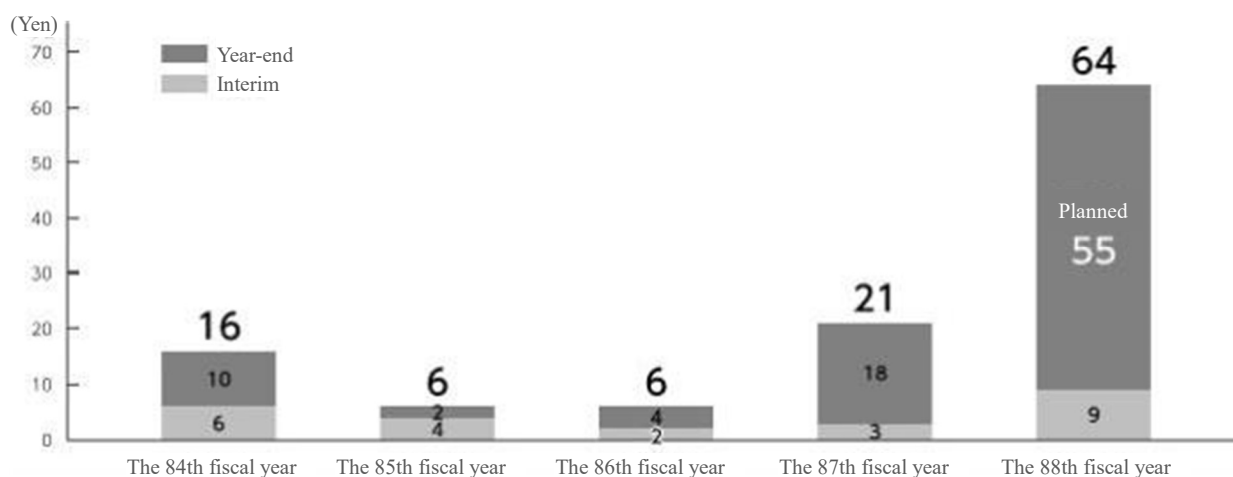
Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Company recognizes that shareholder returns are an important management issue, and has adopted a basic policy for the distribution of profits that targets a consolidated dividend payout ratio of 30%, after taking into account a comprehensive range of factors such as business results and internal reserves. The Company has given consideration to the business performance of the fiscal year and future business development, and it proposes to pay year-end dividends for the 88th fiscal year as follows:

- | | |
|---|--|
| (1) Type of dividend property | Cash |
| (2) Allotment of dividend property to shareholders and the total amount | ¥55 per common share of the Company
Total payment: ¥2,010,384,970 |
| (3) Effective date of dividends of surplus | April 25, 2022 |

(Reference) Change in dividends per share



Proposal No. 2 Amendment to the Articles of Incorporation

1. Reasons for amendment

(1) Transition to a company with audit and supervisory committee

The Company is transitioning from a company with audit and supervisory board to a company with audit and supervisory committee. By having Audit & Supervisory Committee Members with Board of Director voting rights check the legality and appropriateness of business execution, the Company aims to further enhance the effectiveness of the Board of Director's auditing and oversight functions, strengthen corporate governance, and improve the agility of business execution. To enable the transition, this proposal establishes new provisions related to the Audit & Supervisory Committee; establishes new provisions related to the delegation of decision-making authority for important business execution to Directors and deletes provisions related to the Audit & Supervisory Board and Audit & Supervisory Board Members; and establishes supplementary provisions as transitional measures following the deletion of provisions related to the exemption of Audit & Supervisory Board Members from liability.

The proposal also establishes Article 40 in the amended Articles of Incorporation to enable decisions related to the purchase of treasury shares and dividends of surplus, etc. to be made by resolution of the Board of Directors, with the aim of facilitating more flexible capital and dividend policies. At the same time, the proposed amendment delete Article 7 of the current Articles of Incorporation, the content of which partially duplicates the proposed Article 40.

(2) Introduction of measures for providing reference documents for the general meeting of shareholders, etc. in electronic format

The revised provisions set out in a proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022. Accordingly, the Company intends to establish new provisions to take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format and the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents, and to delete the provisions for internet disclosure and deemed provision of reference documents for the general meeting of shareholders, etc. At the same time, the Company proposes to establish supplementary provisions regarding the effective date, etc.

Other necessary changes in line with the above-mentioned amendment, such as adjustment of the article numbers, shall be made.

Note that the effective date, etc. pertaining to (2) above in this proposed amendment to the Articles of Incorporation shall be stipulated by the provisions of Article 2 (Transitional Measures Regarding Measures for Providing Information in Electronic Format, Etc.) of the Supplementary Provisions of the proposed amendment, and the other provisions of the amendment to the Articles of Incorporation shall take effect upon the conclusion of this general meeting of shareholders.

2. Details of amendment

The amendment to the Articles of Incorporation is as follows. (Underlined parts are amended.)

Current Articles of Incorporation	Proposed Amendment
<p style="text-align: center;">Chapter I General Provisions</p> <p>Articles 1 – 3 <Text omitted></p> <p>Article 4 (Organs)</p> <p>The Company shall have the following governing bodies in addition to general meetings of shareholders and Directors.</p> <ol style="list-style-type: none"> 1) Board of Directors 2) <u>Audit & Supervisory Board Members</u> 3) <u>Audit & Supervisory Board</u> 4) Financial Auditor <p>Article 5 <Text omitted></p>	<p style="text-align: center;">Chapter I General Provisions</p> <p>Articles 1 – 3 <Unchanged></p> <p>Article 4 (Organs)</p> <p>The Company shall have the following governing bodies in addition to general meetings of shareholders and Directors.</p> <ol style="list-style-type: none"> 1) Board of Directors 2) <u>Audit & Supervisory Committee</u> <Deleted> 3) Financial Auditor <p>Article 5 <Unchanged></p>
<p style="text-align: center;">Chapter II Shares</p> <p>Article 6 <Text omitted></p> <p>Article 7 (Purchase of Treasury Shares)</p> <p><u>The Company may, by resolution of the Board of Directors, purchase treasury shares through transactions in the market, etc., pursuant to Article 165, paragraph (2) of the Companies Act.</u></p> <p>Articles 8 – 10 <Text omitted></p> <p>Article 11 (Shareholder Register Administrator)</p> <ol style="list-style-type: none"> 1. The Company shall have a shareholder register administrator. 2. The shareholder register administrator and the place of business thereof shall be designated by resolution of the Board of Directors and public notice thereof shall be given. 3. <Text omitted> 	<p style="text-align: center;">Chapter II Shares</p> <p>Article 6 <Text omitted></p> <p> <Deleted></p> <p>Articles 7 – 9 <Unchanged></p> <p>Article 10 (Shareholder Register Administrator)</p> <ol style="list-style-type: none"> 1. The Company shall have a shareholder register administrator. 2. The shareholder register administrator and the place of business thereof shall be designated by resolution of the Board of Directors <u>or decision of a Director delegated by the Board of Directors</u> and public notice thereof shall be given. 3. <Unchanged>
<p style="text-align: center;">Chapter III General Meeting of Shareholders</p> <p>Articles 12 – 16 <Text omitted></p> <p>Article 17 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</p> <p><u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p style="text-align: center;"><New></p> <p>Articles 18 – 21 <Text omitted></p>	<p style="text-align: center;">Chapter III General Meeting of Shareholders</p> <p>Articles 11 – 15 <Unchanged></p> <p> <Deleted></p> <p>Article 16 (Measures for Providing Information in Electronic Format, Etc.)</p> <ol style="list-style-type: none"> 1. <u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u> 2. <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u> <p>Articles 17 – 20 <Unchanged></p>

Current Articles of Incorporation	Proposed Amendment
Article 26 <Text omitted>	Article 25 <Unchanged>
<p>Article 27 (Notice of Meeting of the Board of Directors)</p> <ol style="list-style-type: none"> When a meeting of the Board of Directors is convened, notice of the meeting shall be given to each Director <u>and each Audit & Supervisory Board Member</u> no later than three days before the date of the meeting. However, in urgent cases the period of notice may be reduced. With the consent of all Directors <u>and Audit & Supervisory Board Members</u>, a meeting of the Board of Directors may be held without following the convening procedures. 	<p>Article 26 (Notice of Meeting of the Board of Directors)</p> <ol style="list-style-type: none"> When a meeting of the Board of Directors is convened, notice of the meeting shall be given to each Director no later than three days before the date of the meeting. However, in urgent cases the period of notice may be reduced. With the consent of all Directors, a meeting of the Board of Directors may be held without following the convening procedures.
Articles 28 – 30 <Text omitted>	Articles 27 – 29 <Unchanged>
<p>Article 31 (Minutes of Board of Directors Meetings)</p> <p>Minutes of Board of Directors meetings shall be created in accordance with the provisions of relevant laws and regulations, and Directors <u>and Audit & Supervisory Board Members</u> who attended shall affix their seal or electronic signature to the minutes.</p>	<p>Article 30 (Minutes of Board of Directors Meetings)</p> <p>Minutes of Board of Directors meetings shall be created in accordance with the provisions of relevant laws and regulations, and Directors who attended shall affix their seal or electronic signature to the minutes.</p>
<p>Article 32 (Remuneration Etc. for Directors)</p> <p>Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties (<u>hereinafter referred to as “Remuneration, etc.”</u>) to Directors shall be determined by resolution of a general meeting of shareholders.</p>	<p>Article 31 (Remuneration Etc. for Directors)</p> <p>Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties to Directors <u>shall distinguish between Directors who are Audit & Supervisory Committee Members and other Directors, and</u> shall be determined by resolution of a general meeting of shareholders.</p>
<p><New></p>	<p>Article 32 (Delegation of Decisions Regarding Execution of Important Duties)</p> <p><u>Pursuant to the provisions of Article 399-13, paragraph (6) of the Companies Act, the Company may delegate all or part of decisions regarding execution of important duties (excluding matters set forth in each of the items of paragraph (5) of the same article) to Directors by resolution of the Board of Directors.</u></p>
Article 33 <Text omitted>	Article 33 <Unchanged>
<p>Chapter V</p> <p><u>Audit & Supervisory Board Members and Audit & Supervisory Board</u></p>	<p>Chapter V</p> <p><u>Audit & Supervisory Committee</u></p>
<p>Article 34 (Number of Audit & Supervisory Board Members and Term of Service)</p>	<p><Deleted></p>
<p><u>The Company shall have not more than five Audit & Supervisory Board Members.</u></p> <p><u>The term of service of an Audit & Supervisory Board Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the election of the Audit & Supervisory Board Member.</u></p> <p><u>The term of service of an Audit & Supervisory Board Member elected as a substitute for an Audit & Supervisory Board Member who has retired before the expiration of his or her term of service shall be the same as the remaining term of service of the predecessor.</u></p>	
<p>Article 35 (Election of Audit & Supervisory Board Members)</p>	<p><Deleted></p>
<ol style="list-style-type: none"> <u>Audit & Supervisory Board Members shall be elected at a general meeting of shareholders.</u> <u>A resolution to elect an Audit & Supervisory Board Member shall be made by the majority of the voting rights of the shareholders present at the meeting where the shareholders holding at least one third of the voting rights of the shareholders entitled to exercise their voting rights are present.</u> 	

Current Articles of Incorporation	Proposed Amendment
<p>2. Pursuant to the provisions of Article 329, paragraph (3) of the Companies Act, the Company may elect substitute Audit & Supervisory Board Members at a general meeting of shareholders in preparation for lacking the number of Audit & Supervisory Board Members stipulated by laws and regulations.</p> <p>3. The effective period of the resolutions regarding the election of substitute Audit & Supervisory Board Members in the preceding paragraph shall expire at the time of commencement of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the resolutions.</p>	
<p>Article 36 (Full-Time Audit & Supervisory Board Members)</p> <p>The Audit & Supervisory Board shall appoint full-time Audit & Supervisory Board Member(s) by its resolution.</p>	<p>Article 34 (Full-Time Audit & Supervisory Committee Members)</p> <p>The Audit & Supervisory Committee shall appoint full-time Audit & Supervisory Committee Member(s) by its resolution.</p>
<p>Article 37 (Notice of Meeting of the Audit & Supervisory Board)</p> <p>1. When a meeting of the Audit & Supervisory Board is convened, notice of the meeting shall be given to each Audit & Supervisory Board Member no later than three days before the date of the meeting. However, in urgent cases the period of notice may be reduced.</p> <p>2. With the consent of all Audit & Supervisory Board Members, a meeting of the Audit & Supervisory Board may be held without following the convening procedures.</p>	<p>Article 35 (Notice of Meeting of the Audit & Supervisory Committee)</p> <p>1. When a meeting of the Audit & Supervisory Committee is convened, notice of the meeting shall be given to each Audit & Supervisory Committee Member no later than three days before the date of the meeting. However, in urgent cases the period of notice may be reduced.</p> <p>2. With the consent of all Audit & Supervisory Committee Members, a meeting of the Audit & Supervisory Committee may be held without following the convening procedures.</p>
<p>Article 38 (Resolutions of the Audit & Supervisory Board)</p> <p>Unless otherwise provided for by laws and regulations, resolutions of the Audit & Supervisory Board shall be made by a majority of the votes of Audit & Supervisory Board Members.</p>	<p>Article 36 (Resolutions of the Audit & Supervisory Committee)</p> <p>Resolutions of the Audit & Supervisory Committee shall be made by a majority of the votes of the Audit & Supervisory Committee Members present at a meeting where a majority of Audit & Supervisory Committee Members entitled to participate in the vote are present.</p>
<p>Article 39 (Regulations of the Audit & Supervisory Board)</p> <p>Matters concerning the Audit & Supervisory Board shall be governed by the Regulations of the Audit & Supervisory Board established by the Audit & Supervisory Board, in addition to applicable laws and regulations and these Articles of Incorporation.</p>	<p>Article 37 (Regulations of the Audit & Supervisory Committee)</p> <p>Matters concerning the Audit & Supervisory Committee shall be governed by the Regulations of the Audit & Supervisory Committee established by the Audit & Supervisory Committee, in addition to applicable laws and regulations and these Articles of Incorporation.</p>
<p>Article 40 (Minutes of Audit & Supervisory Board Meetings)</p> <p>Minutes of Audit & Supervisory Board meetings shall be created in accordance with the provisions of relevant laws and regulations, and Audit & Supervisory Board Members who attended shall affix their seal or electronic signature to the minutes.</p>	<p>Article 38 (Minutes of Audit & Supervisory Committee Meetings)</p> <p>Minutes of Audit & Supervisory Committee meetings shall be created in accordance with the provisions of relevant laws and regulations, and Audit & Supervisory Committee Members who attended shall affix their seal or electronic signature to the minutes.</p>
<p>Article 41 (Remuneration, etc. for Audit & Supervisory Board Members)</p> <p>Remuneration, etc. for Audit & Supervisory Board Members shall be determined by resolution of a general meeting of shareholders.</p>	<p><Deleted></p>

Current Articles of Incorporation	Proposed Amendment
<p><u>Article 42 (Exemption of Audit & Supervisory Board Members From Liability)</u></p> <ol style="list-style-type: none"> <u>Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt an Audit & Supervisory Board Member (including a person who was formerly an Audit & Supervisory Board Member) from his or her liability for damages under Article 423, paragraph (1) of the same act, to the extent permitted by laws and regulations.</u> <u>Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company may enter into an agreement with an Audit & Supervisory Board Member to limit his or her liability for damages under Article 423, paragraph (1) of the same act. However, the maximum amount of liability for damages covered by such agreements shall be the amount set forth in laws and regulations.</u> 	<p><Deleted></p>
<p style="text-align: center;">Chapter VI Accounts</p> <p>Article 43 <Text omitted> <New></p>	<p style="text-align: center;">Chapter VI Accounts</p> <p>Article 39 <Unchanged></p> <p><u>Article 40 (Organization Determining Dividends of Surplus, Etc.)</u></p> <p><u>Unless otherwise provided for by laws and regulations, the Company may determine matters set forth in each of the items in Article 459, paragraph (1) of the Companies Act, such as dividends of surplus, by resolution of the Board of Directors.</u></p>
<p>Article 44 (Record Date for <u>Year-end Dividends / Interim Dividends</u>)</p> <ol style="list-style-type: none"> The record date for year-end dividends <u>of surplus</u> of the Company shall be January 31 of each year. <u>The Company may, by resolution of the Board of Directors, pay interim dividends with a record date of July 31 each year.</u> <p style="text-align: center;"><New></p>	<p>Article 41 (Record Date for Dividends of Surplus)</p> <ol style="list-style-type: none"> The record date for year-end dividends of the Company shall be January 31 of each year. <u>The record date for interim dividends of the Company shall be July 31 of each year.</u> <u>In addition to the provisions of the preceding two paragraphs, the Company may pay dividends of surplus by setting a record date.</u>
<p>Article 45 <Text omitted></p> <p style="text-align: center;"><New> <New></p>	<p>Article 42 <Unchanged></p> <p style="text-align: center;"><u>Supplementary Provisions</u></p> <p><u>Article 1 (Transitional Measures for the Exemption of Audit & Supervisory Board Members From Liability)</u></p> <ol style="list-style-type: none"> <u>Pursuant to the provisions of Article 426, paragraph (1) of the Companies Act, the Company may, by resolution of the Board of Directors, exempt the liability for damages incurred by an Audit & Supervisory Board Member (including a person who was formerly an Audit & Supervisory Board Member) before the amendment of the Articles of Incorporation resolved at the 88th annual general meeting of shareholders came into effect to the extent permitted by laws and regulations.</u>

Current Articles of Incorporation	Proposed Amendment
<p><New></p>	<p>2. <u>Agreements limiting the liability for damages under Article 423, paragraph (1) of the Companies Act, which arise from actions of Audit & Supervisory Board Members (including a person who was formerly an Audit & Supervisory Board Member) before the conclusion of the 88th annual general meeting of shareholders, shall be governed by the provisions of Article 42, paragraph (2) of the pre-amended Articles of Incorporation by resolution of said 88th annual general meeting of shareholders.</u></p> <p><u>Article 2 (Transitional Measures Regarding Measures for Providing Information in Electronic Format, Etc.)</u></p> <p>1. <u>The deletion of Article 17 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation and the establishment of Article 16 (Measures for Providing Information in Electronic Format, Etc.) in the amended Articles of Incorporation shall be effective from the enforcement date of September 1, 2022 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 17 of the current 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>Article 2 of the 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></p>

Note: Some underlining does not coincide with the Japanese version because of translation adjustments.

Proposal No. 3 Election of Six Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

If Proposal No. 2 “Amendment to the Articles of Incorporation” is approved and adopted in its original form, the Company will make the transition to a company with audit and supervisory committee. The terms of office of all 11 Directors will expire at the conclusion of this General Meeting. We thus propose that six Directors (excluding Directors who are Audit & Supervisory Committee Members; applicable to the rest of this proposal) be elected. This proposal can take effect subject to condition that the amendment to the Articles of Incorporation of Proposal No. 2 “Amendment to the Articles of Incorporation” takes effect.

The candidates for Director are as follows:

Candidate No.	Name	Current position in the Company	
1	Yasunari Mitsui	President and Representative Director	Reelection
2	Masanori Kuriyama	Executive Managing Director	Reelection
3	Kozo Mitsui	Executive Managing Director	Reelection
4	Toshiaki Kusano	Director	Reelection
5	Tomomi Funakoshi	Director	Reelection
6	Masahide Kyo	Director	Reelection

Candidate No.	1	Career summary, and position and responsibility
Reelection		
<p style="text-align: center;">Yasunari Mitsui</p> <p style="text-align: center;">Male Born on November 17, 1968 (53 years old)</p> <ul style="list-style-type: none"> ■ Tenure as Director 19 years ■ Attendance at Board of Directors meetings 100% (14/14) ■ Number of the Company's shares owned 1,161,213 shares ■ Significant concurrent positions outside the Company President and Representative Director of Mitsui Create Co., Ltd. 		<p>April 1993 Joined the Company</p> <p>April 2000 Director</p> <p>April 2002 Retired as Director Senior Executive Officer</p> <p>February 2003 Managing Executive Officer</p> <p>April 2005 Director Executive Managing Director</p> <p>April 2006 Senior Executive Vice President and Representative Director</p> <p>June 2007 President and Representative Director of Mitsui Create Co., Ltd. (current position)</p> <p>April 2010 President and Representative Director of the Company (current position)</p>
		Reasons for nomination as candidate for Director
		<p>Since being elected President and Representative Director in 2010, Yasunari Mitsui has worked steadily to enhance corporate value by driving initiatives to address a variety of management issues, demonstrated strong leadership, and achieved outstanding results, while providing appropriate oversight from a global perspective of the business execution of the Group. We propose his reelection as Director because we believe that his extensive experience and wide-ranging insights are vital for the management of the Company.</p>

Candidate No.	2	Career summary, and position and responsibility
Reelection		
<p style="text-align: center;">Masanori Kuriyama</p> <p style="text-align: center;">Male Born on January 5, 1953 (69 years old)</p> <ul style="list-style-type: none"> ■ Tenure as Director 10 years ■ Attendance at Board of Directors meetings 100% (14/14) ■ Number of the Company's shares owned 4,574 shares ■ Significant concurrent positions outside the Company — 		<p>April 1971 Joined the Company</p> <p>March 2001 Senior Manager of Tooling Production Dept., Tooling Div., Precision Business Unit</p> <p>February 2002 Senior Manager of Tooling Production Dept., Tooling Div., Tooling Business Unit</p> <p>February 2003 Executive Officer</p> <p>February 2005 Deputy Senior General Manager of Tooling Business Unit</p> <p>February 2010 Senior Executive Officer</p> <p>April 2012 Director Senior General Manager of Tooling Business Unit (current position)</p> <p>April 2016 Executive Managing Director (current position)</p>
		Reasons for nomination as candidate for Director
		<p>With the experience, track record and deep insights in the tooling business etc. that he has accumulated over many years, we judge that Masanori Kuriyama's character makes him well-qualified to play a part in the management of the Company. Given the outstanding management capability developed through his experience as Senior Manager of the Tooling Production Dept. and Senior General Manager of the Tooling Business Unit etc. we nominate Masanori Kuriyama for reelection as Director.</p>

Candidate No.	3	<u>Career summary, and position and responsibility</u>
Reelection		
<p style="text-align: center;">Kozo Mitsui</p> <p style="text-align: center;">Male</p> <p style="text-align: center;">Born on December 3, 1971 (50 years old)</p> <ul style="list-style-type: none"> ■ Tenure as Director 3 years ■ Attendance at Board of Directors meetings 100% (14/14) ■ Number of the Company's shares owned 676,295 shares ■ Significant concurrent positions outside the Company Director of Mitsui Create Co., Ltd. 		<p>April 1996 Joined MITSUI & CO., LTD.</p> <p>April 2008 Seconded to Mitsui & Co. Steel Ltd. General Manager of Flat Steel Products Div., Unit II</p> <p>July 2011 Seconded to MITSUI & CO. (THAILAND) LTD. Deputy Manager of Iron & Steel Div.</p> <p>October 2012 Seconded to Bangkok Eastern Coil Center Co., Ltd. Vice President and Director</p> <p>November 2013 Director of Mitsui Create Co., Ltd. (current position)</p> <p>April 2018 Seconded to Mitsui & Co. Steel Ltd. General Manager of Domestic Business Control Div. of Planning & Coordination Unit</p> <p>March 2019 Retired from MITSUI & CO., LTD.</p> <p>April 2019 Joined the Company Director Senior General Manager of General Administration Unit (current position)</p> <p>April 2020 Executive Managing Director (current position)</p>
		<u>Reasons for nomination as candidate for Director</u>
		<p>With the experience, track record and deep insights in the general administration division etc. that he has accumulated over many years, we judge that Kozo Mitsui's character makes him well-qualified to play a part in the management of the Company. Given the outstanding management capability developed through his experience as the vice president of an overseas affiliate and the general manager of the business control division of a domestic subsidiary for the company in which he previously served, as well as in his role as Senior General Manager of the General Administration Unit of the Company, we nominate Kozo Mitsui for reelection as Director.</p>

Candidate No.	4	<u>Career summary, and position and responsibility</u>
Reelection		
<p style="text-align: center;">Toshiaki Kusano</p> <p style="text-align: center;">Male Born on October 17, 1956 (65 years old)</p> <ul style="list-style-type: none"> ■ Tenure as Director 6 years ■ Attendance at Board of Directors meetings 100% (14/14) ■ Number of the Company's shares owned 4,449 shares ■ Significant concurrent positions outside the Company — 		<p>April 1981 Joined the Company</p> <p>February 2002 Senior Manager of IC Business Div., Electronics Business Unit</p> <p>April 2002 Executive Officer</p> <p>February 2004 Senior Manager of ST (current Stamped Leadframe) Div., LF (current Leadframe) Business Unit</p> <p>May 2006 President of Mitsui High-tec (Singapore) Pte. Ltd.</p> <p>February 2011 Senior Manager of EG (current Etched Leadframe) Div., LF (current Leadframe) Business Unit of the Company</p> <p>February 2016 Deputy Senior General Manager of Leadframe Business Unit</p> <p>April 2016 Director (current position)</p> <p>September 2017 Senior General Manager of Leadframe Business Unit</p> <p>February 2019 Senior General Manager of Corporate Quality Assurance Unit (current position)</p>
		<u>Reasons for nomination as candidate for Director</u>
		<p>With the experience, track record and deep insights in the tooling business etc. that he has accumulated over many years, we judge that Toshiaki Kusano's character makes him well-qualified to play a part in the management of the Company. Given the outstanding management capability developed through his experience as president of an overseas subsidiary, Senior General Manager of the Leadframe Business Unit and Senior General Manager of the Corporate Quality Assurance Unit etc. we nominate Toshiaki Kusano as a candidate for reelection as Director.</p>

Candidate No.	5	<u>Career summary, and position and responsibility</u>
Reelection		
<p style="text-align: center;">Tomomi Funakoshi</p> <p style="text-align: center;">Male Born on January 7, 1966 (56 years old)</p> <ul style="list-style-type: none"> ■ Tenure as Director 3 years ■ Attendance at Board of Directors meetings 100% (14/14) ■ Number of the Company's shares owned 1,445 ■ Significant concurrent positions outside the Company — 		<p>April 1990 Joined the Company</p> <p>February 2005 President of Mitsui High-tec (Taiwan) Co., Ltd.</p> <p>July 2011 Senior Manager of Corporate Quality Assurance Dept., Corporate Quality Assurance Div. of the Company</p> <p>September 2017 Executive Officer Senior Manager of Corporate Quality Assurance Div.</p> <p>June 2018 Senior Manager of Stamped Leadframe Div., Leadframe Business Unit</p> <p>February 2019 Senior General Manager of Leadframe Business Unit (current position)</p> <p>April 2019 Director (current position)</p>
		<u>Reasons for nomination as candidate for Director</u>
		<p>With the experience, track record and deep insights in the leadframe business etc. that he has accumulated over many years, we judge that Tomomi Funakoshi's character makes him well-qualified to play a part in the management of the Company. Given the outstanding management capability developed through his experience as president of an overseas subsidiary and as Senior General Manager of the Leadframe Business Unit etc. we nominate Tomomi Funakoshi for reelection as Director.</p>

Candidate No.	6	<u>Career summary, and position and responsibility</u>
Reelection		
<p>Masahide Kyo</p> <p>Male Born on January 23, 1960 (62 years old)</p> <ul style="list-style-type: none"> ■ Tenure as Director 1 year ■ Attendance at Board of Directors meetings 100% (10/10) ■ Number of the Company's shares owned 1,822 shares ■ Significant concurrent positions outside the Company - 		<p>April 1985 Joined the Company</p> <p>February 2006 Senior Manager of Control Dept. of Electric Machine Div. of Tooling Business Unit</p> <p>November 2009 Senior Manager of Production Dept. of Electric Machine Div. of Tooling Business Unit</p> <p>February 2011 Senior Manager of Production Dept. of Electric Machine Div. of Motor Core Business Unit</p> <p>October 2014 Senior Manager of Engineering Dept. of Electric Machine Div. of Motor Core Business Unit</p> <p>March 2015 President of Mitsui High-tec (Shanghai) Co., Ltd.</p> <p>November 2020 Executive Officer of the Company Deputy Senior General Manager of Motor Core Business Unit</p> <p>April 2021 Director (current position) Senior General Manager of Motor Core Business Unit (current position)</p>
		Reasons for nomination as candidate for Director
		<p>With the experience, track record and deep insights in the motor core business etc. that he has accumulated over many years, we judge that Masahide Kyo's character makes him well-qualified to play a part in the management of the Company. Given the outstanding management capability developed through his experience as president of an overseas subsidiary and Senior General Manager of the Motor Core Business Unit etc. we nominate Masahide Kyo for reelection as Director.</p>

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The number of the Company's shares owned includes the shares owned through the Officers Shareholding Association. (Any shares less than 1 share are rounded down.)
 3. The Company has entered into a directors and officers liability insurance ("D&O insurance") policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, thereby covering legally mandated amount of losses and costs incurred by the insureds. The Company plans to include each candidate as an insured in the insurance policy and renew the said policy during their terms of office.

Proposal No. 4 Election of Seven Directors Who Are Audit & Supervisory Committee Members

If Proposal No. 2 “Amendment to the Articles of Incorporation” is approved and adopted in its original form, the Company will make the transition to a company with audit and supervisory committee. Therefore, the Company proposes the election of seven Directors who are Audit & Supervisory Committee Members. This proposal can take effect subject to condition that the amendment to the Articles of Incorporation of Proposal No. 2 “Amendment to the Articles of Incorporation” takes effect.

Candidates for the role of Director who is an Audit & Supervisory Committee Member are as follows:

In addition, the consent of the Audit & Supervisory Board has been obtained for the submission of this proposal.

Candidate No.	Name	Current position in the Company			
1	Hiroyuki Shirakawa	Full-time Audit & Supervisory Board Member	New election		
2	Chiaki Kubota	Full-time Audit & Supervisory Board Member	New election		
3	Kuniaki Kumamaru	Independent Outside Director	New election	Outside	Independent
4	Osami Yoshida	Independent Outside Director	New election	Outside	Independent
5	Yoko Maeda	Independent Outside Director	New election	Outside	Independent
6	Tomoyuki Fukumoto		New election	Outside	Independent
7	Tatsuya Motoda		New election	Outside	Independent

Candidate No.	1	<u>Career summary, and position and responsibility</u>
New election		
Hiroyuki Shirakawa Male Born on August 9, 1958 (63 years old)		April 1981 Joined the Company December 1996 Senior Manager of Owner’s Office, General Administration Unit June 2000 Senior Manager of Material Dept. April 2002 Executive Officer February 2005 Senior Manager of Strategic Corporate Planning Div. August 2011 Deputy Senior General Manager of General Administration Unit April 2012 Director Senior General Manager of General Administration Unit April 2019 Full-time Audit & Supervisory Board Member (current position)
<ul style="list-style-type: none"> ■ Tenure as Audit & Supervisory Board Member 3 years ■ Attendance at Board of Directors meetings 100% (14/14) ■ Attendance at Audit & Supervisory Board meetings 100% (10/10) ■ Number of the Company’s shares owned 9,382 shares ■ Significant concurrent positions outside the Company — 		Reasons for nomination as candidate for Director who is an Audit & Supervisory Committee Member
		Hiroyuki Shirakawa has been involved in the management of the Company for many years as Director in charge of the general administration division, and has accumulated extensive experience and deep insights. The Company proposes his election as a Director who is an Audit & Supervisory Committee Member because it believes that his experience and insights are vital for the strengthening of the decision-making function of the Board of Directors and for auditing and oversight of the Company’s management.

Candidate No.	2	<u>Career summary, and position and responsibility</u>
New election		
Chiaki Kubota Male Born on September 24, 1959 (62 years old)		April 1983 Joined the Company March 2001 Senior Manager of Strategic Corporate Planning Div., General Administration Unit February 2005 Senior Manager of Planning Dept., Strategic Corporate Planning Div. August 2011 Acting Senior Manager of Strategic Corporate Planning Div., General Administration Unit April 2012 Acting Senior Manager of Finance Control Div., General Administration Unit November 2012 Senior Manager of Finance Control Div., General Administration Unit June 2018 Executive Officer April 2021 Full-time Audit & Supervisory Board Member (current position)
<ul style="list-style-type: none"> ■ Tenure as Audit & Supervisory Board Member 1 year ■ Attendance at Board of Directors meetings 100% (10/10) ■ Attendance at Audit & Supervisory Board meetings 100% (6/6) ■ Number of the Company’s shares owned 1,117 shares ■ Significant concurrent positions outside the Company — 		Reasons for nomination as candidate for Director who is an Audit & Supervisory Committee Member
		Chiaki Kubota has been involved in the corporate planning and financial control operations of the Company for many years, and has accumulated extensive experience and deep insights. The Company proposes his election as a Director who is an Audit & Supervisory Committee Member because it believes that his experience and insights are vital for the strengthening of the decision-making function of the Board of Directors and for auditing and oversight of the Company’s management.

Candidate No.		3		Career summary, and position and responsibility	
New election	Outside	Independent			
<p style="text-align: center;">Kuniaki Kumamaru</p> <p style="text-align: center;">Male Born on July 14, 1952 (69 years old)</p> <ul style="list-style-type: none"> ■ Tenure as Director 6 years ■ Attendance at Board of Directors meetings 100% (14/14) ■ Number of the Company's shares owned – shares ■ Significant concurrent positions outside the Company – 				April 1976	Joined Toshiba Corporation
				October 2000	General Manager of Kitakyushu Plant of Semiconductor Company of Toshiba Corporation
				April 2002	General Manager of Oita Operations of Semiconductor Company of Toshiba Corporation
				April 2005	President of Toshiba Electronics Malaysia Sdn. Bhd.
				May 2007	General Manager of Production of Semiconductor Company of Toshiba Corporation
				April 2008	General Manager of Corporate New Lighting System Business Control Div., Toshiba Corporation
				July 2012	Retired from Toshiba Corporation at mandatory age
				August 2012	Assistant to General Manager of Business Div., Semiconductor Company, Toshiba Corporation (part-time)
				March 2015	Retired from Semiconductor Company, Toshiba Corporation
				April 2016	Outside Director of the Company (current position)
				Reasons for nomination as candidate for Outside Director who is Audit & Supervisory Committee Member and overview of the expected role	
				<p>Kuniaki Kumamaru served as the general manager of certain plants and was also in charge of production for the Semiconductor Company of Toshiba Corporation, as well as serving as the president of Toshiba Electronics Malaysia Sdn. Bhd., resulting in him accumulating extensive knowledge and experience not only of the development and manufacturing of semiconductor products, but also of corporate management. The Company proposes his reelection as an Outside Director who is an Audit & Supervisory Committee Member in order that it may continue to leverage his knowledge and benefit from his informative comments and opinions on management in general, and because it expects him to use his extensive experience and deep insights from an independent viewpoint to influence the auditing and oversight of the Company's management.</p>	

Candidate No.		4		Career summary, and position and responsibility	
New election	Outside	Independent			
<p>Osami Yoshida</p> <p>Male</p> <p>Born on November 4, 1950 (71 years old)</p> <ul style="list-style-type: none"> ■ Tenure as Director 2 years ■ Attendance at Board of Directors meetings 100% (14/14) ■ Number of the Company's shares owned – shares ■ Significant concurrent positions outside the Company Outside Corporate Auditor of CONEXIO Corporation 				<p>March 1977 Joined Tohmatsu Awoki & Co. (current Deloitte Touche Tohmatsu LLC)</p> <p>September 1982 Registered as Certified Public Accountant</p> <p>September 1997 Representative Partner of Tohmatsu & Co. (current Deloitte Touche Tohmatsu LLC)</p> <p>June 2007 Member of management meeting and Chief Operating Officer of Human Resources Division of Deloitte Touche Tohmatsu LLC</p> <p>August 2010 President and Representative Director of Tohmatsu e-Learning Solutions Co., Ltd.</p> <p>October 2010 Head of CSR Promotion Office, Deloitte Touche Tohmatsu LLC</p> <p>November 2013 Retired from Deloitte Touche Tohmatsu LLC</p> <p>December 2013 Established Yoshida Certified Public Accountant Office, President (current position)</p> <p>March 2014 Outside Audit & Supervisory Board Member of Canon Inc.</p> <p>September 2017 Specially-appointed Professor of Graduate School of Professional Accountancy of Aoyama Gakuin University</p> <p>June 2018 Outside Corporate Auditor of CONEXIO Corporation (current position)</p> <p>April 2020 Outside Director of the Company (current position)</p>	
				<p>Reasons for nomination as candidate for Outside Director who is Audit & Supervisory Committee Member and overview of the expected role</p>	
				<p>In addition to his extensive professional expertise in corporate accounting as a certified public accountant, Osami Yoshida has accumulated deep insights into CSR and corporate management in general. The Company proposes his reelection as an Outside Director who is an Audit & Supervisory Committee Member in order that it may continue to leverage his knowledge and benefit from his informative comments and opinions on management in general, and because it expects him to use his extensive experience and deep insights from an independent viewpoint to influence the auditing and oversight of the Company's management.</p>	

Candidate No.		5		Career summary, and position and responsibility	
New election	Outside	Independent			
<p>Yoko Maeda</p> <p>Female</p> <p>Born on October 17, 1978 (43 years old)</p> <ul style="list-style-type: none"> ■ Tenure as Director 1 year ■ Attendance at Board of Directors meetings 100% (10/10) ■ Number of the Company's shares owned – shares ■ Significant concurrent positions outside the Company – 			<p>October 2003 Admitted to practice law in Japan</p> <p>October 2003 Joined Nishimura & Asahi</p> <p>July 2010 Joined Debevoise & Plimpton, LLP, New York, USA</p> <p>March 2011 Admitted to practice law in New York, USA</p> <p>January 2012 Joined Singapore International Arbitration Centre, Singapore</p> <p>July 2015 Joined City-Yuwa Partners (current position)</p> <p>July 2018 Court Member (Alternate), ICC International Court of Arbitration, Japan (current position)</p> <p>April 2021 Outside Director of the Company (current position)</p>		
			<p>Reasons for nomination as candidate for Outside Director who is Audit & Supervisory Committee Member and overview of the expected role</p>		
			<p>Yoko Maeda is an attorney specializing predominantly in the fields of international and Japanese dispute resolution, and as such she possesses extensive experience and a high degree of expertise in litigation, risk management, international transactions and other areas. The Company proposes her reelection as an Outside Director who is an Audit & Supervisory Committee Member in order that it may continue to leverage her knowledge and benefit from her informative comments and opinions on management in general, and because it expects her to use her extensive experience and deep insights from an independent viewpoint to influence the auditing and oversight of the Company's management. Yoko Maeda has never been involved in the management of a company except as an outside officer. However, the Company judges she will appropriately fulfill her duties as an Outside Director who is Audit & Supervisory Committee Member based on the above reasons.</p>		

Candidate No.		6		Career summary, and position and responsibility	
New election	Outside	Independent			
<p style="text-align: center;">Tomoyuki Fukumoto</p> <p style="text-align: center;">Male Born on November 23, 1966 (55 years old)</p> <ul style="list-style-type: none"> ■ Tenure as Director – years ■ Number of the Company’s shares owned – shares ■ Significant concurrent positions outside the Company Professor of Faculty of Economics of Osaka University of Economics 				April 1989	Joined the Bank of Japan
				October 2000	First secretary of the Japanese Embassy in China (on permanent reassignment from the Bank of Japan)
				August 2008	International Department of the Bank of Japan (Research fellow at Harvard Kennedy School)
				July 2010	Head of Planning and Administration Division of International Department of the Bank of Japan
				October 2012	Chief representative of Beijing Office of the Bank of Japan
				September 2015	Branch Manager of Kitakyushu Branch of the Bank of Japan
				June 2017	Deputy Director-General of International Department of the Bank of Japan (General Manager in charge of Asia)
				January 2020	Director-General of International Department of the Bank of Japan
				April 2021	Professor of Faculty of Economics of Osaka University of Economics (current position)
				May 2021	Senior fellow of Industrial Growth Platform, Inc. (current position)
October 2021	Research fellow of the Tokyo Foundation for Policy Research (current position)				
Reasons for nomination as candidate for Outside Director who is Audit & Supervisory Committee Member and overview of the expected role					
<p>Having served as Director-General of International Department and in other roles at the Bank of Japan, Tomoyuki Fukumoto has unparalleled knowledge and experience of international finance and economics, and as a university professor engaged in researching the finance and economics of China, he is also deeply versed in matters related to business in China and Asia. The Company proposes his election as an Outside Director who is an Audit & Supervisory Committee Member in order that it may leverage his knowledge and benefit from his informative comments and opinions on management in general, and because it expects him to use his extensive experience and deep insights from an independent viewpoint to influence the auditing and oversight of the Company’s management. Tomoyuki Fukumoto has never been directly involved in the management of a company. However, the Company judges he will appropriately fulfill his duties as an Outside Director who is Audit & Supervisory Committee Member based on the above reasons.</p>					

Candidate No.		7		Career summary, and position and responsibility	
New election	Outside	Independent			
<p style="text-align: center;">Tatsuya Motoda</p> <p style="text-align: center;">Male</p> <p style="text-align: center;">Born on September 9, 1969 (52 years old)</p> <ul style="list-style-type: none"> ■ Tenure as Director – years ■ Number of the Company’s shares owned 500 shares ■ Significant concurrent positions outside the Company Outside Director of TS TECH Co., Ltd. Outside Director of Global Information, Inc. 				May 1993	Joined Andersen Consulting (current Accenture Japan Ltd)
				September 1999	Joined Tsuji CPA Accounting Office (current Hongo Tsuji Tax & Consulting)
				September 2005	General Manager of Operations Management Department of Tsuji CPA Accounting Office
				April 2007	General Manager of International Tax Affairs Department of Tsuji CPA Accounting Office
				October 2008	Registration as Tax Accountant
				April 2014	Representative Tax Accountant of Motoda Tax & Accounting Office (current position)
				June 2014	Outside Auditor of TS TECH Co., Ltd.
				July 2018	Outside Auditor of Global Information, Inc.
				June 2021	Outside Director, Audit And Supervisory Committee Member of TS TECH Co., Ltd. (current position)
				March 2022	Outside Director, Audit And Supervisory Committee Member of Global Information, Inc. (current position)
				Reasons for nomination as candidate for Outside Director who is Audit & Supervisory Committee Member and overview of the expected role	
				<p>In addition to his professional expertise in accounting and taxation as a tax accountant, Tatsuya Motoda has accumulated extensive experience and deep insights into corporate management in general. The Company proposes his election as an Outside Director who is an Audit & Supervisory Committee Member in order that it may leverage his knowledge and benefit from his informative comments and opinions on management in general, and because it expects him to use his extensive experience and deep insights from an independent viewpoint to influence the auditing and oversight of the Company’s management. Tatsuya Motoda has never been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an Outside Director who is Audit & Supervisory Committee Member based on the above reasons.</p>	

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The number of the Company’s shares owned includes the shares owned through the Officers Shareholding Association. (Any shares less than 1 share are rounded down.)
 3. Kuniaki Kumamaru, Osami Yoshida, Yoko Maeda, Tomoyuki Fukumoto and Tatsuya Motoda are candidates for Outside Director. Furthermore, the Company registered Kuniaki Kumamaru, Osami Yoshida, and Yoko Maeda as independent officers as provided for by Tokyo Stock Exchange, Inc., and, if their election is approved, the Company plans to submit notification to the aforementioned exchange concerning their continued designation as independent officers. Furthermore, Tomoyuki Fukumoto and Tatsuya Motoda satisfy the requirements for independent officers as provided for by the Tokyo Stock Exchange, and the Company plans to submit notification to the exchange concerning their designation as independent officers upon approval of their election.
 4. In accordance with Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Kuniaki Kumamaru, Osami Yoshida and Yoko Maeda to limit their liability for damages under Article 423, paragraph (1) of the Act. The maximum amount of liability for damages under this agreement will be limited within an amount prescribed by laws and regulations. If their reelection is approved, the Company plans to renew this agreement with them. In the event that the election of Hiroyuki Shirakawa, Chiaki Kubota, Tomoyuki Fukumoto, and Tatsuya Motoda is approved under this proposal, the Company will enter into new limited liability agreements with each of them.
 5. Pursuant to Article 430-3, paragraph (1) of the Companies Act, the Company has entered into a liability insurance agreement for officers, etc. with an insurance company, under the terms of which the insured are covered for damages arising from legal action and legal expenses for which they would be liable. All of the candidates are included in the liability insurance agreement, and the Company intends to renew this agreement during their terms of service.
 6. Yoko Maeda’s name in her family register is Yoko Motoyanagi.

(Reference) In the event that Proposals No. 3 and Proposal No. 4 are approved and adopted in their original form, the composition, expertise, and experience of the Board of Directors (skill matrix) will be as follows.

Name	Current position in the Company	Corporate management	Sales Marketing	Finance & Accounting	Legal affairs Internal control Governance	Overseas experience Internationalism	Mitsui High-tech business Management	Technology Research & Development
Yasunari Mitsui	President and Representative Director	○	○			○	○	○
Masanori Kuriyama	Executive Managing Director		○				○	
Kozo Mitsui	Executive Managing Director	○	○	○	○	○		
Toshiaki Kusano	Director	○	○			○	○	
Tomomi Funakoshi	Director	○				○	○	
Masahide Kyo	Director	○				○	○	○
Hiroyuki Shirakawa	Director Full-time Audit & Supervisory Committee Member		○			○	○	
Chiaki Kubota	Director Full-time Audit & Supervisory Committee Member			○		○		
Kuniaki Kumamaru	Outside Director Audit & Supervisory Committee Member	○				○		○
Osami Yoshida	Outside Director Audit & Supervisory Committee Member			○		○		
Yoko Maeda	Outside Director Audit & Supervisory Committee Member				○	○		
Tomoyuki Fukumoto	Outside Director Audit & Supervisory Committee Member			○		○		
Tatsuya Motoda	Outside Director Audit & Supervisory Committee Member			○		○		

Proposal No. 5 Determination of Remuneration Amount for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

If Proposal No. 2 “Amendment to the Articles of Incorporation” is approved and adopted in its original form, the Company will make the transition to a company with audit and supervisory committee.

The amount of remuneration, etc. for the Company’s Directors was approved as no more than ¥350 million annually at the 73rd Annual General Meeting of Shareholders held on April 24, 2007, and this has been implemented to date. In addition to proposing that the Retirement Benefit Plan for Officers be abolished at the conclusion of this General Meeting of Shareholders, the Company proposes that remuneration for Directors should consist of fixed remuneration and performance-linked bonuses, and that changes should be implemented in the remuneration plan for officers that determines payments such that performance-linked remuneration is calculated based on certain metrics in order to further increase the motivation to improve performance. Performance-linked bonuses shall be paid to executive Directors.

Accordingly, the Company proposes that, pursuant to Article 361, paragraphs (1) and (2) of the Companies Act, the current amount of remuneration, etc. for Directors be replaced with an annual amount of remuneration, etc. of no more than ¥400 million (including a portion of no more than ¥50 million for Outside Directors) for Directors who are not Audit & Supervisory Committee Members. The portion of employee salaries of directors who concurrently serve as employees is not included in the remuneration, etc. for Directors who are not Audit & Supervisory Committee Members.

This proposal was determined after taking into account a comprehensive range of factors such as the scale of the Company’s business, the remuneration scheme and the level of payments to officers, the current number of officers and the trend in that number going forwards, and it has been judged to be reasonable by the Board of Directors.

Also, in the event that this proposal is approved, the “Policy for determining the details of remuneration, etc. for individual Directors” will be revised based on the “Basic policy for Director remuneration” on page 29, “(Reference)”. The number of Directors is currently 11 (including three Outside Directors). Subject to the approval and adoption of Proposal No. 2 and Proposal No. 3 in their original form, the number of Directors who are not Audit & Supervisory Committee Members will be six (of whom none are Outside Directors).

This proposal can take effect subject to condition that the amendment to the Articles of Incorporation of Proposal No. 2 “Amendment to the Articles of Incorporation” takes effect.

Proposal No. 6 Determination of Remuneration Amount for Directors Who Are Audit & Supervisory Committee Members

If Proposal No. 2 “Amendment to the Articles of Incorporation” is approved and adopted in its original form, the Company will make the transition to a company with audit and supervisory committee.

Accordingly, pursuant to Article 361, paragraphs (1) and (2) of the Companies Act, and also taking into account various factors related to the economic situation, etc., the Company proposes that the amount of remuneration, etc. for Directors who are Audit & Supervisory Committee Members be set to no more than ¥100 million (including a portion of no more than ¥60 million for Outside Directors).

This proposal was determined after taking into account a comprehensive range of factors such as the scale of the Company’s business, the remuneration scheme and the level of payments to officers, the current number of officers and the trend in that number going forwards, and it has been judged to be reasonable by the Board of Directors.

If Proposal No. 2 and Proposal No. 4 are approved and adopted in their original form, the number of Directors who are Audit & Supervisory Committee Members will be seven (including five Outside Directors).

This proposal can take effect subject to condition that the amendment to the Articles of Incorporation of Proposal No. 2 “Amendment to the Articles of Incorporation” takes effect.

Proposal No. 7 Determination of Amount and Details of Share-based Remuneration etc. for Directors

1. Reasons for the proposal and reasonable grounds

If Proposal No. 2 “Amendment to the Articles of Incorporation” is approved and adopted in its original form, the Company will make the transition to a company with audit and supervisory committee. This proposal is to request approval of the introduction of a new performance-linked and share-based remuneration plan called “Board Benefit Trust (BBT)” (the “Plan”) for executive Directors.

This proposal seeks to establish a more direct link between the remuneration of executive Directors and the Company’s business performance and stock value, and aims to raise awareness of the importance of contributing to improved performance over the medium to long term and of improving corporate value, by ensuring that executive Directors share with shareholders not only the advantages of rising share prices but also the risks of falling share prices. Furthermore, this proposal was determined after taking into account a comprehensive range of factors such as the scale of the Company’s business, the remuneration scheme and the level of payments to officers, the current number of officers and the trend in that number going forwards, and it has been judged to be reasonable by the Board of Directors.

Also, in the event that this proposal is approved, the “Policy for determining the details of remuneration, etc. for individual Directors” will be revised based on the “Basic policy for Director remuneration” on page 29, “(Reference)”.

This proposal seeks approval for specific methods of calculation and specific details of the amount of remuneration, etc. for paying remuneration to executive Directors of the Company based on the Plan, but under a framework separate from that of Proposal 5, in which approval is sought for the amount of remuneration for Directors (excluding Directors who are Audit & Supervisory Committee Members) to be set at no more than ¥400 million annually (including a portion of no more than ¥50 million for Outside Directors), which is not to include the portion of employees salaries. Furthermore, it is proposed that the details of the Plan set out within the limits of 2. below be left entirely to the discretion of the Board of Directors.

If Proposal No. 2 “Amendment to the Articles of Incorporation” and Proposal No. 3 “Election of Six Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)” are approved and adopted in their original form, the number of executive Directors eligible for the Plan will be six.

This proposal can take effect subject to condition that the amendment to the Articles of Incorporation of Proposal No. 2 “Amendment to the Articles of Incorporation” takes effect.

2. Amounts of remuneration, etc. and specific details under the Plan

(1) Overview of the Plan

The Plan is a performance-linked and share-based remuneration plan under which the Company’s shares are acquired through a trust (the trust that is established based on the Plan is referred to as the “Trust”) using money contributed by the Company as the financial funds, and executive Directors are provided with the Company’s shares and an amount of money equivalent to the market value of the Company’s shares (the “Company’s Shares, etc.”) through the Trust, pursuant to the Share Benefit Regulations for Officers, etc. established by the Company. The executive Directors shall receive the Company’s Shares, etc. upon their retirement, in principle.

(2) Persons eligible for the Plan

Executive Directors of the Company

(3) Trust amount

Subject to the approval of this proposal, the Company will introduce the Plan for the period of the three fiscal years from the fiscal year ending January 31, 2023 to the fiscal year ending January 31, 2025 (The period of these three fiscal years is hereinafter referred to as the “Initial Plan Period,” and the period of each three consecutive fiscal years commencing in the Initial Plan Period and after the termination of the Initial Plan Period is referred to as the “Plan Period.”) and for each of the subsequent Plan Periods. In order to deliver the Company’s Shares, etc. to executive Directors under the Plan, the Company will contribute money as outlined below to the Trust as the financial funds for the acquisition of the Company’s shares by the Trust.

As the first step, at the time of creating the Trust (June 2022 (planned)), the Company will contribute money in an amount estimated to be required in correspondence to the Initial Plan Period, thus creating the Trust.

Under the Plan, the maximum number of points temporarily granted to executive Directors after adjustments shall be 36,000 points per fiscal year, as set out in (5) below, and so at the time at which the Trust is set up the Company will contribute to the Trust an amount of funds that might reasonably be expected to be required for the purchase of up to 108,000 shares of the Company, after taking into account the closing price of common shares of the Company in ordinary trading on the Tokyo Stock Exchange on the day immediately before it. For reference, if applying the closing price of ¥6,910 on March 11, 2022, the above-mentioned money required will be approximately ¥746 million.

Even after the Initial Plan Period, the Company, until termination of the Plan, will reasonably estimate for each Plan Period, in principle, the number of shares required for delivering shares to executive Directors under the Plan; and additionally contribute money to the Trust in an amount deemed to be required by the Trust for acquiring shares in advance. However, when making these additional contributions, in cases where the Company's shares (excluding shares yet to be delivered to executive Directors, among the Company's shares equivalent to the number of points granted to executive Directors and adjusted for each Plan Period up to the immediately preceding) and monies remain in the Trust (hereinafter referred to as "Residual Shares, etc."), the Residual Shares, etc. shall be allocated as funds for provision under the Plan for subsequent Plan Periods, and the amount of additional contributions shall be calculated after taking Residual Shares, etc. into account. When the Company decides to make additional contributions, it shall make a disclosure in a timely and appropriate manner.

(Note) The money the Company actually contributes to the Trust will be the aggregate of the above funds to acquire the Company's shares and estimated necessary expenses such as trust fees.

- (4) Acquisition method of the Company's shares by the Trust and number of shares to be acquired
- The Trust shall acquire the Company's shares through the stock market on which the Company's shares are listed or by way of subscribing to the disposition of the Company's treasury shares, using the money contributed in accordance with (3) above as the financial funds.
- Furthermore, because the maximum number of points temporarily granted to executive Directors after adjustments is 36,000 points per fiscal year, the maximum number of the Company's shares purchased by the Trust for each Plan Period shall be 108,000. The Company shall make a disclosure regarding the details of the acquisition of the Company's shares by the Trust in a timely and appropriate manner.
- (5) Upper limit on the number of the Company's Shares, etc. to be delivered to executive Directors
- For each fiscal year, executive Directors shall be temporarily granted the number of points determined by taking into consideration the title, the degree of achievements in performance and other factors in accordance with the Share Benefit Regulations for Officers, etc. The number of points temporarily granted to executive Directors shall be adjusted to reflect the degree to which performance targets have been achieved etc. in each fiscal year, during the period from first day of the fiscal year in question to the last fiscal year ending within three years of the start date (three fiscal years). In this way, an upper limit of 36,000 is imposed on the total number of points temporarily granted to executive Directors in each fiscal year, after adjustments. This was determined after taking into account a comprehensive range of factors such as the scale of the Company's business, the remuneration scheme and the level of payments to officers, the current number of executive Directors and the trend in that number going forwards, and it has been judged to be reasonable by the Board of Directors.
- Also, when the Company's shares are delivered as per (6) below, the points temporarily granted to executive Directors and adjusted are converted at the rate of one point to one common share of the Company (however, in the event of a stock split, or allotment of share without contribution, or a stock consolidation of the Company's shares after this Proposal has been approved, the ratios involved shall be taken into account and reasonable adjustments shall be made to the maximum number of points, the number of points already granted, and the conversion ratio).
- The number of shares corresponding to the maximum number of points temporarily granted to executive Directors and adjusted in each fiscal year (36,000 shares) is approximately 0.09% of total number of issued shares, as of January 31, 2022, after deducting treasury stock.
- The number of points for executive Directors used as a benchmark when delivering the Company's shares as per (6) below shall, as a rule, be the number of points temporarily granted to the executive Director in question and adjusted for the period up to their resignation (hereinafter the number of points calculated in this way shall be referred to as "Determined Number of Points").

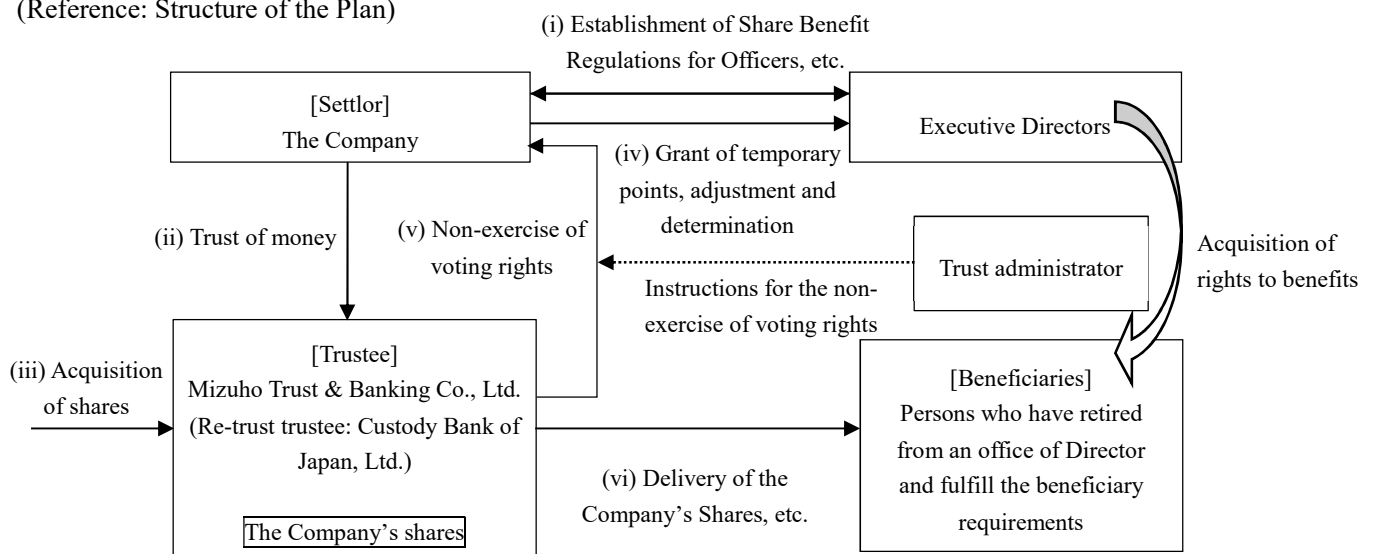
(6) Delivery of the Company's Shares, etc. and the specific calculating method for amounts of remuneration, etc. If retiring and meeting beneficiary requirements set forth in the Share Benefit Regulations for Officers, etc., an executive Director after the retirement shall receive the delivery of the Company's shares by the Trust in a number corresponding to the "Determined Number of Points," to be fixed in principle pursuant to the provisions described in (5) above, by performing a specified beneficiary determination procedure. However, if an executive Director satisfies the requirements as prescribed in the Share Benefit Regulations for Officers, etc., that executive Director will receive monetary provisions equivalent to the market value of the Company's shares instead of the Company's shares for a certain proportion of the points. The Trust may sell the Company's shares in order to make the monetary provisions. Executive Directors who have been granted points will not be able to acquire the right to receive benefits if they are dismissed by a resolution of the General Meeting of Shareholders, if they resign due to certain misconduct during their term of service, or if they commit inappropriate acts that cause damage to the Company during their term of service.

The amounts of remuneration, etc. to be received by executive Directors shall be based on the total number of points temporarily granted to the executive Directors multiplied by the book value per share of the Company's shares held by the Trust at the time the points are temporarily granted (however, in cases where the Company's shares become the subject of a share split, allotment of share without contribution, or consolidation of shares, etc. after this proposal is approved, adjustments shall be made in a reasonable manner in proportion to the relevant ratio, etc. The same shall apply hereinafter). In cases where the number of points temporarily granted is increased after points that have been temporarily granted are adjusted to reflect the degree to which performance targets have been achieved for each fiscal year in accordance with (5) above, each time the adjustment is made, an amount shall be added equivalent to the book value of each share of the Company owned by the Trust multiplied by the difference in the number of points. In addition, in cases where money is exceptionally provided in accordance with the provisions of the Share Benefit Regulations for Officers, etc., such amount shall be added if deemed appropriate.

(7) Handling of dividends

Dividends on the Company's shares in the Trust account will be received by the Trust, and mainly used for the acquisition of the Company shares and fees payable to the trustee of the Trust. If the Trust is terminated, the dividends remaining in the Trust will be provided to the executive Directors incumbent in proportion to the number of points that each of them holds in accordance with the Share Benefit Regulations for Officers, etc.

(Reference: Structure of the Plan)



- (i) The Company will establish the “Share Benefit Regulations for Officers, etc.” within the scope of the framework approved in this proposal.
- (ii) The Company will entrust the money within the limit of the approval of this proposal.
- (iii) The money entrusted as described in (ii) will be used by the Trust as financial funds to acquire the Company’s shares through the stock market on which the Company’s shares are listed or by way of subscribing to the disposition of the Company’s treasury shares.
- (iv) The Company will grant points to executive Directors temporarily based on the “Share Benefit Regulations for Officers, etc.” The number of points temporarily granted to executive Directors shall be adjusted to reflect the degree to which performance targets have been achieved etc. in each fiscal year, during the period from first day of the fiscal year in question to the last fiscal year ending within three years of the start date (three fiscal years).
- (v) In accordance with the instruction of the trust administrator independent of the Company, the Trust shall not exercise the voting rights for the Company’s shares within the Trust account.
- (vi) The Trust will provide the persons who have retired from an office of Director and fulfill the beneficiary requirements as prescribed in the “Share Benefit Regulations for Officers, etc.” (such persons hereinafter referred to as the “Beneficiaries”) with a number of the Company’s shares corresponding to the number of points that have been granted to the Beneficiaries and adjusted. However, if an incumbent Director fulfills the requirements as prescribed in the “Share Benefit Regulations for Officers, etc.,” the Trust will provide that Director with an amount of money equivalent to the market value of the Company’s shares for a certain percentage of points.

Proposal No. 8 Payment of Retirement Benefits to Retiring Directors and Retiring Audit & Supervisory Board Members and Final Payments of Retirement Benefits Arising From the Abolition of Retirement Benefit Plan

It is proposed that retirement benefit be granted to Kazushi Yoshida, Takanori Sakaue who will retire as Director, and Makoto Kondo and Sadayuki Nakamura who will retire as Audit & Supervisory Board Member at the conclusion of this meeting due to the expiration of their terms of service, in order to reward them for their services while in office, in a reasonable amount in accordance with the prescribed internal rules of the Company.

Furthermore, it is proposed that specific amounts, timing of payments, method of payments and other details be left entirely to the discretion of the Board of Directors in the case of retiring Directors, and be left to Audit & Supervisory Committee Members to deliberate in the case of retiring Audit & Supervisory Board Members, on the assumption that Proposal No. 4 “Election of Seven Directors Who Are Audit & Supervisory Committee Members” is approved and adopted.

With regard to retirement benefits, these reflect the unwavering efforts of the relevant individuals to contribute to improving the performance and enhancing the corporate value of the Company in the case of retiring Directors, and to appropriate auditing and oversight of the management of the Company in the case of retiring Audit & Supervisory Board Members. The amounts involved are based on the Company’s retirement benefits payment rules for officers, and are computed in accordance with the criteria for calculating retirement benefits for officers after taking into account position, length of service and other factors, and as such the retirement benefits are judged to be reasonable by the Company.

Listed below is a career summary of the retiring Directors and Audit & Supervisory Board Members:

Name	Career summary	
Kazushi Yoshida	April 2019	Director (current position)
Takanori Sakaue	April 2002	Director (current position)
	April 2004	President and Representative Director
	April 2010	Retired as President and Representative Director
Makoto Kondo	April 2007	Outside Audit & Supervisory Board Member (current position)
Sadayuki Nakamura	April 2019	Outside Audit & Supervisory Board Member (current position)

As part of a review of the Company’s remuneration plan for officers, it was resolved at a meeting of the Board of Directors held on March 14, 2022, that the retirement benefit plan would be abolished at the conclusion of this General Meeting.

Following this, and on the assumption that Proposal No. 3 “Election of Six Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)” and Proposal No. 4 “Election of Seven Directors Who Are Audit & Supervisory Committee Members” are approved and adopted in their original form, the Company proposes to pay a termination retirement benefit of reasonable amount in accordance with the prescribed internal rules of the Company in recognition of the period of service leading up to the abolition of retirement benefits to the six Directors and the three Directors who are Audit & Supervisory Committee Members who are expected to be take up their positions, and to two Audit & Supervisory Board Members.

Furthermore, it is proposed that payments be timed to coincide with the resignation of the Directors and Audit & Supervisory Board Members, and that specific amounts, method of payments and other details be left entirely to the discretion of the Board of Directors in the case of Directors, and be left to Directors who are Audit & Supervisory Committee Members to deliberate in the case of Audit & Supervisory Board Members, on the assumption that Proposal No. 4 “Election of Seven Directors Who Are Audit & Supervisory Committee Members” is approved and adopted.

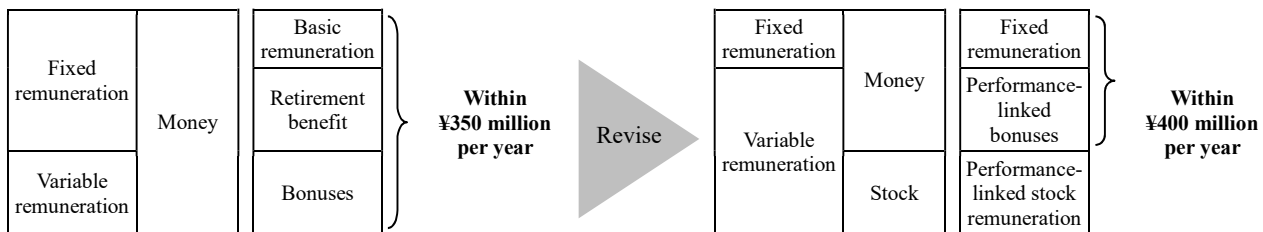
Having taken into account a comprehensive range of factors related to the remuneration plan for officers, the Company judges that the termination payment is reasonable, on the assumption that Proposal No. 7 “Determination of Amount and Details of Share-based Remuneration etc. for Directors” is approved and adopted in its original form.

This proposal can take effect subject to condition that the amendment to the Articles of Incorporation of Proposal No. 2 “Amendment to the Articles of Incorporation” takes effect.

Listed below is a career summary of the Directors and Audit & Supervisory Board Members eligible for final payments arising from the abolition of retirement benefit plan:

Name	Career summary	
Yasunari Mitsui	April 2005	Director
	April 2010	President and Representative Director (current position)
Masanori Kuriyama	April 2012	Director
	April 2016	Executive Managing Director (current position)
Kozo Mitsui	April 2019	Director
	April 2020	Executive Managing Director (current position)
Toshiaki Kusano	April 2016	Director (current position)
Tomomi Funakoshi	April 2019	Director (current position)
Masahide Kyo	April 2021	Director (current position)
Kuniaki Kumamaru	April 2016	Outside Director (current position)
Osami Yoshida	April 2020	Outside Director (current position)
Yoko Maeda	April 2021	Outside Director (current position)
Hiroyuki Shirakawa	April 2019	Full-time Audit & Supervisory Board Member (current position)
Chiaki Kubota	April 2021	Full-time Audit & Supervisory Board Member (current position)

(Reference) Overview of the remuneration plan for officers and the process for determining it, in the event that Proposal No. 5, Proposal No. 6, Proposal No. 7 are approved and adopted.



(i) Basic policy for Director remuneration

The following matters constitute the Basic policy of the Company when determining remuneration for officers.

- i. Remuneration shall be transparent and objective, and the level of remuneration shall be appropriate to the position and the duties involved.
- ii. Remuneration shall contribute fully to the exercise of management oversight functions.
- iii. Remuneration shall provide motivation to achieve management targets and encourage the performance of duties in a way that is congruent with its corporate principles and management strategy, so as to achieve improvements in corporate value through growth in the global business.
- iv. Remuneration shall contribute to securing the human resources required to achieve sustainable growth and improvements in corporate value over the medium to long term.
- v. Remuneration levels shall be set after considering the economic environment, market trends, and levels of pay at other companies.
- vi. When considering details and amounts of remuneration, specialist external organizations shall be used where necessary.

(ii) Remuneration structure

- i. In accordance with a resolution by a general meeting of shareholders, “Officer Remuneration Regulations,” which include calculation methods for remuneration of individual officers, and “Share Benefit Regulations for Officers, etc.” have been prescribed by the Board of Directors.
- ii. Remuneration for executive Directors shall consist of fixed remuneration, which does not vary, performance-linked remuneration, which varies with performance, and performance-linked and share-based remuneration. Remuneration for non-executive Directors such as Outside Directors shall consist of fixed remuneration only.
- iii. Fixed remuneration shall mean fixed monthly remuneration, and shall be determined by position after taking into account the roles and duties of each individual and levels of pay at other companies.
- iv. The amount paid as performance-linked remuneration shall be based on a reference amount prescribed for each position, and calculated in accordance with the degree to which targets are achieved.
- v. Performance-linked and share-based remuneration
The number of points determined by the title, the degree of achievements in performance shall be temporarily granted in accordance with the Share Benefit Regulations for Officers, etc. The number of points temporarily granted to executive Directors shall be adjusted to reflect the degree to which performance targets have been achieved etc. in each fiscal year, during the period from first day of the fiscal year in question to the last fiscal year ending within three years of the start date (three fiscal years). Points shall be granted to executive Directors on the basis of one point = one share, and a number of shares equivalent to the cumulative number of points granted shall be delivered.

(iii) Remuneration levels

When considering Director remuneration levels, objective remuneration data from specialist external organizations shall be used, and remuneration levels for officers at companies of comparable scale (selected by net sales, market capitalization, and the number of employees) shall be used as benchmarks. Remuneration shall first be deliberated by a Remuneration Advisory Committee on which Outside Directors make up the majority of committee members, with specific details of remuneration amounts for individuals being determined by the Board of Directors.

(iv) Indicators for performance-linked remuneration

Performance indicators associated with performance-linked remuneration, etc. shall consist of business indicators that are important for the evaluation of corporate performance and for which management is ultimately responsible, and that incentivize participants to achieve management targets. For performance-linked bonuses the indicator shall be net profit, and for performance-linked and share-based remuneration the indicators shall include net sales and operating income.

	Performance-linked bonus	Performance-linked and share-based remuneration
Performance indicators	Profit * The amount to be paid shall be determined by the position.	Net sales, operating profit, etc. *Targets shall be based predominantly on figures disclosed in the medium-term management plan, and shall be evaluated cumulatively from the first to the last fiscal years. Points are granted by position and in accordance with performance target KPIs for standalone fiscal years, with points adjusted to reflect the degree to which targets were achieved after the conclusion of the medium-term management plan in question.
Payment timing	The current fiscal year’s portion shall be paid within one month after the General Meeting of Shareholders held in the following fiscal year.	Upon retirement, each point is converted into one share, and the Company’s shares are delivered

	Performance-linked bonus	Performance-linked and share-based remuneration
(Grounds for recovering remuneration)	In cases where an executive Director is dismissed, or in cases where an executive Director commits acts in the period before they resign that result in serious damage to the Company or commits other illegal acts equivalent to such acts, bonuses scheduled to be paid may be fully or partially reduced by a resolution of the Board of Directors.	In cases where the scheduled recipient is dismissed, or in cases where the scheduled recipient commits acts in the period before they resign that result in serious damage to the Company or a Group company or commits other illegal acts equivalent to such acts, shares and monies scheduled to be delivered may be fully or partially reduced by a resolution of the Board of Directors of the Company or of a Group company.

(v) Remuneration ratio by type

To ensure that the proportions of different types of remuneration for executive Directors are set at a level that provides an appropriate incentive to contribute to increases in the corporate value of the Company, they shall be determined by the Board of Directors after first being deliberated by a Remuneration Advisory Committee on which Outside Directors make up the majority of committee members and which acts as an advisory body to the Board of Directors.

In addition, the proportion of different types of remuneration by position shall be as follows, with the proportion of incentive remuneration rising for positions in which a high level of results and a high level of responsibility is required.

	Fixed remuneration (%)	Variable remuneration	
		Performance-linked bonus (%)	Performance-linked and share-based remuneration (%)
Representative Director	45.0	27.5	27.5
Executive Directors (Senior Executive Managing Director)	52.0	28.8	19.2
Executive Directors (Executive Managing Director)	54.0	29.9	16.1
Executive Directors	56.0	30.8	13.2

(vi) Structure of performance-linked bonus

Based on a net profit target set for each fiscal year, this shall be calculated by multiplying the reference amount for each position by a coefficient based on the indicators evaluated.

(vii) Structure of performance-linked and share-based remuneration

With the aim of raising awareness of the need to achieve sustainable improvements in corporate value, the Company has adopted a Board Benefit Trust for performance-linked and share-based remuneration. For delivery of shares, net sales, operating income and other performance targets are set for each medium-term management plan, and the number of reference points is calculated based on the reference amount for each position. The number of points thus granted is multiplied by the degree to which performance targets are achieved, and the Company's shares are delivered after the end of the evaluation (three-year) period in accordance with the number of points granted. In cases where an individual resigns during the evaluation period, the relevant numbers will be subject to reasonable adjustment, as required.