

Dear Shareholders,

**Hakuto Co., Ltd.**

1-13, Shinjuku 1-chome, Shinjuku-ku, Tokyo

**Notice of the 70th Annual General Meeting of Shareholders**

We are pleased to announce the 70th Annual General Meeting of Shareholders of Hakuto Co., Ltd. (the “Company”), which will be held as per the schedule below.

Considering the situation with novel coronavirus infections (COVID-19), with the highest priority on the safety of our shareholders, we ask that shareholders refrain from attending the venue of the General Meeting of Shareholders, and consider the following “Reference Materials for the General Meeting of Shareholders” (page 3 to page 22) and vote by the Internet or mail in advance to exercise your voting rights no later than 5:30 p.m. on Thursday, June 23, 2022.

Ryoji Abe  
President & Chief Executive Officer

**Details**

- 1. Date & Time:** Friday, June 24, 2022 at 10:00 a.m.  
(Reception commences at 9:00 a.m.)
- 2. Venue:** Conference Room, 8th Floor, Head Office Building, 1-13, Shinjuku 1-chome, Shinjuku-ku, Tokyo

**3. Meeting Agenda**

**(1) Items to be reported:**

1. Business Report and Consolidated Financial Statements of the Company’s 70th fiscal year (from April 1, 2021 to March 31, 2022), and the audit reports on Consolidated Financial Statements by the Accounting Auditors (CPAs) and the Company’s Audit and Supervisory Committee
2. Non-Consolidated Financial Statements of the Company’s 70th fiscal year (from April 1, 2021 to March 31, 2022)

**(2) Items to be resolved:**

- Item 1:** Partial Amendments to the Articles of Incorporation
- Item 2:** Appointment of Ten (10) Directors (excluding Directors Serving on the Audit and Supervisory Committee)
- Item 3:** Appointment of Three (3) Directors Serving on the Audit and Supervisory Committee

**4. Information on Exercise the Voting Rights**

Please refer to “Information on Exercise the Voting Rights” on page 23.

## 5. Matters Concerning Internet Disclosure Information

The “Internal Control Systems” and “Basic Policy on Control of the Company, Etc.” in the Business Report, the “Consolidated Statement of Changes in Net Assets,” the “Notes to the Consolidated Financial Statements,” the “Non-Consolidated Statement of Changes in Net Assets” and the “Notes to the Non-Consolidated Financial Statements” have been posted on the Company’s website in accordance with the relevant laws and regulations and Article 15 of the Articles of Incorporation of the Company. Hence, they are not included in the attached documents to the Notice of the 70th Annual General Meeting of Shareholders as part of the set of documents to be provided. For this reason, the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements indicated in the attached documents to this Notice are part of the documents that were audited by Audit and Supervisory Committee for preparing the audit report and the Accounting Auditors (CPAs) for preparing the independent auditor’s report respectively.

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- If you are attending the Meeting in person, please bring the enclosed Form for Exercising Voting Rights and present it at the reception desk.
  - Revisions to the Reference Materials for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements shall be posted on the Company’s website.
  - If you make a diverse exercise of your voting rights, please notify the Company of your intention and the reasons thereof not later than three days prior to the General Meeting of Shareholders.

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**The Company’s website: (<https://www.hakuto.co.jp>)**

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## **Reference Materials for the General Meeting of Shareholders Agenda items and reference materials**

### **Item 1: Partial Amendments to the Articles of Incorporation**

1. Reason for proposal

Since 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, 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) We propose the establishment of Article 15 (Measures, Etc. for Providing Information in Electronic Format), paragraph 1 of the proposed amendments due to the requirement to stipulate measures to provide information in electronic format for the information contained in the reference materials for the general meeting of shareholders.
- (2) We propose the establishment of Article 15 (Measures, Etc. for Providing Information in Electronic Format), paragraph 2 of the proposed amendments to enable the scope of matters stated on documents delivered to shareholders who request delivery of documents among the matters for providing information in electronic format are taken for information contained in the reference materials for the general meeting of shareholders to be limited to the scope specified by Order of the Ministry of Justice.
- (3) Supplementary provisions regarding the above establishment and deletion of provisions will be established. These supplementary provisions will be deleted after the effective date has passed.

2. Details of amendments

The amendments to the Articles of Incorporation are as follows:

(Changes are underlined.)

Current Articles	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u>  <u>Article 15.</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, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p>(New)</p>	<p>(Deleted)</p> <p><u>(Measures, Etc. for Providing Information in Electronic Format)</u>  <u>Article 15.</u>  <u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u>  <u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>

Current Articles	Proposed Amendments
<p data-bbox="336 221 639 248"><u>(Supplementary Provisions)</u></p> <p data-bbox="536 383 608 409">(New)</p>	<p data-bbox="812 221 1246 371"><u>(Supplementary Provisions)</u> <u>(Transitional Measures for Providing Informational Materials for the General Meeting of Shareholders in Electronic Format)</u></p> <p data-bbox="826 383 1279 898">3. <u>The deletion of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) and the establishment of the new Article 15 (Measures, Etc. for Providing Information in Electronic Format) in the Articles of Incorporation shall be effective from September 1, 2022, which is the date of enforcement of 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) (hereinafter referred to as the “Date of Enforcement”).</u></p> <p data-bbox="826 904 1279 1111">4. <u>Notwithstanding the provision of the preceding paragraph, Article 15 of the current Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></p> <p data-bbox="826 1117 1279 1384">5. <u>Paragraphs 3 through 5 of the Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

**Item 2: Appointment of Ten (10) Directors (excluding Directors Serving on the Audit and Supervisory Committee)**

The term of office of all ten (10) Directors will expire at the conclusion of this General Meeting of Shareholders, and we request the approval of the appointment of ten (10) Directors. This proposal was reviewed by the Audit and Supervisory Committee, and the committee expressed the opinion that all of the candidates are qualified to be a Director of the Company.

Career histories of the candidates for Directors are as follows:

Candidate Number	Name (Date of Birth), Term of Office	Brief History, Position, Responsibility, and Status of Material Holding of Concurrent Positions	Number of Shares of the Company Owned by the Candidate
1	Ryoji Abe (Nov. 9, 1957)  [Reelection]  Term of office: 14 years	<p>Mar. 1983    Joined the Company</p> <p>Jun. 2008    Director &amp; Vice President, Division Manager of Semiconductor Devices 2nd Div. and Electronic Components Div.</p> <p>Jun. 2015    Director &amp; Executive Managing Officer, Division Manager of Semiconductor Devices 2nd Div. and Electronic Components Div. and in charge of Overseas Business Operation Div.</p> <p>Jan. 2020    Director, V.P. &amp; Executive Managing Officer, in charge of Semiconductor Devices and Electronic Components Business and Division Manager of Semiconductor Devices Technology &amp; Operation Center, President of Electronic Components Company, and Division Manager of Overseas Business Operation Div. and Branch Manager of South Korea Branch</p> <p>Apr. 2020    President (Representative Director)</p> <p>Apr. 2021    President &amp; Chief Executive Officer (Representative Director) (present)</p>	31,400

Candidate Number	Name (Date of Birth), Term of Office	Brief History, Position, Responsibility, and Status of Material Holding of Concurrent Positions	Number of Shares of the Company Owned by the Candidate	
2	<p data-bbox="456 730 560 853">Yoshinae Takada (May 27, 1957)</p> <p data-bbox="448 887 568 909">[Reelection]</p> <p data-bbox="432 943 584 999">Term of office: 18 years</p>	<p data-bbox="592 349 703 371">Apr. 1983</p> <p data-bbox="592 394 703 416">Jun. 2004</p> <p data-bbox="592 517 703 539">Apr. 2008</p> <p data-bbox="592 584 703 607">Jun. 2008</p> <p data-bbox="592 651 703 674">Jun. 2011</p> <p data-bbox="592 808 703 831">Jun. 2015</p> <p data-bbox="592 1021 703 1043">Apr. 2019</p> <p data-bbox="592 1211 703 1234">Apr. 2021</p>	<p data-bbox="743 349 1219 506">Joined the Company</p> <p data-bbox="743 394 1219 506">Director &amp; Vice President, Manager of Corporate Planning Dept. and Financial &amp; Accounting Dept., and in charge of E.D.P. Dept.</p> <p data-bbox="743 517 1219 573">Director &amp; Vice President, Division Manager of Corporate Management Div.</p> <p data-bbox="743 584 1219 640">Director &amp; Senior Vice President, Division Manager of Corporate Management Div.</p> <p data-bbox="743 651 1219 797">Director &amp; Executive Vice President, Supervisor over Corporate Administration Div. and Corporate Management Div., and in charge of Risk Management and Corporate Compliance</p> <p data-bbox="743 808 1219 1010">Director &amp; Senior Executive Managing Officer, Supervisor over Corporate Administration Div. and Corporate Management Div., Division Manager of Corporate Management Div., and in charge of Risk Management and Corporate Compliance</p> <p data-bbox="743 1021 1219 1200">Director, V.P. &amp; Senior Executive Managing Officer, Supervisor over Corporate Administration Div. and Corporate Management Div., and in charge of Risk Management and Corporate Compliance</p> <p data-bbox="743 1211 1219 1379">Director &amp; Chief Operating Officer, Supervisor over Corporate Administration Div. and Corporate Management Div., and in charge of Risk Management and Corporate Compliance (present)</p>	26,800

Candidate Number	Name (Date of Birth), Term of Office	Brief History, Position, Responsibility, and Status of Material Holding of Concurrent Positions	Number of Shares of the Company Owned by the Candidate
3	Akira Togo (Apr. 21, 1958)  [Reelection]  Term of office: 6 years	<p>Oct. 1982    Joined the Company</p> <p>Jun. 2015    Managing Officer, Division Manager of Chemical Business Div.</p> <p>Jun. 2016    Director, V.P. &amp; Managing Officer, Division Manager of Chemical Business Div.</p> <p>Mar. 2018    Representative Director &amp; Chairman of Hakuto Life Science Co., Ltd.</p> <p>Apr. 2018    Director, V.P. &amp; Managing Officer, President of Chemical Solution Company of the Company</p> <p>Apr. 2021    Director, V.P. &amp; Executive Managing Officer, Supervisor over Chemical Solution Company (present)</p>	14,200



Candidate Number	Name (Date of Birth), Term of Office	Brief History, Position, Responsibility, and Status of Material Holding of Concurrent Positions	Number of Shares of the Company Owned by the Candidate
4	Nobuhito Shintoku (Dec. 6, 1960) [Reelection] Term of office: 11 years	Apr. 1985    Joined the Company Jun. 2011    Director & Vice President, Division Manager of Corporate Administration Div. and Manager of General Affairs Dept., Chief of Isehara Technical Center, and in charge of Branch Office (related to Administration) Jun. 2011    President (Representative Director) of Hakuto A&L Co., Ltd. (present) Jun. 2015    Director & Managing Officer, Division Manager of Corporate Administration Div. and Manager of General Affairs Dept., Chief of Isehara Technical Center, Branch Manager of Kansai Branch, and in charge of Branch Office (related to Administration) of the Company Apr. 2017    Director, V.P. & Managing Officer, Division Manager of Corporate Administration Div., Manager of Human Resources Dept. and General Affairs Dept., Chief of Isehara Technical Center, and in charge of Branch Office (related to Administration) Apr. 2022    Director, V.P. & Executive Managing Officer, Division Manager of Corporate Administration Div., Manager of General Affairs Dept., Chief of Isehara Technical Center, and in charge of Branch Office (related to Administration) (present)	18,300

Candidate Number	Name (Date of Birth), Term of Office	Brief History, Position, Responsibility, and Status of Material Holding of Concurrent Positions	Number of Shares of the Company Owned by the Candidate
5	<p data-bbox="448 775 568 898">Tamaki Miyashita (Jan. 21, 1971)</p> <p data-bbox="448 931 568 965">[Reelection]</p> <p data-bbox="432 987 584 1043">Term of office: 3 years</p>	<p data-bbox="592 349 703 371">Apr. 2000</p> <p data-bbox="592 394 703 416">Jan. 2010</p> <p data-bbox="592 461 703 483">Apr. 2014</p> <p data-bbox="592 528 703 551">Oct. 2015</p> <p data-bbox="592 595 703 618">Sept. 2017</p> <p data-bbox="592 663 703 685">Apr. 2018</p> <p data-bbox="592 752 703 775">Apr. 2018</p> <p data-bbox="592 819 703 842">Apr. 2019</p> <p data-bbox="592 954 703 976">Jun. 2019</p> <p data-bbox="592 1088 703 1111">Apr. 2020</p> <p data-bbox="592 1290 703 1312">Apr. 2021</p> <p data-bbox="743 349 1206 1458">           Joined the Company            Manager of Third Sales Dept., Semiconductor Devices 1st Div.            Deputy Managing Director of Hakuto Enterprises Ltd.            Managing Director of Hakuto Enterprises Ltd.            Deputy Division Manager of Electronic Equipment Div. of the Company            Managing Officer, President of System Products Company, and Manager of Sales 3rd Dept.            Director of San-Ei Giken Inc. (present)            Managing Officer, President of System Products Company, and in charge of Greater China Equipment Business Promotion of the Company            Director, V.P. &amp; Managing Officer, President of System Products Company, and in charge of Greater China Equipment Business Promotion            Director, V.P. &amp; Managing Officer, President of System Products Company, Division Manager of Overseas Business Operation Div. and Branch Manager of South Korea Branch, and in charge of Greater China Equipment Business Promotion            Director, V.P. &amp; Managing Officer, President of System Products Company, Division Manager of Overseas Business Operation Div. and Branch Manager of South Korea Branch (present)         </p>	7,600

Candidate Number	Name (Date of Birth), Term of Office	Brief History, Position, Responsibility, and Status of Material Holding of Concurrent Positions	Number of Shares of the Company Owned by the Candidate
6	Yugo Ishishita (Oct. 6, 1971) [Reelection] Term of office: 2 years	Apr. 2000 Joined the Company Apr. 2013 Manager of First Sales Dept., Semiconductor Devices 2nd Div. Oct. 2016 Manager of First Sales Dept., Device Solution Company Apr. 2017 Deputy Division Manager of Overseas Business Operation Div. (in charge of ST Business) and Manager of First Sales Dept., Device Solution Company Apr. 2018 Managing Officer and President of Strategic Device Company Apr. 2020 Managing Officer, President of Strategic Device Company, and Division Manager of Semiconductor Devices Technology & Operation Center Jun. 2020 Director, V.P. & Managing Officer, President of Strategic Device Company, President of Advanced Device Company, and Division Manager of Semiconductor Devices Technology & Operation Center (present)	7,400
7	Ichiro Takayama (Jan. 3, 1958) [Reelection] Term of office: 22 years	Jun. 1986 Qualified Medical Doctor (U.S.) May 1990 Qualified Medical Doctor (Japan) Jun. 1990 Director of the Company Jun. 1996 Retired from Director Jun. 2000 Director of the Company (present)	1,058,923

Candidate Number	Name (Date of Birth), Term of Office	Brief History, Position, Responsibility, and Status of Material Holding of Concurrent Positions	Number of Shares of the Company Owned by the Candidate
8	Masahito Kamijo (Jul. 12, 1954)  [Reelection] [External] [Independent]  Term of office: 7 years	Jun. 2006 Representative Director and Managing Executive Officer of Saitama Resona Bank, Limited Jun. 2008 Director and Senior Managing Executive Officer of Resona Bank, Limited Jun. 2009 Representative Director and President of Saitama Resona Bank, Limited Apr. 2014 Director and Chairman of Saitama Resona Bank, Limited Apr. 2015 Chairman of Resona Research Institute Co., Ltd. Jun. 2015 External Director of the Company (present) Jun. 2016 External Director of Clarion Co., Ltd. Jun. 2018 External Director, ZENKOKU HOSHO Co., Ltd. (present) Mar. 2021 Outside Audit & Supervisory Board Member of MiraBiologics Inc. (present)	—
Reason for nomination as External Director and overview of the expected role, etc.: Mr. Masahito Kamijo had served as Representative Director and President of Saitama Resona Bank, Limited and in other capacities that have allowed him to accumulate a wealth of experience in company management. It is judged, therefore, that seeking his opinions and advice on critical management issues would help promote proper decision making, and his reappointment as an External Director is requested. In addition, if he is reelected, the Company plans for him to be involved in nominating officer candidates for the Company and determining remuneration, etc. for officers from an objective and neutral standpoint as Chairperson of the Nomination and Remuneration Committee.			

Candidate Number	Name (Date of Birth), Term of Office	Brief History, Position, Responsibility, and Status of Material Holding of Concurrent Positions	Number of Shares of the Company Owned by the Candidate
9	Tomohiro Murata (Jun. 17, 1968) [Reelection] [External] [Independent] Term of office: 1 year	Apr. 1991 Joined Daiwa Securities Co. Ltd. Jul. 1994 Joined Daiwa Institute of Research Ltd. Sept. 1996 Joined Morgan Stanley Japan Securities Co., Ltd. Feb. 2009 Joined Frontier Management Inc. Jun. 2015 Outside Director of Yamaichi Electronics Co., Ltd. (present) Jun. 2018 Executive Officer of Frontier Management Inc. (present) Jun. 2021 External Director of the Company (present)	—
	Reason for nomination as External Director and overview of the expected role, etc.: Mr. Tomohiro Murata has a wealth of experience and considerable insight as a management consultant, and is judged to be able to offer sound advice on business structure reform and the creation of growth foundations from an objective and neutral standpoint. Therefore, his reappointment as an External Director is requested.		
10	Akira Minamikawa (Dec. 6, 1958) [New] [External] [Independent]	Apr. 1982 Joined Motorola, Inc. May 1990 Senior Analyst, Gartner Japan, Ltd. Jan. 1996 Director, IDC Japan Jun. 2000 Director & Senior Analyst, Corporate Research Department, WestLB Securities Apr. 2003 Technology Head & Senior Analyst, Corporate Research Department, Crédit Lyonnais Jul. 2004 President, Data Garage Co., Ltd. Nov. 2010 Consulting Director, IHS Global KK Aug. 2019 Senior Consulting Director, Informa PLC (present)	—
	Reason for nomination as External Director and overview of the expected role, etc.: Mr. Akira Minamikawa has a wealth of experience and considerable insight accumulated as an analyst of the electronics industry in foreign companies, and is judged to be able to provide sound advice on the latest global technology trends from an objective and neutral standpoint. Therefore, his appointment as a new External Director is requested.		

Notes:

1. Mr. Akira Minamikawa is a new candidate for Director.
2. There are no special interests between the Company and each candidate.
3. Mr. Masahito Kamijo, Mr. Tomohiro Murata and Mr. Akira Minamikawa are candidates for External Director.
4. Independence of External Director candidates  
The Company appointed Mr. Masahito Kamijo and Mr. Tomohiro Murata as Independent Officers as stipulated by provisions of Tokyo Stock Exchange, and filed the relevant notification with the TSE. If their reelection is approved, the Company will continue to appoint them as Independent Officers. In addition, if the election of Mr. Akira Minamikawa, a new candidate for Director, is approved, the Company plans to submit notification to the aforementioned exchange concerning his appointment as Independent Officer. Furthermore, Mr. Masahito Kamijo, Mr. Tomohiro Murata and Mr. Akira Minamikawa satisfy the requirements for Independent Officers prescribed by the Tokyo Stock Exchange as well as the Company's independence requirements set forth in the "Independence Criteria for External Officers" (see p. 21).
5. Agreements limiting the liability of External Directors  
Based on Article 427, Paragraph 1 of the Companies Act ("the Act"), the Company has entered into contracts with each Director (excluding Executive Directors) to limit liability for damages as stipulated in Article 423, Paragraph 1 of the Act, to the higher of ¥3 million or the minimum liability limit amount stipulated in Article 425, Paragraph 1 of the Act. Should the reappointment of Mr. Ichiro Takayama, Mr. Masahito Kamijo and Mr. Tomohiro Murata and the appointment of Mr. Akira Minamikawa be approved, the Company will extend or enter into the above agreement with each of them.
6. Directors and officers liability insurance policy  
Based on Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance policy with an insurance company. The policy covers losses that may arise from an insured's assumption of liability incurred in the course of the performance of duties as a Director, or receipt of claims pertaining to the pursuit of such liability. Should each candidate assume the office of Director, each of them will be included as an insured in the insurance policy, and the Company plans to renew the said policy with the above details during their terms of office.

**Item 3: Appointment of Three (3) Directors Serving on the Audit and Supervisory Committee**

The term of office of all three (3) Directors, the Audit and Supervisory Committee, will expire at the conclusion of this General Meeting of Shareholders, and we request the approval of the appointment of three (3) Directors Serving on the Audit and Supervisory Committee. The Audit and Supervisory Committee has approved this proposal. Career histories of the candidates for Directors Serving on the Audit and Supervisory Committee are as follows:

Candidate Number	Name (Date of Birth), Term of Office	Brief History, Position, Responsibility, and Status of Material Holding of Concurrent Positions	Number of Shares of the Company Owned by the Candidate
1	<p>Fumiaki Yamamoto (Apr. 1, 1957)</p> <p>[Reelection] [External] [Independent]</p> <p>Term of office: 4 years (including 2 years as External Audit &amp; Supervisory Board Member)</p>	<p>Apr. 1979 Joined The Kyowa Bank, Ltd. (currently Resona Bank, Limited)</p> <p>Apr. 2004 Executive Officer and Manager of Loan Management Department of Resona Bank, Limited</p> <p>Jun. 2005 Executive Officer, and vice in charge of Corporate Finance Department of Resona Bank, Limited</p> <p>Jun. 2010 Managing Executive Officer of Leopalace21 Corporation</p> <p>Jun. 2010 Director and Managing Executive Officer of Leopalace21 Corporation</p> <p>Apr. 2013 Senior Managing Director of Resona Research Institute Co., Ltd.</p> <p>Jun. 2015 External Audit &amp; Supervisory Board Member of PACIFIC METALS CO., LTD.</p> <p>Jun. 2017 Outside Audit &amp; Supervisory Board Member of SWCC Showa Holdings Co., Ltd.</p> <p>Jun. 2018 Full-time External Audit &amp; Supervisory Board Member of the Company</p> <p>Jun. 2019 Outside Audit &amp; Supervisory Board Member of SWCC Showa Cable Systems Co., Ltd.</p> <p>Jun. 2020 External Director and Full-time Audit and Supervisory Committee Member of the Company (present)</p>	900
<p>Reason, etc. for appointing External Directors and overview of the expected role, etc.: Mr. Fumiaki Yamamoto has a wealth of experience and knowledge accumulated through his career in management and audit of multiple corporations. It is judged, therefore, that he will provide supervision and helpful advice on corporate management, and his continued appointment as an External Director Serving on the Audit and Supervisory Committee is requested.</p> <p>His term of office is 2 years as Audit &amp; Supervisory Board Member and it will have been 2 years as Audit and Supervisory Committee Member as of the conclusion of this General Meeting of Shareholders.</p>			



Candidate Number	Name (Date of Birth), Term of Office	Brief History, Position, Responsibility, and Status of Material Holding of Concurrent Positions	Number of Shares of the Company Owned by the Candidate
2	<p>Keiji Okanan (Jan. 13, 1957)</p> <p>[Reelection] [External] [Independent]</p> <p>Term of office: 3 years (including 1 year as External Audit &amp; Supervisory Board Member)</p>	<p>Apr. 1979    Joined the National Tax Agency</p> <p>Jul. 1999    Assistant Regional Commissioner (Large Enterprise Examination and Criminal Investigation), Sapporo Regional Tax Bureau</p> <p>Jul. 2006    Director, Office of Rulings and Legal Affairs, National Tax Agency</p> <p>Jul. 2008    Assistant Regional Commissioner (Management and Co-ordination), Osaka Regional Tax Bureau</p> <p>Jul. 2011    Regional Commissioner, Fukuoka Regional Tax Bureau</p> <p>Jun. 2012    Deputy Commissioner (Revenue Management and Collection), National Tax Agency</p> <p>Sept. 2013   Senior Managing Director, Nihon Joryushu Shuzo Kumiai (present)</p> <p>Jun. 2019    External Audit &amp; Supervisory Board Member of the Company</p> <p>Jun. 2020    External Director and Audit and Supervisory Committee Member of the Company (present)</p>	—
<p>Reason, etc. for appointing External Directors and overview of the expected role, etc.: Although Mr. Keiji Okanan has not been directly engaged in company management, he has held important positions at the National Tax Agency and regional tax bureaus for many years and has a wealth of experience and knowledge accumulated through his career. It is judged, therefore, that he will provide supervision and helpful advice on corporate management, and his continued appointment as an External Director Serving on the Audit and Supervisory Committee is requested. His term of office is 1 year as Audit &amp; Supervisory Board Member and it will have been 2 years as Audit and Supervisory Committee Member as of the conclusion of this General Meeting of Shareholders.</p>			

Candidate Number	Name (Date of Birth), Term of Office	Brief History, Position, Responsibility, and Status of Material Holding of Concurrent Positions	Number of Shares of the Company Owned by the Candidate
3	Junko Kato (Dec. 3, 1974)	Apr. 1997 Joined Seiko Instruments & Electronics Ltd. (now Seiko Instruments Inc.) Sept. 2007 Passed the Bar Examination Dec. 2008 Completed studies at Legal Training and Research Institute	—
	[New] [External] [Independent]	Dec. 2008 Registered as an attorney at law (present) Dec. 2008 Joined Anzai Law Office Apr. 2017 Joined Watanabe Gaku Law Office (present)	
Reason, etc. for appointing External Directors and overview of the expected role, etc.: Although Ms. Junko Kato has not been directly engaged in company management, she is familiar with corporate law and labor issues in her capacity as an attorney and has suitable insight to govern corporate management, and is deemed appropriate to be able to provide supervision and effective advice on management in general. Therefore, her appointment as a new External Director Serving on the Audit and Supervisory Committee is requested.			

Notes:

- Ms. Junko Kato is a new candidate for Director.
- There are no special interests between the Company and each candidate.
- Mr. Fumiaki Yamamoto, Mr. Keiji Okanan and Ms. Junko Kato are candidates for External Director.
- Independence of External Director candidates  
The Company appointed Mr. Fumiaki Yamamoto and Mr. Keiji Okanan as Independent Officers as stipulated by provisions of Tokyo Stock Exchange, and filed the relevant notification with the TSE. If their reelection is approved, the Company will continue to appoint them as Independent Officers. In addition, if the election of Ms. Junko Kato, a new candidate for Director, is approved, the Company plans to submit notification to the aforementioned exchange concerning his appointment as Independent Officer. Furthermore, Mr. Fumiaki Yamamoto, Mr. Keiji Okanan and Ms. Junko Kato satisfy the requirements for Independent Officers prescribed by the Tokyo Stock Exchange as well as the Company's independence requirements set forth in the "Independence Criteria for External Officers" (see p. 21).
- Agreements limiting the liability of External Directors  
Based on Article 427, Paragraph 1 of the Companies Act ("the Act"), the Company has entered into contracts with each Director (excluding Executive Directors) to limit liability for damages as stipulated in Article 423, Paragraph 1 of the Act, to the higher of ¥3 million or the minimum liability limit amount stipulated in Article 425, Paragraph 1 of the Act. Should the reappointment of Mr. Fumiaki Yamamoto and Mr. Keiji Okanan and the election of Ms. Junko Kato be approved, the Company will extend or enter into the above agreement with each of them.
- Directors and officers liability insurance policy  
Based on Article 430-3, Paragraph 1 of the Companies Act, the Company has entered into a directors and officers liability insurance policy with an insurance company. The policy covers

losses that may arise from an insured's assumption of liability incurred in the course of the performance of duties as a Director, or receipt of claims pertaining to the pursuit of such liability. Should each candidate assume the office of Director, each of them will be included as an insured in the insurance policy, and the Company plans to renew the said policy with the above details during their terms of office.

**(Reference) Skill Matrix of Candidates for Directors**

The skill matrix of Directors after Item 2 and Item 3 are approved will be as described below.

The expertise and experience that the Company's Directors and Officers must possess to ensure that the Company's Board of Directors properly fulfills its decision-making and supervisory functions in light of the Company's medium- to long-term management direction and business strategy, and in order to realize the medium- to long-term management plan are as described below.

Proposal Number - Candidate Number	Name Current Positions in the Company	Expertise and Experience						
		Corporate Management Experience	Marketing and Sales	Technology, Development and Manufacturing	Human Resources and Labor	Finance and Accounting	Internal Controls	Global
2-1	Ryoji Abe President & Chief Executive Officer	●	●	●			●	●
2-2	Yoshinae Takada Director & Chief Operating Officer	●				●	●	
2-3	Akira Togo Director, V.P. & Executive Managing Officer	●	●	●				
2-4	Nobuhito Shintoku Director, V.P. & Executive Managing Officer	●			●		●	
2-5	Tamaki Miyashita Director, V.P. & Managing Officer	●	●	●				●
2-6	Yugo Ishishita Director, V.P. & Managing Officer	●	●					●
2-7	Ichiro Takayama Director	●						●
2-8	Masahito Kamijo Director [External][Independent]	●			●	●	●	●
2-9	Tomohiro Murata Director [External][Independent]	●	●	●				
2-10	Akira Minamikawa [External][Independent]	●	●	●				●
3-1	Fumiaki Yamamoto Director (Full-time Audit and Supervisory Committee Member) [External][Independent]	●				●	●	
3-2	Keiji Okanan Director (Audit and Supervisory Committee Member) [External][Independent]					●	●	
3-3	Junko Kato [External][Independent]				●		●	

### **(Reference) Independence Criteria for External Officers**

External Directors of the Company (hereinafter referred to as “External Officers”) shall be determined to be independent if they do not fall under any of the following criteria:

1. A person whose major business partner is the Company (meaning a person who has received from the Company a payment equivalent to 2% or more of the annual consolidated net sales for the most recent fiscal year of that person) or an executive of that person;
2. A person is a major business partner of the Company (meaning a person who has paid to the Company a payment equivalent to 2% or more of the annual consolidated net sales for the most recent fiscal year of the Company) or an executive of that person;
3. A person who is a certified public accountant, tax accountant, attorney, judicial scrivener, patent attorney, consultant, etc., who receives money or other property from the Company in an amount of ¥10 million or more per year separately from compensation as an Officer of the Company (if the person who receives such property is an organization, such as a juridical person, association, etc., a person who belongs to an organization that receives property from the Company in an amount exceeding 2% of annual revenue of the organization);
4. A person belonging to the audit corporation that is the Accounting Auditor of the Company or its consolidated subsidiary who is in charge of providing audit services to the Company or its consolidated subsidiary;
5. An executive of a financial institution that is indispensable in financing of the Company to the extent the Company is dependent on the financial institution as the Company cannot find a substitute;
6. A major shareholder of the Company or its executive;
7. An executive of a company a major shareholder of which is the Company;
8. An executive of a company at which an Officer of the Company is serving as an External Officer;
9. A person who receives a donation of ¥10 million or more per year from the Company (if the person who receives such donation is an organization, such as a juridical person, association, etc., a person who belongs to an organization that receives donation from the Company in an amount exceeding 2% of annual revenue of the organization);
10. A person who has fallen under any of 1. through 9. above anytime during the last three (3) years;
11. A spouse or a relative within the second degree of kinship of any of the persons listed in 1. through 10. above (limited to important persons);
12. A spouse or a relative within the second degree of kinship of a Director, Executive Officer, Manager, or other employee (limited to important persons) of the Company or its subsidiary;
13. A spouse or a relative within the second degree of kinship of a person who has fallen under a Director, Executive Officer, Manager, or other employee (limited to important persons) of the Company or its subsidiary any time during the last three (3) years;

14. A person who has special circumstances other than those listed in 1. through 13. above that prevent him or her from performing the duties as an independent External Officer, such as conflict of interest with general shareholders of the Company; or
15. A person whose total term of office as an External Officer at the Company has exceeded eight (8) years.

Notes:

1. An “executive” is an executive director, an executive officer, or an officer or employee holding a similar position at a corporation or other organization.
2. A “major shareholder” is a person who holds shares that are equivalent of 10% or more of the total voting rights at the end of the most recent fiscal year.
3. An “important person” is an officer or employee who holds a position that is equivalent to or above the position of executive director, executive officer, or general manager of a division/department.

## **[Information on Exercise the Voting Rights]**

Voting rights exercisable at a general meeting of shareholders are important rights of shareholders.

Shareholders are requested to exercise their voting rights after reviewing the “Reference Materials for the General Meeting of Shareholders” attached below.

You may exercise your voting rights by one of the following three methods.

### **By Attending the General Meeting of Shareholders**

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Please submit your Form for Exercising Voting Rights and present it at the reception desk.

**Date & Time:**

**Friday, June 24, 2022 at 10:00 a.m.**

### **Recommendation**

#### **By Submitting the Form for Exercising Voting Rights by Mail**

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Please indicate “for” or “against” for agenda items shown on the enclosed Form for Exercising Voting Rights and return it to the Company.

**Exercise Due Date:**

**No later than 5:30 p.m. on Thursday, June 23, 2022**

### **Recommendation**

#### **By Exercising Voting Rights via the Internet**

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Enter your vote for agenda items according to the instructions on the next page.

**Exercise Due Date:**

**No later than 5:30 p.m. on Thursday, June 23, 2022**

#### **Procedures for Exercising Voting Rights via the Internet**

- (1) If you exercise your voting rights both by mail and via the Internet, the voting via the Internet shall prevail. In the case of multiple voting via the Internet, the last voting shall prevail.
- (2) Shareholders may not be able to use the Voting Rights Exercise Site depending on their Internet environment, subscribed services, or the model of the device used.
- (3) To prevent unauthorized access by third parties other than shareholders and the alteration of shareholder votes, shareholders voting via the Internet will be asked to change their “Temporary Password” on the Voting Rights Exercise Site.
- (4) The shareholders are to bear any costs incurred for the access to the Voting Rights Exercise Site using a PC or smartphone, such as Internet connection and telecommunication charges.

#### **e-Voting platform for institutional investors**

Institutional investors who have applied in advance to use the e-Voting Platform for institutional investors run by ICJ, Inc. can cast their votes via this system instead of the Company’s system for voting via the Internet, which is described above.

## [How to vote via the Internet]

### ■ Exercising voting rights by scanning the QR Code

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You can log in to the Voting Rights Exercise Site without entering the login ID and the temporary password provided on the Voting Rights Exercise Form.

1. Please scan the QR Code provided on the lower right of the Voting Rights Exercise Form using a smartphone, etc.  
\* QR Code is a registered trademark of Denso Wave Incorporated.
2. Then, enter your vote for each proposal according to the instructions on the screen.  
**You can log in to the website using the QR Code only once.**  
If you intend to exercise your voting rights again to change your previous vote or exercise your voting rights without using the QR Code, please see “Exercising voting rights by entering login ID and temporary password” below.

### ■ Exercising voting rights by entering login ID and temporary password

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<Voting Rights Exercise Site URL> <https://evote.tr.mufg.jp/>

1. Please access the Voting Rights Exercise Site.
2. Enter the “login ID” and the “temporary password” provided on the Voting Right Exercise Form.
3. Enter a new password.
4. Then, enter your vote for each proposal according to the instructions on the screen.

**If you have any questions about the exercise of voting rights via the Internet, such as how to use a PC or smartphone to vote, please call the help desk below.**

**Mitsubishi UFJ Trust and Banking Corporation, Corporate Agency Department (Helpdesk)**

0120-173-027

Hours: 9:00 a.m.–9:00 p.m. (only in Japan, toll free)

<p><b>The English translation is an abridged version of the original invitation notice in Japanese. In the event of discrepancy, the Japanese version shall prevail.</b></p>
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