

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: 8057)

September 28, 2021

To our shareholders:

Noboru Okubo,  
President and Chief Executive Officer  
**UCHIDA YOKO CO., LTD.**  
4-7, Shinkawa 2-chome, Chuo-ku, Tokyo

## Notice of the 83rd Annual General Meeting of Shareholders

We are pleased to announce the 83rd Annual General Meeting of Shareholders (the “Meeting”) of UCHIDA YOKO CO., LTD. (the “Company”), which will be held as indicated below.

The Company has decided to hold the Meeting on a smaller scale in order to prevent the spread of the novel coronavirus disease (COVID-19) by taking appropriate measures to prevent infection. For details, please refer to the attached “Response to Prevent COVID-19 at the 83rd Annual General Meeting of Shareholders” (available in Japanese only).

**We request that you do not force yourself and carefully consider whether to attend the Meeting in person. 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 Friday, October 15, 2021 (JST), following the “Instructions on Exercise of Voting Rights” (available in Japanese only). For your reference, the summary of the instructions on exercise of voting rights by mail or via the Internet, etc. is as follows.**

### **[Voting by mail]**

You can vote by mail by indicating your approval or disapproval of each proposal on the enclosed voting form and returning the form by postal mail.

### **[Voting via the Internet, etc.]**

You can vote via the Internet, etc. by accessing the website for exercising voting rights specified by the Company (<https://www.web54.net>) and exercising your voting rights using the “Code for the exercise of voting rights” and the “Password” provided on the enclosed voting form in accordance with the directions on the screen.

- 1. Date and Time:** Saturday, October 16, 2021, at 10:00 a.m. (JST)
- 2. Venue:** Room number 801, 8F, Tekko Kaikan  
2-10 Nihonbashi-kayabacho 3-chome, Chuo-ku, Tokyo

### **3. Objectives of the Meeting**

#### **Matters to be reported**

1. The Business Report and the Consolidated Financial Statements for the 83rd fiscal year (from July 21, 2020 to July 20, 2021), as well as the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. The Non-consolidated Financial Statements for the 83rd fiscal year (from July 21, 2020 to July 20, 2021)

### **Matters to be resolved**

**Proposal No. 1:** Appropriation of Surplus

**Proposal No. 2:** Election of Nine (9) Directors

**Proposal No. 3:** Election of Two (2) Audit & Supervisory Board Members

**Proposal No. 4:** Revision of the Amount of Remuneration for Restricted Share-Based Remuneration for Directors

### **4. Arrangements in Convening the Meeting**

- (1) If you exercise your voting rights both by mail and via the Internet, etc., the one exercised via the Internet, etc. will be deemed valid.
  - (2) If you exercise your voting rights more than once via the Internet, etc., the last vote will be deemed valid.
- When you attend the Meeting, you are kindly requested to present the enclosed voting form at the reception. Please also bring this Notice with you.
  - Of the documents attached to the Notice, the items below are provided on the Company's website (<https://www.uchida.co.jp/>) based on laws and regulations and in accordance with the provisions of Article 15 of the Company's Articles of Incorporation, and are therefore not included in the attachments to this Notice of the Meeting.
    - (i) Notes to Consolidated Financial Statements
    - (ii) Notes to Non-consolidated Financial StatementsThe Consolidated Financial Statements or the Non-consolidated Financial Statements stated in the attached documents are a part of the Consolidated Financial Statements or the Non-consolidated Financial Statements audited by the Accounting Auditor and the Audit & Supervisory Board Members in preparing their respective audit reports.
  - If any changes are made to items in the Reference Documents for the General Meeting of Shareholders, the Business Report, or to Consolidated Financial Statements and Non-consolidated Financial Statements, such changes will be posted on the Company's website (<https://www.uchida.co.jp/>).

## Reference Documents for the General Meeting of Shareholders

### Proposals and References

#### Proposal No. 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows.

Matters related to year-end dividend:

The Company aims for sound and sustainable growth to increase comprehensive shareholders' value over the long term. The Company's basic policy on returns of profits to shareholders is, on an assumption of steady dividends, to strive to further enhance returns to shareholders, while striking a balance between "strengthening the financial base" and "investment for realizing the Company's management strategies for the medium and long term."

In line with this basic policy, and in view of the fact that we recorded record-high results for net sales and profits, we propose to pay a special dividend of ¥50 per share in addition to an ordinary dividend of ¥90 per share to express our gratitude to our shareholders for their kindnesses, bringing the annual dividend for the current fiscal year to ¥140 per share.

(1) Type of dividend property

Cash

(2) Dividend property allotment to shareholders and total amount thereof

Dividends per common share of the Company: ¥140 (of which, an ordinary dividend is ¥90 and a special dividend is ¥50)

Total amount of dividends: ¥1,373,488,060

(3) Effective date of the dividend of surplus

October 19, 2021

**Proposal No. 2: Election of Nine (9) Directors**

At the conclusion of the Meeting, the terms of office of all nine (9) current Directors will expire. Accordingly, the Company proposes to elect nine (9) Directors. The proposed candidates are as follows.

Candidate No.	Name	Current position and responsibility in the Company	
1	Noboru Okubo	President and Chief Executive Officer	<u>Reelection</u>
2	Masao Kikuchi	Director, Senior Executive Managing Officer, Executive Manager of Local Facilities, General Manager of Educational Facilities Division, and General Manager of Regional Sales Division	<u>Reelection</u>
3	Toyotsugu Miyamura	Director, Senior Executive Managing Officer, Executive Manager of ICT for Public Market, and General Manager of Educational ICT Division	<u>Reelection</u>
4	Toshiji Hayashi	Director, Senior Executive Officer, Executive Manager of Finance Management Group, and General Manager of Group Management Department	<u>Reelection</u>
5	Satoshi Koyanagi	Director, Senior Executive Officer, and Executive Manager of Sales Management Group	<u>Reelection</u>
6	Akio Shirakata	Senior Executive Officer, Executive Manager of ICT Engineering, and General Manager of Systems Engineering Division	<u>New election</u>
7	Hidenori Hirose	Outside Director	<u>Reelection</u> <u>Outside Director</u> <u>Independent Officer</u>
8	Kuniharu Takemata	Outside Director	<u>Reelection</u> <u>Outside Director</u> <u>Independent Officer</u>
9	Keiji Imajo	Outside Director	<u>Reelection</u> <u>Outside Director</u> <u>Independent Officer</u>

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p style="text-align: center;"><b>Reelection</b></p> <p style="text-align: center;"><b>Noboru Okubo</b> (July 1, 1954)</p> <p>Attendance at Board of Directors Meetings during the 83rd fiscal year <b>15/15 (100%)</b></p>	<p>Mar. 1979    Joined the Company</p> <p>Oct. 2003    Director, General Manager of Educational Systems Division</p> <p>July 2005    Managing Director, Vice General Manager of Marketing Headquarters, and General Manager of Educational Systems Division</p> <p>July 2008    Director, Senior Executive Managing Officer, General Manager of Marketing Headquarters, and General Manager of Educational Systems Division of Sales Headquarters</p> <p>July 2010    Director, Senior Executive Managing Officer, and General Manager of Public Sector Headquarters</p> <p>July 2013    Director, Senior Executive Managing Officer, and General Manager of General Sales Headquarters</p> <p>July 2014    President and Chief Executive Officer (current position)</p>	<b>25,819</b>
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Noboru Okubo, having had success in recovering and improving performances of the Company while serving as the Company's President and Chief Executive Officer, is fulfilling his duties as President and Chief Executive Officer by making the most of his strong leadership while working toward accomplishing the goals set in the Company's group management. He is well versed in the overall operations of the Company and possesses the initiative, judgment, insight, etc., which are expected of management. As such, the Company believes he is qualified to serve as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p style="text-align: center;"><u>Reelection</u></p> <p style="text-align: center;"><b>Masao Kikuchi</b> (August 11, 1957)</p> <p>Attendance at Board of Directors Meetings during the 83rd fiscal year <b>15/15 (100%)</b></p>	<p>Apr. 1981    Joined the Company</p> <p>July 2007    Executive Officer, and General Manager of Eastern-Japan Equipment Sales Department of Educational Systems Division</p> <p>July 2008    Executive Officer, and General Manager of Facilities Sales Department of Educational Systems Division</p> <p>July 2013    Executive Officer, and General Manager of Educational Facilities Division of Public Headquarters of General Sales Headquarters</p> <p>July 2015    Senior Executive Officer, and General Manager of Educational Facilities Division of Sales Headquarters</p> <p>Oct. 2016    Director, Executive Officer, and General Manager of Educational Facilities Division of Sales Headquarters</p> <p>July 2018    Director, Executive Officer, General Manager of Educational Facilities Division, and General Manager of Northern-Japan Regional Sales Division</p> <p>July 2019    Director, Executive Managing Officer, General Manager of Educational Facilities Division, and General Manager of Eastern-Japan Regional Sales Division</p> <p>July 2020    Director, Executive Managing Officer, General Manager of Educational Facilities Division, and General Manager of Regional Sales Division</p> <p>July 2021    Director, Senior Executive Managing Officer, Executive Manager of Local Facilities, General Manager of Educational Facilities Division, and General Manager of Regional Sales Division (current position)</p>	<b>7,450</b>
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Masao Kikuchi has been mainly engaged in sales in the environmental construction-related business. Currently, he is successfully achieving great business performance mainly in public and school facilities business as Executive Manager of Local Facilities, General Manager of Educational Facilities Division, and General Manager of Regional Sales Division, and fulfilling the duties of said stations. He is well versed in the overall operations of the Company with particular focus on sales in the environmental construction-related business, and possesses the initiative, judgment, insight, etc., which are expected of management. As such, the Company believes he is qualified to serve as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p style="text-align: center;"><b>Reelection</b></p> <p style="text-align: center;"><b>Toyotsugu Miyamura</b> (August 27, 1957)</p> <p>Attendance at Board of Directors Meetings during the 83rd fiscal year <b>15/15 (100%)</b></p>	<p>Apr. 1981    Joined the Company</p> <p>July 2011    Executive Officer, and General Manager of ICT Systems Eastern-Japan Sales Department of Educational ICT &amp; Environment Solutions Division of Public Headquarters</p> <p>July 2013    Executive Officer, and General Manager of Educational ICT Division of Public Headquarters of General Sales Headquarters</p> <p>July 2015    Senior Executive Officer, and General Manager of Educational ICT Division of Sales Headquarters</p> <p>Oct. 2018    Director, Senior Executive Officer, and General Manager of Educational ICT Division</p> <p>July 2019    Director, Executive Managing Officer, and General Manager of Educational ICT Division</p> <p>July 2021    Director, Senior Executive Managing Officer, Executive Manager of ICT for Public Market, and General Manager of Educational ICT Division (current position)</p> <p>[Significant concurrent positions outside the Company] Director of UCHIDA ESCO Co., Ltd.</p>	<b>7,468</b>
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Toyotsugu Miyamura has been mainly engaged in sales in the ICT-related businesses. Currently, he is successfully achieving great business performance mainly in the government agency and school ICT business as Executive Manager of ICT for Public Market, and General Manager of Educational ICT Division, and fulfilling the duties of said stations. He is well versed in the overall operations of the Company with particular focus on sales in the ICT-related businesses, and possesses the initiative, judgment, insight, etc., which are expected of management. As such, the Company believes he is qualified to serve as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	<p style="text-align: center;"><b>Reelection</b></p> <p style="text-align: center;"><b>Toshiji Hayashi</b> (June 5, 1959)</p> <p>Attendance at Board of Directors Meetings during the 83rd fiscal year <b>15/15 (100%)</b></p>	<p>Apr. 1983    Joined the Company</p> <p>July 2013    Executive Officer, and General Manager of Corporate Planning Department</p> <p>July 2015    Executive Officer, Vice General Manager of Corporate Planning &amp; Administrative Headquarters, and General Manager of Group Management Department</p> <p>Oct. 2016    Director, Executive Officer, Vice General Manager of Corporate Planning &amp; Administrative Headquarters, and General Manager of Group Management Department</p> <p>Oct. 2018    Director, Senior Executive Officer, Vice Executive Manager of Corporate Planning &amp; Administrative Management Group, and General Manager of Group Management Department</p> <p>July 2020    Director, Senior Executive Officer, Executive Manager of Finance &amp; Accounting Management Group, and General Manager of Group Management Department</p> <p>July 2021    Director, Senior Executive Officer, Executive Manager of Finance Management Group, and General Manager of Group Management Department (current position)</p> <p>[Significant concurrent positions outside the Company] President of UCHIDA YOKO GLOBAL LIMITED President of UCHIDA YOKO GLOBAL CO., LTD.</p>	<b>7,445</b>
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Toshiji Hayashi has been mainly engaged in accounting and finance. Currently, toward promoting finance and administration of group management as Executive Manager of Finance Management Group and General Manager of Group Management Department, he is fulfilling the duties of said stations. He is well versed in the overall operations of the Company with particular focus on finance, and possesses the initiative, judgment, insight, etc., which are expected of management. As such, the Company believes he is qualified to serve as a Director.</p>			
5	<p style="text-align: center;"><b>Reelection</b></p> <p style="text-align: center;"><b>Satoshi Koyanagi</b> (April 27, 1960)</p> <p>Attendance at Board of Directors Meetings during the 83rd fiscal year <b>15/15 (100%)</b></p>	<p>Apr. 1983    Joined the Company</p> <p>July 2015    Executive Officer, Vice Executive Manager of Sales Management Group of Sales Headquarters, and General Manager of Corporate Planning Department of Corporate Planning &amp; Administrative Headquarters</p> <p>Oct. 2017    Senior Executive Officer, Vice Executive Manager of Sales Management Group of Sales Headquarters, and General Manager of Corporate Strategy &amp; Planning Division</p> <p>Oct. 2018    Director, Senior Executive Officer, Executive Manager of Sales Management Group, and General Manager of Corporate Strategy &amp; Planning Division</p> <p>July 2020    Director, Senior Executive Officer, and Executive Manager of Sales Management Group (current position)</p> <p>[Significant concurrent positions outside the Company] Director of UCHIDA ESCO Co., Ltd.</p>	<b>4,845</b>
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Satoshi Koyanagi has been mainly engaged in product design and business planning. Currently, toward increasing the efficiency of the Company's Group business as Executive Manager of Sales Management Group, he is fulfilling the duties of said stations. He is well versed in the overall operations of the Company with particular focus on planning, and possesses the initiative, judgment, insight, etc., which are expected of management. As such, the Company believes he is qualified to serve as a Director.</p>			



Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	<p style="text-align: center;">New election</p> <p><b>Akio Shirakata</b> (September 29, 1957)</p> <p>Attendance at Board of Directors Meetings during the 83rd fiscal year - / -</p>	<p>Apr. 1981    Joined the Company</p> <p>July 2010    General Manager of Public Sector Systems Promotion Department of Public Sector Systems Division of Public Sector Headquarters</p> <p>July 2014    Vice General Manager of Major &amp; Public System Services Division of Public Headquarters, and General Manager of Government &amp; Municipal Offices Systems Support Center</p> <p>July 2015    General Manager of Major Account &amp; Public System Support Division of Sales Headquarters</p> <p>July 2016    Executive Officer, and General Manager of Major Account &amp; Public System Support Division of Sales Headquarters</p> <p>July 2018    Senior Executive Officer, and General Manager of Systems Engineering Division</p> <p>July 2021    Senior Executive Officer, Executive Manager of ICT Engineering, and General Manager of Systems Engineering Division (current position)</p> <p>[Significant concurrent positions outside the Company] President of Hundred System Co., Ltd.</p>	<b>3,600</b>
<p>[Reasons for nomination as a candidate for Director]</p> <p>Mr. Akio Shirakata has been mainly engaged in system engineering for the private and public sectors. Currently, as Executive Manager of ICT Engineering and General Manager of Systems Engineering Division, he is fulfilling the duties of said stations, aiming for growth and development of engineers and smooth system engineering operations. He is well versed in the overall operations of the Company with particular focus on systems in general, and possesses the initiative, judgment, insight, etc., which are expected of management. As such, the Company believes he is qualified to serve as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	<p style="text-align: center;"> <span style="border: 1px solid black; padding: 2px;">Reelection</span>  <span style="border: 1px solid black; padding: 2px;">Outside Director</span>  <span style="border: 1px solid black; padding: 2px;">Independent Officer</span> </p> <p style="text-align: center;"> <b>Hidenori Hirose</b>            (June 11, 1945)         </p> <p>           Attendance at Board of Directors Meetings during the 83rd fiscal year  <b>15/15 (100%)</b> </p>	<p>Mar. 1968    Joined The SEIYU, LTD. (“SEIYU”)</p> <p>May 1989    Director of SEIYU</p> <p>May 1999    Director of FamilyMart Co., Ltd.</p> <p>June 2003    President and Representative Director of Warehouse TERRADA</p> <p>Oct. 2012    Outside Director of the Company (current position)</p>	<b>1,000</b>
<p>[Reasons for nomination as a candidate for Outside Director and overview of expected roles]</p> <p>Mr. Hidenori Hirose held positions such as Director of SEIYU Group and President and Representative Director of Warehouse TERRADA, and therefore possesses the judgment and insight which are expected of management. As such, the Company believes he is qualified to supervise the Company's management and provide advice as an Outside Director. He can be expected to utilize his experience in management and administration in other industries to provide accurate advice from a practical perspective and fulfill the role of supervising the performance of duties.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	<p style="text-align: center;"> <u>Reelection</u>  <u>Outside Director</u>  <u>Independent Officer</u> </p> <p><b>Kuniharu Takemata</b> (September 29, 1954)</p> <p>Attendance at Board of Directors Meetings during the 83rd fiscal year <b>15/15 (100%)</b></p>	<p>Apr. 1978    Joined Electric Power Development Co., Ltd. ("J-Power")</p> <p>June 2006    Executive Officer, and Department Director of Business Planning Department of J-Power</p> <p>June 2007    Executive Managing Officer, and Department Director of Corporate Planning Department of J-Power</p> <p>June 2009    Director of J-Power</p> <p>June 2012    Director, and Executive Managing Officer of J-Power</p> <p>Oct. 2016    Outside Director of the Company (current position)</p> <p>June 2017    Outside Director of eREX Co., Ltd.</p> <p>June 2018    Managing Director of eREX Co., Ltd.</p> <p>June 2021    Advisor of eREX Co., Ltd. (current position)</p> <p>[Significant concurrent positions outside the Company] Advisor of eREX Co., Ltd.</p>	<b>700</b>
<p>[Reasons for nomination as a candidate for Outside Director and overview of expected roles]</p> <p>Mr. Kuniharu Takemata held positions such as Director, and Executive Managing Officer of Electric Power Development Co., Ltd. and thereafter served as Managing Director of eREX Co., Ltd., and therefore possesses the judgment and insight which are expected of management. As such, the Company believes he is qualified to supervise the Company's management and provide advice as an Outside Director. He can be expected to utilize his experience in management and administration in other industries to provide accurate advice from a practical perspective and fulfill the role of supervising the performance of duties.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
9	<p style="text-align: center;"><u>Reelection</u> <u>Outside Director</u> <u>Independent Officer</u></p> <p style="text-align: center;"><b>Keiji Imajo</b> (August 5, 1961)</p> <p>Attendance at Board of Directors Meetings during the 83rd fiscal year <b>15/15 (100%)</b></p>	<p>Apr. 1985    Joined Kanegafuchi Chemical Industry Co., Ltd. (currently KANEKA CORPORATION)</p> <p>Jan. 2001    Joined Future Venture Capital Co., Ltd.</p> <p>June 2011    Representative Director and President of Future Venture Capital Co., Ltd.</p> <p>Jan. 2016    Representative Director and Chairman of the Board of Future Venture Capital Co., Ltd.</p> <p>June 2016    Director and Chairman of the Board of Future Venture Capital Co., Ltd.</p> <p>July 2017    Outside Director of JOHNNAN Corporation (current position)</p> <p>Dec. 2018    Outside Director of OSAKA YUKA INDUSTRY LTD. (current position)</p> <p>Oct. 2019    Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>Outside Director of JOHNNAN Corporation</p> <p>Outside Director of OSAKA YUKA INDUSTRY LTD.</p>	<b>200</b>
<p>[Reasons for nomination as a candidate for Outside Director and overview of expected roles]</p> <p>Mr. Keiji Imajo was engaged in operations such as new product development at Kanegafuchi Chemical Industry Co., Ltd. (currently KANEKA CORPORATION), held positions such as Representative Director and President of Future Venture Capital Co., Ltd., and therefore possesses the judgment and insight which are expected of management. As such, the Company believes he is qualified to supervise the Company's management and provide advice as an Outside Director. He can be expected to utilize his experience in management and administration in other industries to provide accurate advice from a practical perspective and fulfill the role of supervising the performance of duties.</p>			

- Notes:
1. Mr. Toshiji Hayashi serves as President of UCHIDA YOKO GLOBAL LIMITED and President of UCHIDA YOKO GLOBAL CO., LTD., and both of the companies have a business relationship with the Company, including the sale and import/export of furniture and fixtures. Mr. Akio Shirakata serves as President of Hundred System Co., Ltd., and that company has a business relationship with the Company, including the outsourcing of software development. The other candidates do not have any special interest with the Company.
  2. Mr. Hidenori Hirose, Mr. Kuniharu Takemata and Mr. Keiji Imajo are candidates for Outside Director.
  3. At the conclusion of the Meeting, Mr. Hirose's tenure as Outside Director of the Company will have been nine years, Mr. Takemata's tenure as Outside Director of the Company will have been five years and Mr. Imajo's tenure as Outside Director of the Company will have been two years.
  4. Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Hirose, Mr. Takemata and Mr. Imajo to limit their liability for damages as provided for in Article 423, paragraph 1 of the same Act. The limit of liability for damages pursuant to the limited liability agreement is the aggregate sum of the amounts provided for in each item in Article 425, paragraph 1 of the Companies Act. If their election is approved, the Company plans to renew the respective agreements with each one of them.
  5. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company. This insurance policy covers the insured's losses and litigation expenses, etc. incurred from claims for damages arising from acts (including illegal activities) that the insured, including a Director of the Company, has carried out as an officer or person of other position at the Company. If the election of each candidate is approved, each of them will be included in the policy as an insured. In addition, when the policy is renewed, the Company plans to also renew the policy with the same terms.
  6. The Company has submitted notification to the Tokyo Stock Exchange that Mr. Hirose, Mr. Takemata and Mr. Imajo have been appointed as an independent officer as provided for in the Securities Listing Regulations of the aforementioned exchange. If their election is approved, the Company plans for their appointment as an independent officer to continue.

**Proposal No. 3:** Election of Two (2) Audit & Supervisory Board Members

In order to strengthen the auditing system, we would like to increase the number of Audit & Supervisory Board Members and therefore propose the election of two (2) new Audit & Supervisory Board Members.

For your information, the Audit & Supervisory Board has approved this proposal.

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	<p style="text-align: center;"><u>New election</u></p> <p><b>Shingo Akiyama</b> (September 14, 1955)</p> <p>Attendance at Board of Directors Meetings during the 83rd fiscal year <b>15/15 (100%)</b></p> <p>Attendance at Audit &amp; Supervisory Board Meetings during the 83rd fiscal year - / -</p>	<p>Mar. 1979    Joined the Company</p> <p>July 2011    Executive Officer, and General Manager of General Affairs Department</p> <p>Oct. 2012    Director, Executive Officer, and General Manager of Administrative Headquarters</p> <p>Oct. 2013    Director, Executive Managing Officer, and General Manager of Administrative Headquarters</p> <p>Oct. 2016    Director, Senior Executive Managing Officer, and General Manager of Corporate Planning &amp; Administrative Headquarters</p> <p>July 2018    Director, Senior Executive Managing Officer, and Executive Manager of Corporate Planning &amp; Administrative Management Group</p> <p>July 2020    Director, Senior Executive Managing Officer, and Executive Manager of Human Resources &amp; General Affairs Management Group</p> <p>July 2021    Director and Senior Executive Managing Officer (current position)</p>	<b>8,968</b>
<p>[Reasons for nomination as a candidate for Audit &amp; Supervisory Board Member]</p> <p>Mr. Shingo Akiyama has been mainly engaged in the administrative field. Currently, by promoting optimization of group management as Director and Senior Executive Managing Officer, he is successfully fulfilling the duties of said stations. He is well versed in the overall operations of the Company with particular focus on overall administration. The Company believes that he is qualified to utilize his insight in the Company's audit system.</p>			

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	<p><b>New election</b></p> <p><b>Outside Audit &amp; Supervisory Board Member</b></p> <p><b>Independent Officer</b></p> <p><b>Akio Yamada</b> (February 24, 1955)</p> <p>Attendance at Board of Directors Meetings during the 83rd fiscal year - / -</p> <p>Attendance at Audit &amp; Supervisory Board Meetings during the 83rd fiscal year - / -</p>	<p>Nov. 1978 Joined Peat, Marwick Mitchell &amp; Co. (currently KPMG AZSA LLC)</p> <p>Apr. 1982 Registered as a Certified Public Accountant</p> <p>Aug. 2009 Partner of KPMG AZSA LLC</p> <p>July 2017 Opened Yamada Akio CPA Office (current position)</p> <p>June 2018 Outside Company Auditor of Nittan Valve Co., Ltd. (current position)</p> <p>June 2018 Auditor of Pfizer Health Research Foundation (current position)</p> <p>July 2018 Outside Auditor of Rakuten Insurance Holdings Co., Ltd. (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>Certified Public Accountant of Yamada Akio CPA Office</p> <p>Outside Company Auditor of Nittan Valve Co., Ltd.</p> <p>Auditor of Pfizer Health Research Foundation</p> <p>Outside Auditor of Rakuten Insurance Holdings Co., Ltd.</p>	0
<p>[Reasons for nomination as a candidate for Outside Audit &amp; Supervisory Board Member]</p> <p>The Company believes that Mr. Akio Yamada is qualified to utilize his professional insight and abundant experience in finance and accounting as a certified public accountant in the Company's audit system.</p>			

- Notes:
1. Each candidate does not have any special interest with the Company.
  2. Mr. Akio Yamada is a candidate for Outside Audit & Supervisory Board Member.
  3. Although Mr. Yamada was not previously involved in corporate management, other than in the capacity of Outside Audit & Supervisory Board Member, based on the reasons for nomination as a candidate for Outside Audit & Supervisory Board Member stated above, the Company has determined that he will be able to appropriately conduct his duties as Outside Audit & Supervisory Board Member due to his specialized knowledge and abundant experience regarding finance and accounting.
  4. If the election of Mr. Akiyama and Mr. Yamada is approved, pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company plans to enter into agreements with them to limit their liability for damages as provided for in Article 423, paragraph 1 of the same Act to the aggregate sum of the amounts provided for in each item in Article 425, paragraph 1 of the same Act.
  5. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph 1 of the Companies Act with an insurance company. This insurance policy covers the insured's losses and litigation expenses, etc. incurred from claims for damages arising from acts (including illegal activities) that the insured, including an Audit & Supervisory Board Member of the Company, has carried out as an officer or person of other position at the Company. If the election of each candidate is approved, each of them will be included in the policy as an insured. In addition, when the policy is renewed, the Company plans to also renew the policy with the same terms.
  6. Mr. Yamada satisfies the requirements for independent officer as provided for by the Tokyo Stock Exchange, and if his election is approved and he assumes office as Outside Audit & Supervisory Board Member, the Company plans to appoint him as an independent officer.

**Proposal No. 4: Revision of the Amount of Remuneration for Restricted Share-Based Remuneration for Directors**

At the 81st Annual General Meeting of Shareholders held on October 12, 2019, the remuneration limit for granting to Directors (excluding Outside Directors; hereinafter “Eligible Directors”) common share of the Company as restricted share-based remuneration subject to a certain period of restriction on transfer and to the provisions of reasons for acquisition by the Company without consideration, etc., as a separate limit from the remuneration limit for Directors resolved at the 68th Annual General Meeting of Shareholders held on October 14, 2006 (not more than ¥500 million per year), was approved to be not more than ¥100 million per year and the upper limit for shares to be granted to the Eligible Directors was approved to be set at 40,000 shares, with the purpose of providing them an incentive to sustainably enhance the Company’s corporate value and to further promote their shared value with shareholders.

The Company now proposes to revise the amount of monetary remuneration claims to be paid to Eligible Directors for the granting of restricted share-based remuneration to not more than ¥150 million per year, with the purpose of expanding business in the future and further raising the willingness of Directors to contribute to the sustainable enhancement of corporate value and further promoting their shared value with shareholders. At this time, the Company does not propose changing the upper limit of shares granted, which is not more than 40,000 shares.

The ideal remuneration for Directors of the Company is determined by the Remuneration Committee, the majority of whose members are independent officers, after referring to the levels, etc. at other similar-sized companies in the same industry for corresponding positions and responsibilities, taking into consideration other remuneration systems and evaluation policies, and reporting its findings to the Board of Directors. The role of allocating remuneration to individual Directors is delegated by to the President and Chief Executive Officer by a resolution of the Board of Directors, and the President and Chief Executive Officer decides on the allocation in line with the aforementioned levels, remuneration system, evaluation policy, etc. (Details of the policy for determination of remuneration, etc. for individual Directors are outlined on pages 29-30 in the Business Report.) (available in Japanese only)

The number of Directors is currently nine (9) (including three (3) Outside Directors), and subject to the approval and adoption of Proposal No. 2 “Election of Nine (9) Directors” as originally proposed, the number of Directors will continue to be nine (9) (including three (3) Outside Directors).

The Company believes this proposal is appropriate as it was resolved by the Board of Directors after consulting with the Remuneration Committee while giving general consideration to the above-mentioned determination policy for Director remuneration, the Company’s stock price and other matters.

The overview of restricted share-based remuneration plan is as follows:

**1. Allotment of and Payment for Restricted Shares**

The Company shall pay monetary remuneration claims within the aforementioned annual amount to the Eligible Directors as remuneration in the form of restricted shares in accordance with the resolution of the Board of Directors of the Company. Each Eligible Director shall receive an allotment of restricted shares by making a payment in all of the monetary remuneration claims in the form of property contributed in kind.

The amount to be paid in per share shall be determined by the Board of Directors based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day immediately before each date of resolution by the Board of Directors regarding the allotment of shares (if there is no closing price on such date, the closing price on the closest preceding trading day) within the extent that the amount will not be particularly advantageous for Eligible Directors receiving the restricted shares.

Furthermore, payment of the aforementioned monetary remuneration claims is conditional upon the agreement of each Eligible Director regarding the aforementioned payment of property contributed in kind and their conclusion of a restricted share allotment agreement including the provisions stipulated in 2. below.

**2. Provisions of the Restricted Shares Allotment Agreement**

**(1) Provisions for Transfer Restrictions**

Eligible Directors may not transfer, create a pledge, create a transfer security interest, or otherwise dispose in any way to a third party (hereinafter the “Transfer Restrictions”) of the restricted shares allotted

to each Eligible Director (hereinafter the “Allotted Shares”) for a period between three (3) and thirty (30) years as specified by the Board of Directors of the Company (hereinafter the “Restriction Period”).

(2) Lifting of Transfer Restrictions

The Company shall lift the Transfer Restrictions of all of the Allotted Shares held by each Eligible Director who has received an allotment of restricted shares upon the expiration of the Restriction Period on the condition that the Eligible Director has continued to hold the position of Director of the Company from the first day of the Restriction Period until the date of the first General Meeting of Shareholders of the Company occurring thereafter.

However, if each Eligible Director retires from the position of Director before the expiration of the Restriction Period due to the reason the Board of Directors deems justifiable, the Company shall rationally adjust the number of the Allotted Shares on which the Transfer Restrictions are to be lifted, and the timing of lifting as needed.

(3) Gratis Acquisition of Restricted Shares

In the event that an Eligible Director who has received an allotment of restricted shares retires as Director of the Company between the first day of the Restriction Period and the day prior to the date of the first General Meeting of Shareholders of the Company occurring thereafter, the Company shall automatically implement a gratis acquisition of the Allotted Shares unless the Board of Directors of the Company accepts that there is a just reason for retirement.

Any Allotted Shares for which the Transfer Restrictions have not been lifted in accordance with the provisions stipulated in (2) above at the expiration of the Restriction Period stipulated in (1) above shall automatically be acquired by the Company through an implementation of a gratis acquisition.

(4) Treatment during Reorganization, etc.

If, during the Restriction Period, proposals relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company’s General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company’s General Meeting of Shareholders is not required in relation to the reorganization, etc.), the Company shall lift the transfer restrictions on the Allotted Shares with the number of shares that is reasonably determined considering the period from the start date of the Restriction Period to the date of approval of the reorganization, etc. prior to the date on which the reorganization, etc. becomes effective, by resolution of the Board of Directors of the Company.