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(Securities Code: 6584)

May 31, 2022

To our shareholders:

Genya Takeda, Director and President
Sanoh Industrial Co., Ltd.
3-6-6 Shibuya, Shibuya-ku, Tokyo

Notice of the 114th Annual General Meeting of Shareholders

We hereby announce that the 114th Annual General Meeting of Shareholders of Sanoh Industrial Co., Ltd. (the “Company”), will be held as indicated below.

In order to prevent the spread of the COVID-19, and giving top priority to the safety and security of our shareholders, we ask that you refrain from attending this year’s General Meeting of Shareholders in person and instead exercise your voting rights in writing (by postal mail) or via the internet, etc. by 6:00 p.m. on Tuesday, June 21, 2022.

1. Date and Time: Wednesday, June 22, 2022, at 10:00 a.m. (JST) (Reception starts at 9:00 a.m.)

2. Venue: “Yamabuki,” 4th floor, PALACE HOTEL TOKYO
1-1-1 Marunouchi, Chiyoda-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 114th fiscal year (from April 1, 2021 to March 31, 2022), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Board of Auditors
2. The Non-consolidated Financial Statements for the 114th fiscal year (from April 1, 2021 to March 31, 2022)

Matters to be resolved:

- | | |
|-----------------------|--|
| Proposal No. 1 | Amendment to the Articles of Incorporation |
| Proposal No. 2 | Election of Eight Directors |
| Proposal No. 3 | Election of One Auditor |
| Proposal No. 4 | Amendment to the Content of Stock Remuneration, etc. for Directors |

4. Guidance on Exercise of Voting Rights

Please refer to [Guidance on Exercise of Voting Rights] on pages 4 and 5 (only available in Japanese).

Regarding Internet Disclosure

- In accordance with laws and regulations and Article 14 of the Company's Articles of Incorporation, the Company has posted the following matters among the documents to be provided on the Company website on the internet (only available in Japanese). Therefore, they are not included in the documents to be provided in this Notice.
 - Systems to ensure that the execution of duties by Directors complies with laws and regulations and with the Articles of Incorporation, and other systems to ensure the appropriateness of operations
 - Summary of the operational status of the system to ensure the appropriateness of operations
 - Consolidated Statements of Changes in Shareholders' Equity
 - Notes to Consolidated Financial Statements in the Consolidated Financial Statements
 - Statements of Changes in Shareholders' Equity
 - Notes to the Non-Consolidated Financial Statements in the Nonconsolidated Financial StatementsConsequently, the documents provided in this Notice are part of those subject to the audit conducted by the Auditors or the Financial Auditor in preparing the Audit Report.
- Should any changes be made to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements or the Consolidated Financial Statements, we will post them on the Company's website on the internet (only available in Japanese).

Response to Prevention of the Spread of the COVID-19

In order to prevent the spread of COVID-19, we would like to reduce the scale of this General Meeting of Shareholders same as the previous year, and respond as follows.

Giving top priority to the safety and security of our shareholders, we ask that you refrain from attending this year's General Meeting of Shareholders in person and instead exercise your voting rights in writing (by postal mail) or via the internet, etc. by referring to Guidance on Exercise of Voting Rights on the following page (only available in Japanese) by 6:00 p.m. on Tuesday, June 21, 2022.

We ask for your understanding and cooperation.

Information on Livestream of the General Meeting of Shareholders

This General Meeting of Shareholders will be livestreamed.

Please visit the "General Meeting of Shareholders" page of the Company's website (<https://www.sanoh.com/ja/ir/stockholders/>) (only available in Japanese).

- Notes on the livestreaming
 - The livestream is not considered as attendance at the General Meeting of Shareholders under the Companies Act, and you can only view the livestream. Please note in advance that you will not be able to exercise your voting rights, ask questions or make motions through the livestream.
 - Depending on the telecommunications equipment and network environment used, you may not be able to view the livestream.
 - Please note that telecommunication fees for viewing the livestream are the responsibility of the shareholders.
 - For a comfortable viewing on a smartphone or tablet, we recommend that you view the livestream in a Wi-Fi environment.

Should any changes be made to the aforementioned matters due to a change in circumstances in future, we will post them on the Company's website on the internet (<https://www.sanoh.com/ja/ir/>) (only available in Japanese). Please check the Company's website, as appropriate.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Amendment to the Articles of Incorporation

1. Reasons for the proposal

The revised provisions 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) are to be enforced on September 1, 2022. Accordingly, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Article 14 (Measures, etc. for Providing Information in Electronic Format), paragraph 1 in “Proposed amendments” below shall be newly established, as the Articles of Incorporation will be required to stipulate that the Company will take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 14 (Measures, etc. for Providing Information in Electronic Format), paragraph 2 in “Proposed amendments” below shall be newly established to allow the Company 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, among the items for which measures for providing information in electronic format will be taken that constitutes the content of reference documents for the general meeting of shareholders, etc., to the scope designated by the Ministry of Justice Order.
- (3) If the system for providing informational materials for the general meeting of shareholders in electronic format is introduced, the provisions for Article 14 of the current Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall no longer be required, and shall be deleted accordingly.
- (4) Supplementary provisions regarding the effect of the aforementioned new establishment and deletion of provisions shall be established. These supplementary provisions shall be deleted after a set date.

2. Details for the amendment

Details for the amendment are as follows:

(Underlined text indicates changes.)

Current Articles of Incorporation	Proposed amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u> <u>Article 14</u> <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, non-consolidated financial statements and consolidated financial statements via 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;">(Newly established)</p>	<p style="text-align: center;">(Deleted)</p> <p><u>(Measures, etc. for Providing Information in Electronic Format)</u> <u>Article 14</u> <u>1. When the Company convenes a general meeting of shareholders, it will take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u> <u>2. Among items for which the measures for providing information in electronic format will be taken, the Company shall not require 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>

Current Articles of Incorporation	Proposed amendments
(Newly established)	<p data-bbox="820 203 1094 230"><u>(Supplementary Provisions)</u></p> <p data-bbox="805 232 1439 293"><u>(Transitional Measures for Providing Informational Materials for the General Meeting of Shareholders in Electronic Format)</u></p> <p data-bbox="805 295 895 322"><u>Article 1</u></p> <ol data-bbox="820 324 1439 887" style="list-style-type: none"> <li data-bbox="820 324 1439 510">1. <u>The deletion of Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, etc.) and the new establishment of Article 14 (Measures, etc. for Providing Information in Electronic Format) of the Articles of Incorporation shall take effect as of September 1, 2022.</u> <li data-bbox="820 512 1439 734">2. <u>Notwithstanding the provision of the preceding paragraph, Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from September 1, 2022.</u> <li data-bbox="820 736 1439 887">3. <u>The provisions under this Article shall be deleted on the date when six months have elapsed from September 1, 2022, or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u>

Proposal No. 2 Election of Eight Directors

At the conclusion of this meeting, the terms of office of all seven Directors will expire. Therefore, the Company will increase the number of Outside Directors by one to further enhance the management system, and it proposes the election of eight Directors.

The candidates for Director are as follows:

Candidate No.	Name	Position and responsibility in the Company	
1	Yozo Takeda	Director, Chairman and CEO	Reelection
2	Genya Takeda	Director, President and COO	Reelection
3	Munetoshi Sasaki	Director and Executive Officer CFO and General Manager of Finance Headquarters	Reelection
4	Takafumi Morichi	Director	Reelection Outside Independent
5	Kazukimi Namie	Director	Reelection Outside Independent
6	Motohisa Kaneko	Director	Reelection Outside Independent
7	Akie Iriyama	Director	Reelection Outside Independent
8	Yoshiyuki Izawa	—	New election Outside Independent

Reelection: candidate for Director to be reelected

New election: candidate for Director to be newly elected

Outside: candidate for Outside Director

Independent: independent officer as defined by the securities exchange

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company		Number of the Company's shares owned	
1	Yozo Takeda (February 4, 1949)	Mar. 1978	Joined the Company	329,180 shares	
		July 1981	Manager of Development Engineering Division, Production Headquarters		
	Reelection	June 1983	Director		
		June 1987	Managing Director		
	Number of shares not yet issued as other stock remuneration 44,914 shares	June 1991	Senior Managing Director		
		June 1995	Director and President (Representative Director)		
	Number of years in office: 39 years (at the conclusion of this meeting)	July 2000	CEO (current position)		
		July 2005	COO		
	Attendance at Board of Directors meetings: 15/15 (100%)	May 2012	Director and Chairman (Representative Director) (current position)		
		June 2020	Outside Director of STANLEY ELECTRIC CO., LTD. (current position)		
(Significant concurrent positions outside the Company)					
Outside Director of STANLEY ELECTRIC CO., LTD.					
(Reasons for nomination as candidate for Director)					
Yozo Takeda assumed office as Director of the Company in 1983, and served as President and Representative Director from 1995 to 2012, and as Director and Chairman since 2012. He has been nominated as a candidate for Director because the Company believes that he is able to appropriately perform the duties of Director, based on his accumulated knowledge and experience in the overall management of the Group.					
(Relationship of special interest in the Company)					
There is no special interest between Yozo Takeda and the Company.					
2	Genya Takeda (June 24, 1978)	July 2008	Ph.D. from Northwestern University	430,000 shares	
		Feb. 2009	Joined the Company		
		May 2012	Deputy General Manager of Global Development Headquarters		
		May 2012	Manager of Research and Development Division		
		Reelection	June 2012		Director
			Jan. 2014		Officer
		Number of shares not yet issued as other stock remuneration 47,145 shares	Jan. 2014		General Manager of Global Development Headquarters
			July 2014		Executive Officer
		Number of years in office: 10 years (at the conclusion of this meeting)	May 2015		Senior Executive Officer
			June 2015		Senior Managing Director (Representative Director)
		Attendance at Board of Directors meetings: 15/15 (100%)	Apr. 2016		COO (current position)
			June 2016		Director and Vice President (Representative Director)
			June 2017		Director and President (Representative Director) (current position)
(Significant concurrent positions outside the Company)					
None					
(Reasons for nomination as candidate for Director)					
Genya Takeda assumed office as Director of the Company in 2012 after mainly serving in the Development Division, and has served as COO since 2016 and Director and President since 2017. He has been nominated as a candidate for Director because the Company believes that he can appropriately perform the duties of Director, based on his accumulated knowledge and experience in the overall management of the Group.					
(Relationship of special interest in the Company)					
There is no special interest between Genya Takeda and the Company.					

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
3	<p>Munetoshi Sasaki (February 9, 1978)</p> <p>Reelection</p> <p>Number of shares not yet issued as other stock remuneration 12,422 shares</p> <p>Number of years in office: 7 years (at the conclusion of this meeting)</p> <p>Attendance at Board of Directors meetings: 15/15 (100%)</p>	<p>Apr. 2000 Joined the Company</p> <p>Sept. 2004 MBA, University of Findlay</p> <p>Apr. 2013 Manager of Global Marketing and Strategy Department, Global Marketing Headquarters of the Company</p> <p>May 2015 Officer</p> <p>May 2015 Manager of Corporate Planning Division</p> <p>June 2015 Director (current position)</p> <p>May 2016 Executive Officer (current position)</p> <p>Apr. 2019 General Manager of Corporate Planning Headquarters</p> <p>May 2020 CFO and General Manager of Finance Headquarters (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>None</p>	2,000 shares
(Reasons for nomination as candidate for Director)			
Munetoshi Sasaki assumed office as Director of the Company in 2015 after mainly serving in the Sales Division and Corporate Planning Division, and has served as Officer since the same year and as Executive Officer since 2016. He has been nominated as a candidate for Director because the Company believes that he can appropriately perform the duties of Director, based on his accumulated knowledge and experience in the overall management of the Group.			
(Relationship of special interest in the Company)			
There is no special interest between Munetoshi Sasaki and the Company.			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
	<p>Takafumi Morichi (October 15, 1958)</p> <p>Reelection Outside Independent</p> <p>Number of shares not yet issued as other stock remuneration 4,968 shares</p> <p>Number of years in office: 3 years (at the conclusion of this meeting)</p> <p>Attendance at Board of Directors meetings: 15/15 (100%)</p>	<p>Apr. 1981 Joined Kobe Steel, Ltd.</p> <p>Apr. 2011 Officer</p> <p>Apr. 2013 Executive Officer</p> <p>Apr. 2015 Senior Executive Officer</p> <p>June 2017 President and CEO of Shinsho Corporation (current position)</p> <p>June 2019 Director (current position) (Significant concurrent positions outside the Company)</p> <p>President and CEO of Shinsho Corporation</p>	<p>0 shares</p>
4	<p>(Reasons for nomination as candidate for Outside Director and outline of expected roles)</p> <p>Takafumi Morichi has been engaged in the management of Kobe Steel, Ltd. and Shinsho Corporation for many years. He has been nominated as a candidate for Outside Director because the Company believes that, utilizing his experience, he can provide appropriate advice from the perspective of contributing to the sustainable growth and medium- to long-term enhancement of the Company's corporate value based on his knowledge from a standpoint independent of the management team.</p> <p>In addition, if Takafumi Morichi is elected, he will be involved in the selection of candidates for officers of the Company and the determination of officer remuneration, etc. from an objective and neutral standpoint as an advisory member for Personnel and Compensation Committee.</p> <p>If the reelection of Takafumi Morichi as an Outside Director is approved, the Company plans to resubmit notification to Tokyo Stock Exchange, Inc. concerning his designation as an independent officer as provided for by the aforementioned exchange.</p>		
	<p>(Relationship of special interest in the Company)</p> <p>Takafumi Morichi concurrently serves as President and CEO of Shinsho Corporation and the Company has a business relationship with the company for products, etc. However, the amount of transactions in the most recent consolidated fiscal year is less than 1% of consolidated net sales of either party.</p>		
	<p>(Independence as Outside Director)</p> <ol style="list-style-type: none"> 1. Takafumi Morichi has not served as an executive of the Company or any of the specified related businesses of the Company in the past ten years. Additionally, in the past two years, he has not been a person who executes business of a stock company that has succeeded to the rights and obligations of the Company as a result of a merger, absorption-type demerger, incorporation-type demerger, or transfer of business, immediately prior to the relevant merger, etc. 2. Takafumi Morichi does not plan to receive a large amount of money or other assets (excluding remuneration, etc. for Directors, etc.) from the Company or a specified related business operator of the Company, and he has not received it in the past two years. 3. Takafumi Morichi is not a spouse, a relative within the third degree of consanguinity of the Company or any specified related business operator of the Company, or any other equivalent thereto. 		

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
	Kazukimi Namie (December 3, 1956) Reelection Outside Independent Number of shares not yet issued as other stock remuneration 4,968 shares Number of years in office: 3 years (at the conclusion of this meeting) Attendance at Board of Directors meetings: 15/15 (100%)	Apr. 1979 Joined Nissei Sangyo Co., Ltd. Apr. 1981 Joined Matsushita Electric Industrial Trading Co., Ltd. July 1989 Joined Arthur D. Little Japan Inc. Mar. 1998 Joined NTT DATA INSTITUTE OF MANAGEMENT CONSULTING, Inc. Apr. 1999 Joined NETAGE, Inc. Sept. 2000 Joined Fusion and Innovation Co., Ltd. June 2012 President and Representative Director of Vector Consulting Co., Ltd. (current position) Apr. 2013 Professor at Graduate School of Management of Technology, Nippon Institute of Technology June 2019 Director (current position) (Significant concurrent positions outside the Company) President and Representative Director of Vector Consulting Co., Ltd.	0 shares
5	<p>(Reasons for nomination as candidate for Outside Director and outline of expected roles)</p> <p>Kazukimi Namie has abundant experience and deep insight as a corporate manager. He has been nominated as a candidate for Outside Director because the Company believes that, in addition to utilizing his experience in the overall management of the Company, he can provide appropriate advice from the perspective of contributing to the sustainable growth and medium- to long-term enhancement of the Company's corporate value based on his knowledge from a standpoint independent of the management team.</p> <p>If the reelection of Kazukimi Namie as an Outside Director is approved, the Company plans to resubmit notification to Tokyo Stock Exchange, Inc. concerning his designation as an independent officer as provided for by the aforementioned exchange.</p>		
	<p>(Relationship of special interest in the Company)</p> <p>There is no special interest between Kazukimi Namie and the Company.</p>		
	<p>(Independence as Outside Director)</p> <ol style="list-style-type: none"> 1. Kazukimi Namie has not served as an executive of the Company or any of the specified related businesses of the Company in the past ten years. Additionally, in the past two years, he has not been a person who executes business of a stock company that has succeeded to the rights and obligations of the Company as a result of a merger, absorption-type demerger, incorporation-type demerger, or transfer of business, immediately prior to the relevant merger, etc. 2. Kazukimi Namie does not plan to receive a large amount of money or other assets (excluding remuneration, etc. for Directors, etc.) from the Company or a specified related business operator of the Company, and he has not received it in the past two years. 3. Kazukimi Namie is not a spouse, a relative within the third degree of consanguinity of the Company or any specified related business operator of the Company, or any other equivalent thereto. 		

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
	<p>Motohisa Kaneko (February 2, 1984)</p> <p>Reelection Outside Independent</p> <p>Number of shares not yet issued as other stock remuneration 4,968 shares</p> <p>Number of years in office: 3 years (at the conclusion of this meeting)</p> <p>Attendance at Board of Directors meetings: 15/15 (100%)</p>	<p>Apr. 2006 Joined Shinsei Bank, Ltd.</p> <p>Mar. 2011 Joined Industrial Growth Platform, Inc.</p> <p>Oct. 2015 Outside Director of UNIFINITY Inc.</p> <p>June 2016 Outside Director of SPOT Co., Ltd.</p> <p>Jan. 2018 President and Representative Director of SPOT Co., Ltd.</p> <p>Apr. 2019 Representative Director and COO of iMed Technologies Co., Ltd.</p> <p>June 2019 Director (current position)</p> <p>Apr. 2020 Co-founder, Director and COO of iMed Technologies Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) Co-founder, Director and COO of iMed Technologies Co., Ltd.</p>	0 shares
6	<p>(Reasons for nomination as candidate for Outside Director and outline of expected roles)</p> <p>Motohisa Kaneko has abundant experience and deep insight as a corporate manager. He has been nominated as a candidate for Outside Director because the Company believes that, in addition to utilizing his experience in the overall management of the Company, he can provide appropriate advice from the perspective of contributing to the sustainable growth and medium- to long-term enhancement of the Company's corporate value based on his knowledge from a standpoint independent of the management team.</p> <p>In addition, if Motohisa Kaneko is elected, he will be involved in the selection of candidates for officers of the Company and the determination of officer remuneration, etc. from an objective and neutral standpoint as an advisory member for Personnel and Compensation Committee.</p> <p>If the reelection of Motohisa Kaneko as an Outside Director is approved, the Company plans to resubmit notification to Tokyo Stock Exchange, Inc. concerning his designation as an independent officer as provided for by the aforementioned exchange.</p>		
	<p>(Relationship of special interest in the Company)</p> <p>There is no special interest between Motohisa Kaneko and the Company.</p>		
	<p>(Independence as Outside Director)</p> <ol style="list-style-type: none"> Motohisa Kaneko has not served as an executive of the Company or any of the specified related businesses of the Company in the past ten years. Additionally, in the past two years, he has not been a person who executes business of a stock company that has succeeded to the rights and obligations of the Company as a result of a merger, absorption-type demerger, incorporation-type demerger, or transfer of business, immediately prior to the relevant merger, etc. Motohisa Kaneko does not plan to receive a large amount of money or other assets (excluding remuneration, etc. for Directors, etc.) from the Company or a specified related business operator of the Company, and he has not received it in the past two years. Motohisa Kaneko is not a spouse, a relative within the third degree of consanguinity of the Company or any specified related business operator of the Company, or any other equivalent thereto. 		

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
	Akie Iriyama (December 8, 1972) Reelection Outside Independent Number of shares not yet issued as other stock remuneration 4,968 shares Number of years in office: 2 years (at the conclusion of this meeting) Attendance at Board of Directors meetings: 14/15 (93%)	Apr. 1998 Joined Mitsubishi Research Institute, Inc. Sept. 2008 Assistant Professor at Buffalo State, The State University of New York Sept. 2013 Associate Professor at Graduate School of Commerce, Waseda University (currently Graduate School of Business and Finance) Apr. 2019 Professor at Graduate School of Business and Finance Waseda University (current position) June 2019 External Director of ROHTO Pharmaceutical Co., Ltd. (current position) June 2020 Director (current position) Dec. 2020 Outside Director of SEPTENI HOLDINGS CO., LTD. (current position) (Significant concurrent positions outside the Company) Professor at Graduate School of Business and Finance Waseda University External Director of ROHTO Pharmaceutical Co., Ltd. Outside Director of SEPTENI HOLDINGS CO., LTD.	0 shares
7	<p>(Reasons for nomination as candidate for Outside Director and outline of expected roles) Although Akie Iriyama has never been involved in the management of a company before except as an Outside Director, he has a high level of academic knowledge in the fields of management strategy and global management as a researcher. He has been nominated as a candidate for Outside Director because the Company believes that, in addition to utilizing his academic knowledge in the overall management of the Company, he can provide appropriate advice from the perspective of contributing to the sustainable growth and medium- to long-term enhancement of the Company's corporate value based on his knowledge from a standpoint independent of the management team. If the reelection of Akie Iriyama as an Outside Director is approved, the Company plans to resubmit notification to Tokyo Stock Exchange, Inc. concerning his designation as an independent officer as provided for by the aforementioned exchange.</p>		
	<p>(Relationship of special interest in the Company) There is no special interest between Akie Iriyama and the Company.</p>		
	<p>(Independence as Outside Director)</p> <ol style="list-style-type: none"> 1. Akie Iriyama has not served as an executive of the Company or any of the specified related businesses of the Company in the past ten years. Additionally, in the past two years, he has not been a person who executes business of a stock company that has succeeded to the rights and obligations of the Company as a result of a merger, absorption-type demerger, incorporation-type demerger, or transfer of business, immediately prior to the relevant merger, etc. 2. Akie Iriyama does not plan to receive a large amount of money or other assets (excluding remuneration, etc. for Directors, etc.) from the Company or a specified related business operator of the Company, and he has not received it in the past two years. 3. Akie Iriyama is not a spouse, a relative within the third degree of consanguinity of the Company or any specified related business operator of the Company, or any other equivalent thereto. 		

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company	Number of the Company's shares owned
8	<p>Yoshiyuki Izawa (February 10, 1948)</p> <p>New election Outside Independent</p> <p>Number of shares not yet issued as other stock remuneration - shares</p> <p>Number of years in office: -</p> <p>Attendance at Board of Directors meetings: -</p>	<p>Apr. 1970 Joined MITSUI & CO., LTD.</p> <p>June 2000 Director</p> <p>Apr. 2004 Executive Managing Officer</p> <p>Apr. 2007 Senior Executive Managing Officer</p> <p>June 2007 Representative Director, Senior Executive Managing Officer</p> <p>Apr. 2008 Representative Director, Executive Vice President</p> <p>Dec. 2009 President and Representative Executive Officer of JAPAN POST BANK Co., Ltd.</p> <p>May 2015 Chairman and Representative Director of BlackRock Japan Co., Ltd.</p> <p>Apr. 2021 Director and Chairman</p> <p>May 2022 Outside Director (Audit & Supervisory Committee Member) of Nitori Holdings Co., Ltd. (current position)</p> <p>May 2022 Outside Director of Seven & i Holdings Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Outside Director (Audit & Supervisory Committee Member) of Nitori Holdings Co., Ltd.</p> <p>Outside Director of Seven & i Holdings Co., Ltd.</p>	2,000 shares
<p>(Reasons for nomination as candidate for Outside Director and outline of expected roles)</p> <p>Yoshiyuki Izawa has abundant experience and deep insight as a corporate manager. He has been nominated as a candidate for Outside Director because the Company believes that, in addition to utilizing his experience in the overall management of the Company, he can provide appropriate advice from the perspective of contributing to the sustainable growth and medium- to long-term enhancement of the Company's corporate value based on his knowledge from a standpoint independent of the management team.</p> <p>If the election of Yoshiyuki Izawa as an Outside Director is approved, the Company plans to submit notification to Tokyo Stock Exchange, Inc. concerning his designation as an independent officer as provided for by the aforementioned exchange.</p>			
<p>(Relationship of special interest in the Company)</p> <p>There is no special interest between Yoshiyuki Izawa and the Company.</p>			
<p>(Independence as Outside Director)</p> <ol style="list-style-type: none"> Yoshiyuki Izawa has not served as an executive of the Company or any of the specified related businesses of the Company in the past ten years. Additionally, in the past two years, he has not been a person who executes business of a stock company that has succeeded to the rights and obligations of the Company as a result of a merger, absorption-type demerger, incorporation-type demerger, or transfer of business, immediately prior to the relevant merger, etc. Yoshiyuki Izawa does not plan to receive a large amount of money or other assets (excluding remuneration, etc. for Directors, etc.) from the Company or a specified related business operator of the Company, and he has not received it in the past two years. Yoshiyuki Izawa is not a spouse, a relative within the third degree of consanguinity of the Company or any specified related business operator of the Company, or any other equivalent thereto. 			

Proposal No. 3 Election of One Auditor

At the conclusion of this meeting, Auditor Tomohiko Shimizu will retire due to expiration of his term of office. Therefore, the Company proposes the election of one Auditor.

The Company has obtained consent of the Board of Auditors to this proposal.

The candidate for Auditor is as follows:

Name (Date of birth)	Career summary and position	Number of the Company's shares owned
<p>Tomoki Hiraishi (April 4, 1978)</p> <p>New election Outside Independent</p> <p>Number of years in office as an Auditor: -</p> <p>Attendance at Board of Directors meetings: -</p> <p>Attendance at Board of Auditors meetings: -</p>	<p>Oct. 2003 Joined Shin Nihon & Co. (currently Ernst & Young ShinNihon LLC)</p> <p>Oct. 2007 Registered as certified public accountant</p> <p>Aug. 2011 Representative Director and President of accrea Inc. (current position)</p> <p>Aug. 2014 Registered as tax accountant</p> <p>Sept. 2014 Partner of accrea Tax Accountant Corporation (current position)</p> <p>Dec. 2017 Director of Japan Cloud Capital, Inc. (currently FUNDINNO, Inc.) (current position)</p> <p>Dec. 2019 Outside Director of INTERTRADE Co., Ltd. (current position)</p> <p>(Significant concurrent positions outside the Company) Representative Director and President of accrea Inc., Partner of accrea Tax Accountant Corporation Director of FUNDINNO, Inc., Outside Director of INTERTRADE Co., Ltd.</p>	<p>0 shares</p>
<p>(Reasons for nomination as candidate for Outside Auditor)</p> <p>Tomoki Hiraishi possesses deep insight of finance and accounting as a certified public accountant and a tax accountant, as well as abundant knowledge as a corporate manager. He has been nominated as a candidate for Outside Auditor because the Company believes that he can audit the Company from an objective standpoint.</p> <p>If the election of Tomoki Hiraishi as an Outside Auditor is approved, the Company plans to submit notification to Tokyo Stock Exchange, Inc. concerning his designation as an independent officer as provided for by the aforementioned exchange.</p>		
<p>(Relationship of special interest in the Company)</p> <p>Although there is a business relationship between the Company and the company at which Tomoki Hiraishi holds concurrent positions, the transaction amount in the most recent fiscal year was less than 1% of consolidated net sales for both parties.</p>		
<p>(Independence as Outside Auditor)</p> <ol style="list-style-type: none"> 1. Tomoki Hiraishi has not served as an executive of the Company or any of the specified related businesses of the Company in the past ten years. Additionally, in the past two years, he has not been a person who executes business of a stock company that has succeeded to the rights and obligations of the Company as a result of a merger, absorption-type demerger, incorporation-type demerger, or transfer of business, immediately prior to the relevant merger, etc. 2. Tomoki Hiraishi does not plan to receive a large amount of money or other assets (excluding remuneration, etc. for Directors, etc.) from the Company or a specified related business operator of the Company, and he has not received it in the past two years. 3. Tomoki Hiraishi is not a spouse, a relative within the third degree of consanguinity of the Company or any specified related business operator of the Company, or any other equivalent thereto. 		

Special Notes on Candidates for Proposal No. 2 and Proposal No. 3

Limited liability agreement

Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Takafumi Morichi, Kazukimi Namie, Motohisa Kaneko and Akie Iriyama to limit their liability for damages under Article 423, Paragraph 1 of the said Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for Article 425, Paragraph 1 of the said Act. If they are reelected, the Company intends to continue the said agreement.

In addition, if Yoshiyuki Izawa is approved to assume office as Outside Director and Tomoki Hiraishi as Outside Auditor, the Company also intends to enter into similar agreements with them.

Directors and Officers Liability Insurance Policy

The Company has concluded a Directors and Officers Liability Insurance Policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, and outline of the policy is described in “2. (2) (iv) Outline of Directors and Officers Liability Insurance Policy” in the Business Report. If the election of each candidate for Director and Auditor is approved, they will continue to be insured under the policy.

In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal No. 4 Amendment to the Content of Stock Remuneration, etc. for Directors

1. Reasons for the proposal and reasons for the amendment to such remuneration plan to be appropriate
 To clarify the linkage between Directors’ remuneration and the value of the Company’s shares, and to increase Directors’ awareness of contributing to improve the Company’s operating results and increasing its corporate value over the medium- to long-term by sharing with shareholders the benefits and risks associated with fluctuations in the share price, the introduction of a stock remuneration plan using a trust was approved at the 112th Annual General Meeting of Shareholders held on June 22, 2020 (hereinafter referred to as the “previous resolution”), and the Company has continued to operate the plan until now (hereinafter referred to as the “Plan”). This proposal requests an approval to revise the maximum number of points to be granted as the basis for calculating the number of the Company’s shares to be delivered to Directors under the Plan, as described in 2. below. The details are to be left to the Board of Directors within the framework of 2. below. Other than the above, there is no change from the content of previous resolution.
 The purpose of the Plan is to raise awareness to contribute to the business performance improvement and the corporate value improvement over the medium- to long-term. In order to achieve such purpose, the Company believes it is appropriate to continue the Plan after revising the maximum number of points as proposed in this proposal.
 The Company has also established a policy for determining the content of Directors’ remuneration, etc., as outlined in 2. (2) (v) Remuneration, etc. for Directors and Auditors for the fiscal year under review of the Business Report, and does not intend to change such policy even if this proposal is approved. The content of this proposal is necessary and reasonable in order to provide Directors with remuneration, etc. in accordance with such policy. Based on the above, the Company believes that the content of this proposal is appropriate.
 If Proposal No. 2 “Election of Eight Directors” is approved as proposed, the number of Directors subject to the Plan will be eight (including five Outside Directors).

2. Content, etc. after the amendment to the Plan

(1) Outline of the Plan

The Plan is a stock remuneration plan where the Company’s shares are acquired by a trust (already established; hereinafter referred to as the “Trust”) to which the Company contributed cash and established by the Company, and the Company’s shares equivalent to the number of points granted by the Company to each Director are delivered to each Director through the Trust.

In principle, the time at which Directors receive delivery of the Company’s shares is when they retire.

(2) Content of the amendment to the Plan

Under the previous resolution, the maximum number of points to be granted by the Company to Outside Directors was set at 15,000 points per fiscal year, but this time the maximum number of points to be granted to Outside Directors will be increased to 30,000 points per fiscal year.

After this amendment, there will be no change in the total number of points to be granted to the Company’s Directors.

Before change	After change
Maximum number of points 95,000 points per fiscal year (including <u>15,000 points</u> for Outside Directors)	Maximum number of points 95,000 points per fiscal year (including <u>30,000 points</u> for Outside Directors)

Other than the above points, there is no change from the details approved in the previous resolution. The outline of the plan, if this proposal is approved, is as follows.

(i) Eligible persons under the Plan	Directors of the Company
(ii) Covered period	From the day following the date of the previous resolution until the conclusion of the Annual General Meeting of Shareholders in June 2023
(iii) Maximum amount of cash to be contributed by the Company to fund the acquisition of the Company's shares necessary to deliver the Company's shares to the eligible persons of (i) during the covered period in (ii)	Total of 285 million yen (including 45 million yen for Outside Directors)
(iv) Method of acquisition of the Company's shares	Method of disposing treasury stock or method of acquiring shares from an exchange market (including off-floor trading)
(v) Maximum total number of points to be granted to eligible persons of (i)	95,000 points per fiscal year (including 30,000 points for Outside Directors)
(vi) Criteria for granting points	Points granted according to position, etc.
(vii) Timing of delivery of the Company's shares to the eligible persons of (i)	In principle, at the time of retirement