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Securities code: 3176  
December 1, 2021

**To Shareholders with Voting Rights:**

Masanobu Shintani  
President & CEO  
Sanyo Trading Co., Ltd.  
2-11, Kanda Nishiki-cho,  
Chiyoda-ku, Tokyo, Japan

**NOTICE OF  
THE 75TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 75th Annual General Meeting of Shareholders of Sanyo Trading Co., Ltd. (the “Company”) will be held as described below.

You can exercise your voting rights in writing or via the internet, etc. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights no later than 5:15 p.m. on Tuesday, December 21, 2021, Japan time.

- 1. Date and Time:** Wednesday, December 22, 2021 at 10:00 a.m., Japan time  
(Reception starts at 9:00 a.m.)
- 2. Place:** Banquet Hall “KUJAKU,”  
11th Floor, KKR HOTEL TOKYO  
1-4-1, Otemachi, Chiyoda-ku, Tokyo, Japan

**3. Meeting Agenda:**

- Matters to be reported:**
1. Business Report and Consolidated Financial Statements for the Company’s 75th Fiscal Year (October 1, 2020 - September 30, 2021), and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
  2. Non-Consolidated Financial Statements for the Company’s 75th Fiscal Year (October 1, 2020 - September 30, 2021)

**Proposals to be resolved:**



- Proposal 1:** Election of Seven (7) Directors (Excluding Those Concurrently Serving as Audit and Supervisory Committee Members)
- Proposal 2:** Election of Three (3) Directors Concurrently Serving as Audit and Supervisory Committee Members
- Proposal 3:** Election of One (1) Substitute Director Concurrently Serving as a Substitute Audit and Supervisory Committee Member
- Proposal 4:** Grant of Share Acquisition Rights to Directors (Excluding Outside Directors and Directors Concurrently Serving as Audit and Supervisory Committee Members)

When you attend the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. In addition, please bring this notice and the attached Reference Documents for the General Meeting of Shareholders.

Some of the documents that should be provided to the shareholders along with this notice are deemed to have been provided in writing to shareholders by being posted on the Company’s website (<https://www.sanyo-trading.co.jp/english/>).

Should the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements, or the Consolidated Financial Statements require revisions, the revised versions will be posted on the Company’s website (<https://www.sanyo-trading.co.jp/english/>).

**On-demand streaming of the General Meeting of Shareholders**

The General Meeting of Shareholders will be partly streamed on demand later on the Company’s website.			
	<b>Date when streaming will be available</b>	Around Monday, December 27, 2021	<b>URL</b> <a href="https://v.srdb.jp/3176/2021soukai_vod/">https://v.srdb.jp/3176/2021soukai_vod/</a>
			
<Notes>			
<ul style="list-style-type: none"><li>■ The service may be unavailable depending on your device (e.g., PC), internet connection, line conditions, etc.</li><li>■ Communication expenses, etc. for viewing the video streaming will be borne by shareholders.</li><li>■ If the on-demand streaming is cancelled for some reason, it will be announced on the Company’s website.</li></ul>			

## Reference Documents for the General Meeting of Shareholders

**Proposal 1:** Election of Seven (7) Directors (Excluding Those Concurrently Serving as Audit and Supervisory Committee Members)

The terms of office of all Directors (excluding those concurrently serving as Audit and Supervisory Committee Members; the same shall apply hereinafter in this Proposal) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, we propose to increase the number of Directors by one (1) with aim of further strengthening the Company's management system and to elect seven (7) Directors.

The Audit and Supervisory Committee has reported that there are no special matters to be pointed out in relation to this Proposal.

The candidates for Director are as follows:

No.	Name	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings
1	Masanobu Shintani [Reappointment]	President & CEO	14/14 (100%)
2	Hiroto Nakamura [Reappointment]	Director & Executive Officer In charge of Business Divisions	14/14 (100%)
3	Hiroshi Shirai [Reappointment]	Director & Executive Officer In charge of Administration Divisions	14/14 (100%)
4	Kenichi Shindo [Reappointment]	Director & Executive Officer In charge of Business Divisions	14/14 (100%)
5	Toshiaki Mizusawa [Reappointment]	Director & Executive Officer In charge of Administration Divisions and General Manager of Personnel Division	10/10 (100%)
6	Yukio Miyajima [Reappointment] [Outside] [Independent]	Outside Director	14/14 (100%)
7	Hiroataka Sugihara [New appointment] [Outside] [Independent]	-	-

Note: Mr. Toshiaki Mizusawa's attendance at the Board of Directors meetings covers the meetings held after he took office as Director on December 22, 2020.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Masanobu Shintani (June 28, 1958)  [Reappointment]  [Attendance at the Board of Directors meetings] 14/14 (100%)	<p>April 1982      Joined the Company</p> <p>October 2008    General Manager of Tokyo Rubber Business Unit 3</p> <p>October 2010    General Manager Assistant to Operational Headquarters</p> <p>January 2012    President of Sanyo Corporation of America</p> <p>October 2012    Executive Officer of the Company President of Sanyo Corporation of America</p> <p>December 2013   Director &amp; Executive Officer, General Manager of Operational Headquarters of the Company</p> <p>October 2014    Director &amp; Executive Officer, General Manager of Corporate Strategy Department</p> <p>December 2018   President &amp; CEO (present post)</p>	40,000
<p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Masanobu Shintani has been involved in sales and planning for many years and has abundant experience at overseas offices including those in North America and Asia. The Company considers, therefore, that he can play a role of pushing ahead with business and management of the entire Group from a global perspective.</p>			
2	Hiroto Nakamura (March 22, 1960)  [Reappointment]  [Attendance at the Board of Directors meetings] 14/14 (100%)	<p>April 1984      Joined the Company</p> <p>October 2006    General Manager of Tokyo Rubber Business Unit 1</p> <p>October 2010    General Manager of Rubber Business Unit</p> <p>October 2013    Executive Officer, General Manager of Rubber Business Unit</p> <p>December 2017   Director &amp; Executive Officer, General Manager of Rubber Business Unit</p> <p>December 2018   Director &amp; Executive Officer In charge of Business Divisions, General Manager of Rubber Business Unit</p> <p>December 2019   Director &amp; Executive Officer In charge of Business Divisions (present post)</p>	65,600
<p>[Reason for nomination as a candidate for Director]</p> <p>Mr. Hiroto Nakamura has been involved in sales and planning for many years and has abundant experience at overseas offices including those in North America and China. The Company considers, therefore, that he can play a role of pushing ahead with business and sales of the entire Group from a global perspective.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held	
3	Hiroshi Shirai (January 8, 1959)  [Reappointment]  [Attendance at the Board of Directors meetings] 14/14 (100%)	April 1982 October 2006 April 2009 October 2013 October 2014 October 2015 December 2017	Joined the Company President of Sanyo Corporation of America General Manager of Tokyo Chemical Business Unit 2 of the Company Executive Officer, General Manager of Corporate Planning Department Executive Officer, General Manager of General Affairs Department Executive Officer supervising Administration Divisions Director & Executive Officer In charge of Administration Divisions (present post)	13,600
		[Reason for nomination as a candidate for Director] Mr. Hiroshi Shirai has worked at sales divisions, administration divisions and overseas subsidiaries for many years, and has extensive knowledge and insight. The Company considers, therefore, that he can play a role of pushing ahead with business and administration of the entire Group.		
4	Kenichi Shindo (April 26, 1961)  [Reappointment]  [Attendance at the Board of Directors meetings] 14/14 (100%)	April 1985 October 2006  April 2009 October 2013 December 2013 October 2016 December 2018 December 2019 June 2020 October 2021	Joined the Company General Manager of Machinery & Environmental Business Unit 1 General Manager of Industrial Products Business Unit Executive Officer, General Manager of Industrial Products Business Unit Executive Officer of the Company President of Sanyo Corporation of America Executive Officer, General Manager of Chemical Business Unit Representative Director and President of Sanyo Machinery Co., Ltd. Director & Executive Officer In charge of Business Divisions, General Manager of Machinery & Environmental Business Unit Director & Executive Officer In charge of Business Divisions, General Manager of Machinery & Environmental Business Unit, General Manager of Scientific Instruments Department Director & Executive Officer In charge of Business Divisions (present post)	27,400
		[Reason for nomination as a candidate for Director] Mr. Kenichi Shindo has been involved in sales for many years and has abundant experience at an overseas office in North America. The Company considers, therefore, that he can play a role of pushing ahead with business and sales of the entire Group from a global perspective.		

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
5	Toshiaki Mizusawa (August 24, 1957)  [Reappointment]  [Attendance at the Board of Directors meetings] 10/10 (100%)*  *The attendance above covers the meetings held after he took office as Director on December 22, 2020.	April 1982  May 2012 April 2013 December 2019  October 2020 December 2020	Joined Taiyo-Kobe Bank (currently Sumitomo Mitsui Banking Corporation) Joined the Company General Manager of Credit Department Executive Officer supervising Administration Divisions, General Manager of Credit and Legal Department Executive Officer supervising Administration Divisions, General Manager of Personnel Division Director, Executive Officer In charge of Administration Divisions, General Manager of Personnel Division (present post)	4,900
[Reason for nomination as a candidate for Director] Mr. Toshiaki Mizusawa has gained extensive insight through his practical experience at a financial institution and at overseas offices, and is well versed in internal affairs due to his experience as General Manager of the Credit and Legal Department and General Manager of the Personnel Division of the Company. The Company considers, therefore, that he can play a role of pushing ahead with business and administration of the entire Group.				
6	Yukio Miyajima (April 20, 1953)  [Reappointment] [Outside] [Independent]  [Attendance at the Board of Directors meetings] 14/14 (100%)	April 1978  April 2004 April 2005 December 2017 June 2019	Joined Nichimen Co., Ltd. (currently Sojitz Corporation) Senior Managing Executive Officer of Sojitz Corporation Representative Director and President of Sojitz Insurance Agency Corporation Outside Director (part-time) of the Company (present post) Outside Director (Audit & Supervisory Committee Member) of Zensho Holdings Co., Ltd. (present post)	0
[Reason for nomination as a candidate for Outside Director and expected roles] Mr. Yukio Miyajima has gained a wealth of experience and knowledge by working at a trading company for many years, and has abundant experience of corporate management and organizational operations as a corporate manager. The Company considers, therefore, that he can continue to help improve the corporate value of the Company from an independent standpoint. He will have served as Outside Director of the Company for four (4) years at the conclusion of this General Meeting of Shareholders.				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	Hiroataka Sugihara (August 6, 1956)  [New appointment] [Outside] [Independent]  [Attendance at the Board of Directors meetings] -	<p>April 1981      Joined ITOCHU Corporation</p> <p>May 1994      Assistant to CEO for Asia Bloc (based in Hong Kong) of ITOCHU Corporation</p> <p>April 2004      General Manager of Financial Business Development Department, ITOCHU Corporation</p> <p>April 2005      Seconded to Orient Corporation (Executive Officer)</p> <p>July 2007      Acting General Manager of Financial Business Department and General Manager of Financial Retail Promotion Department, ITOCHU Corporation</p> <p>April 2008      General Manager of Finance, Real Estate, Insurance &amp; Logistics Management Planning Department, ITOCHU Corporation</p> <p>April 2010      Acting Manager of Financial &amp; Insurance Business Department, ITOCHU Corporation</p> <p>May 2010      Director (part-time) of POCKETCARD CO., LTD.</p> <p>April 2012      Assistant CEO for ASEAN &amp; Southwest Asia Bloc in charge of Corporate Planning, ITOCHU Corporation (based in Singapore)</p> <p>May 2014      Director, Vice President supervising Sales Group, POCKETCARD CO., LTD.</p> <p>March 2018      Vice President, Executive Officer, General Manager of Planning Headquarters, POCKETCARD CO., LTD.</p> <p>February 2021      Retired from POCKETCARD CO., LTD. (to the present)</p>	0
<p>[Reason for nomination as a candidate for Outside Director and expected roles]</p> <p>Mr. Hiroataka Sugihara has gained a wealth of experience and knowledge by working at a trading company for many years, and has abundant experience of corporate management and organizational operations as a corporate manager. The Company considers, therefore, that he can help improve the corporate value of the Company from an independent standpoint.</p>			

- Notes:
1. There are no special interests between each of the above candidates and the Company.
  2. Mr. Yukio Miyajima is a candidate for Outside Director. The Company has registered him as an Independent Director in accordance with regulations of the Financial Instruments Exchange. If his reappointment is approved, he will continue to serve as Independent Director.
  3. Mr. Hiroataka Sugihara is a candidate for Outside Director. The Company plans to register him as an Independent Director in accordance with regulations of the Financial Instruments Exchange.
  4. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Yukio Miyajima to limit his liability for damages as stipulated in Article 423, Paragraph 1 of the same Act. The maximum liability for damages under the agreement is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. If he is reappointed, the Company will maintain the agreement.

5. If this Proposal is approved as originally proposed and Mr. Hirotaka Sugihara assumes the office of Outside Director, the Company will enter into an agreement with Mr. Sugihara, pursuant to Article 427, Paragraph 1 of the Companies Act, to limit his liability for damages as stipulated in Article 423, Paragraph 1 of the same Act. The maximum liability for damages under the agreement is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
6. The Company has entered into a directors and officers liability insurance (D&O insurance) contract that insures each Director (excluding those concurrently serving as Audit and Supervisory Committee Members). The insurance policy covers damages that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. If the candidates are elected Directors (excluding those concurrently serving as Audit and Supervisory Committee Members) and assume their office, they will be insured under the insurance contract. The Company plans to renew the insurance policy with the same contents the next time it expires.



**Proposal 2:** Election of Three (3) Directors Concurrently Serving as Audit and Supervisory Committee Members

The terms of office of all Directors concurrently serving as Audit and Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, we propose to elect three (3) Directors concurrently serving as Audit and Supervisory Committee Members.

The Audit and Supervisory Committee has given its consent to this Proposal.

The candidates for Director concurrently serving as an Audit and Supervisory Committee Member are as follows.

No.	Name	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings	Attendance at the Audit and Supervisory Committee meetings
1	Yasuhiko Nishimura [Reappointment]	Director concurrently serving as an Audit and Supervisory Committee Member	14/14 (100%)	15/15 (100%)
2	Asako Hasegawa [Reappointment] [Outside] [Independent]	Outside Director concurrently serving as an Audit and Supervisory Committee Member	14/14 (100%)	15/15 (100%)
3	Kuniaki Kobayashi [New appointment] [Outside] [Independent]	—	—	—

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
1	Yasuhiko Nishimura (June 21, 1957)  [Reappointment]  [Attendance at the Board of Directors meetings] 14/14 (100%)  [Attendance at the Audit and Supervisory Committee meetings] 15/15 (100%)	April 1980	Joined The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.)	29,200
	November 2003	General Manager of Corporate Sales II, Marunouchi Branch, The Bank of Tokyo, Ltd.		
		December 2004	General Manager of Oji Branch, The Bank of Tokyo, Ltd.	
		March 2009	Joined the Company General Manager of Finance Department	
		December 2020	Director concurrently serving as an Audit and Supervisory Committee Member (present post)	
[Reason for nomination as a candidate for Director] Mr. Yasuhiko Nishimura has gained extensive insight through his practical experience at a financial institution and at overseas offices, and is well versed in the Company's internal affairs due to his experience as General Manager of the Finance Department. The Company considers, therefore, that he can properly carry out the duties as a Director concurrently serving as an Audit and Supervisory Committee Member.				
2	Asako Hasegawa (May 28, 1965)  [Reappointment] [Outside] [Independent]  [Attendance at the Board of Directors meetings] 14/14 (100%)  [Attendance at the Audit and Supervisory Committee meetings] 15/15 (100%)	April 1988	Joined Kanematsu Corporation	0
	October 2000	Joined Asahi Audit Corporation (currently KPMG AZSA LLC)		
		December 2004	Representative of Hasegawa CPA Office (present post)	
		December 2017	Director concurrently serving as an Audit and Supervisory Committee Member of the Company (present post)	
[Reason for nomination as a candidate for Outside Director concurrently serving as an Audit and Supervisory Committee Member and expected roles] Ms. Asako Hasegawa has never been involved directly in corporate management, but she is well versed in financial accounting and tax affairs as a certified public accountant. The Company considers, therefore, that she can continue to properly carry out the duties as an Outside Director concurrently serving as an Audit and Supervisory Committee Member by supervising and auditing management of the Company based on her insight and experience. She will have served as Outside Director concurrently serving as an Audit and Supervisory Committee Member of the Company for four (4) years at the conclusion of this General Meeting of Shareholders.				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Kuniaki Kobayashi (February 20, 1971)  [New appointment] [Outside] [Independent]  [Attendance at the Board of Directors meetings] --  [Attendance at the Audit and Supervisory Committee meetings] --	April 2000      Joined YUASA and HARA September 2013      Joined Yamada, Goya & Suzuki (present post) June 2014      Outside Director (Audit and Supervisory Committee Member) of Kanematsu Sustech Corporation (present post)	0
<p>[Reason for nomination as a candidate for Outside Director concurrently serving as an Audit and Supervisory Committee Member and expected roles]</p> <p>Mr. Kuniaki Kobayashi has never been involved directly in corporate management except as an Outside Director, but he is well versed in corporate legal affairs as a lawyer. The Company considers, therefore, that he can properly carry out the duties as an Outside Director concurrently serving as an Audit and Supervisory Committee Member by supervising and auditing management of the Company based on his insight and experience.</p>			

- Notes:
1. There are no special interests between each of the above candidates and the Company.
  2. Ms. Asako Hasegawa is a candidate for Outside Director. The Company has registered her as an Independent Director in accordance with regulations of the Financial Instruments Exchange. If her reappointment is approved, she will continue to serve as Independent Director.
  3. Mr. Kuniaki Kobayashi is a candidate for Outside Director. The Company plans to register him as an Independent Director in accordance with regulations of the Financial Instruments Exchange.
  4. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Yasuhiko Nishimura and Ms. Asako Hasegawa to limit their liability for damages as stipulated in Article 423, Paragraph 1 of the same Act. The maximum liability for damages under the agreement is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. If the candidates are reappointed, the Company will maintain the agreement.
  5. If this Proposal is approved as originally proposed and Mr. Kuniaki Kobayashi assumes the office of Outside Director concurrently serving as an Audit and Supervisory Committee Member, the Company will enter into an agreement with Mr. Kobayashi, pursuant to provisions of Article 427, Paragraph 1 of the Companies Act, to limit his liability for damages as stipulated in Article 423, Paragraph 1 of the same Act. The maximum liability for damages under the agreement is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
  6. The Company has entered into a directors and officers liability insurance (D&O insurance) contract that insures each Director concurrently serving as an Audit and Supervisory Committee Member. The insurance policy covers damages that may arise when the insured

assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. If the candidates are elected Directors concurrently serving as Audit and Supervisory Committee Members and assume their office, they will be insured under the insurance contract. The Company plans to renew the insurance policy with the same contents the next time it expires.

**Proposal 3:** Election of One (1) Substitute Director Concurrently Serving as a Substitute Audit and Supervisory Committee Member

The Company proposes to elect one (1) Substitute Director concurrently serving as an Audit and Supervisory Committee Member in case the number of Directors concurrently serving as Audit and Supervisory Committee Members falls below the number required by laws and regulations.

The Audit and Supervisory Committee has given its consent to this Proposal.

The candidate for Substitute Director concurrently serving as an Audit and Supervisory Committee Member is as follows.

Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
Kiitsu Sugita (June 18, 1952)  [Outside] [Independent]  [Attendance at the Board of Directors meetings] --/  [Attendance at the Audit and Supervisory Committee meetings] --/	April 1971 July 2011 July 2012 July 2013 August 2013	Joined National Tax Agency District Director of Mombetsu Tax Office District Director of Kisarazu Tax Office Retired from National Tax Agency Representative of Kiitsu Sugita Certified Public Tax Accountant Office (present position)	0
<p>[Reason for nomination as a candidate for Substitute Outside Director concurrently serving as an Audit and Supervisory Committee Member]</p> <p>Mr. Kiitsu Sugita has never been involved directly in corporate management, but he is well versed in tax affairs as a certified public tax accountant. The Company considers, therefore, that he can properly carry out the duties as an Outside Director concurrently serving as an Audit and Supervisory Committee Member by supervising and auditing management of the Company based on his insight and experience.</p>			

- Notes:
1. There are no special interests between Mr. Kiitsu Sugita and the Company.
  2. Mr. Kiitsu Sugita is a candidate for Substitute Outside Director.
  3. If Mr. Kiitsu Sugita assumes office of Director concurrently serving as an Audit and Supervisory Committee Member, the Company will register him as an Independent Director in accordance with regulations of the Financial Instruments Exchange.
  4. If Mr. Kiitsu Sugita assumes the office of Director concurrently serving as an Audit and Supervisory Committee Member, the Company will enter into an agreement with Mr. Sugita, pursuant to provisions of Article 427, Paragraph 1 of the Companies Act, to limit his liability for damages as stipulated in Article 423, Paragraph 1 of the same Act. The maximum liability for damages under the agreement is the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
  5. The Company has entered into a directors and officers liability insurance (D&O insurance) contract that insures each Director concurrently serving as an Audit and Supervisory Committee Member. The insurance policy covers damages that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit

of such liability. If Mr. Kiitsu Sugita is elected Director concurrently serving as an Audit and Supervisory Committee Member, he will be insured under the insurance contract.

[Reference] Expertise and Experience of Candidates in Proposals 1, 2, and 3 (Skill Matrix)

Name			Gender	Corporate management	ESG/ Sustainability	International experience	Legal affairs/ Risk management	Finance/ Accounting
Masanobu Shintani			Male	●	●	●		
Hiroto Nakamura			Male	●	●	●		
Hiroshi Shirai			Male	●		●		●
Kenichi Shindo			Male	●	●	●		
Toshiaki Mizusawa			Male			●	●	●
Yukio Miyajima		Outside	Male	●		●		
Hiroataka Sugihara		Outside	Male	●		●		
Yasuhiko Nishimura	Audit and Supervisory Committee Member		Male			●		●
Asako Hasegawa	Audit and Supervisory Committee Member	Outside	Female					●
Kuniaki Kobayashi	Audit and Supervisory Committee Member	Outside	Male			●	●	
Kiitsu Sugita	Substitute Audit and Supervisory Committee Member	Outside	Male					●

**Proposal 4: Grant of Share Acquisition Rights to Directors (Excluding Outside Directors and Directors Concurrently Serving as Audit and Supervisory Committee Members)**

The Company grants share acquisition rights to Directors (excluding Outside Directors and Directors concurrently serving as Audit and Supervisory Committee Members) as stock-based compensation stock option in accordance with the resolution of the Board of Directors within the extent of “20 million yen or less per year” which was approved at the 69th Annual General Meeting of Shareholders of the Company held on December 17, 2015.

The Act Partially Amending the Companies Act (Act No.70 of 2019), an act that came into force on March 1, 2021, requires companies to obtain approval of the General Meeting of Shareholders for specific contents of grant of share acquisition rights as remuneration to Directors. In line with this amendment, we seek shareholders’ approval for contents of the share acquisition rights to continue the current stock option system.

This Proposal is not intended to increase the maximum amount of remuneration (20 million yen or less per year) compared to the original resolution but is intended as a procedure associated with the amendment of the Act. As with the original resolution, it is aimed to further boost Directors’ motivation and morale for contributing to the improvement of mid- and long-term business results and corporate value by making Directors share with shareholders the merits of a rise in stock prices, as well as the risks of a fall in them. As the number of share acquisition rights to be granted is calculated on the basis of an amount decided in accordance with the positions of Directors and fair value of share acquisition rights, the Company deems the contents of this Proposal reasonable. The Company has established a “Policy for Determining Details of Remunerations, etc. for Each Director,” the contents of which continue to be considered reasonable as a decision policy even if this Proposal is approved. Accordingly, said Policy will remain unchanged.

Stock options under this Proposal are “stock-based compensation stock options” in which an exercise price per share to be granted by exercising share acquisition rights is 1 yen. The payment of an amount to be paid decided on the basis of fair value at the time of allocation of rights is replaced by the grant of remunerations receivable based on remuneration, etc. related to the share acquisition rights as the stock option under this Proposal.

If Proposal 1 “Election of Seven (7) Directors (Excluding Those Concurrently Serving as Audit and Supervisory Committee Members)” is approved as originally proposed, five (5) Directors (excluding Outside Directors and Directors concurrently serving as Audit and Supervisory Committee Members) will be subject to this Proposal.

Details of the share acquisition rights to be allocated to Directors (excluding Outside Directors and Directors concurrently serving as Audit and Supervisory Committee Members) are as follows:

**1. Class and number of shares subject to the stock acquisition rights**

The class of shares subject to the stock acquisition rights is common shares of the Company, and the number of shares subject to each stock acquisition right (hereinafter referred to as the “Number of Shares to Be Granted”) is 200. However, if the Company implements share splits (including an allocation of common shares of the Company without contribution; the same shall apply hereinafter.) or consolidation of shares after the date of resolution of this Proposal (hereinafter, “Resolution Date”), an adjustment shall be made with the following formula. However, such adjustment is made for the Number of Shares to Be Granted subject to share acquisition rights which have not been exercised as of that point. Fractions of less than one share which result from the adjustment shall be rounded down.



Number of Shares to Be Granted after adjustment

= Number of Shares to Be Granted before adjustment × Ratio of split or consolidation

The Number of Shares to Be Granted after adjustment applies, in case of a share split, on or after the day following the base date of said share split, and, in case of a consolidation of shares, on or after its effective date. However, if the share split is implemented under the condition that the proposal of decreasing retained earnings and increasing capital or reserve is approved at the General Meeting of Shareholders of the Company and the base date for the share split is the day prior to the date of conclusion of said General Meeting of Shareholders, the Number of Shares to Be Granted after adjustment applies retroactively to the day following said base date, on or after the day following the date of conclusion of said General Meeting of Shareholders.

In addition to the above, if necessary, the Number of Shares to Be Granted shall be adjusted within a reasonable extent.

2. Total number of share acquisition rights

The maximum number of share acquisition rights to be issued on a date within one year from the Annual General Meeting of Shareholders for each fiscal year shall be 400.

3. Amount to be paid for share acquisition rights

An amount to be paid for each share acquisition right shall be determined by the Board of Directors of the Company on the basis of fair value of share acquisition rights calculated at the time of allocation of the share acquisition rights.

4. Value of property to be contributed upon exercise of share acquisition rights

The value of property to be contributed upon exercise of each share acquisition right is an amount obtained by multiplying 1 yen, an amount to be paid per share to be granted by exercising the share acquisition rights, and the Number of Shares to Be Granted.

5. Exercisable period of share acquisition rights

To the extent within 30 years or less from the day following the date of allocation of the share acquisition rights, the exercisable period shall be determined by the Board of Directors of the Company.

6. Limit of acquisition of share acquisition rights through transfer

Acquisition of share acquisition rights through transfer shall require the approval of the Board of Directors of the Company.

#### 7. Events and conditions for acquisition of share acquisition rights

If a proposal falling under any of the types of proposals stated in 1), 2), 3), 4) and 5) below is approved at the General Meeting of Shareholders of the Company (or resolved by the Board of Directors of the Company if approval of the General Meeting of Shareholders is not required), the Company may acquire share acquisition rights without compensation on a date determined separately by the Board of Directors:

- 1) Proposals for approval of a merger agreement in which the Company is the disappearing company;
- 2) Proposals for approval of a split agreement or split plan in which the Company is the split company;
- 3) Proposals for approval of a share exchange agreement or share transfer plan in which the Company is a wholly owned subsidiary;
- 4) Proposals for approval of an amendment to the Articles of Incorporation that establishes provisions to the effect that, as a feature of all shares issued by the Company, the approval of the Company is required for the acquisition of such shares by transfer;
- 5) Proposals for approval of an amendment to the Articles of Incorporation that establishes provisions to the effect that, as a feature of a certain class of shares subject to share acquisition rights, the approval of the Company is required for the acquisition of such class of shares by transfer or the Company acquires all of such class of shares by resolution of the General Meeting of Shareholders.

#### 8. Conditions for exercise of share acquisition rights

Conditions for exercise of share acquisition rights shall be determined at the Board of Directors meeting of the Company where subscription requirements for the share acquisition rights are decided, for example, those who were allocated share acquisition rights may exercise the share acquisition rights on or after the day following the date when they forfeited the positions of both Director and Executive Officer of the Company.

#### 9. Other details of share acquisition rights

Further details of matters stated in 1. to 8. above and other matters shall be determined at the Board of Directors meeting of the Company where subscription requirements for the share acquisition rights are decided.

#### (Reference)

In relation to the above 1. and 3. to 8., the Company will issue to Executive Officers of the Company, after the conclusion of this General Meeting, as many share acquisition rights with the same contents as the above-mentioned share acquisition rights as the Company deems necessary, for an amount determined as an amount to be paid on the basis of fair value of said share acquisition rights.