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Securities Code: 4921

June 7, 2022

To Those Shareholders with Voting Rights

Kazuyuki Shimada
President & CEO, Representative
Director
FANCL CORPORATION
89-1, Yamashita-cho, Naka-ku
Yokohama, Japan

NOTICE OF THE 42nd ORDINARY GENERAL MEETING OF SHAREHOLDERS

You are hereby notified that the 42nd Ordinary General Meeting of Shareholders (the “Shareholders’ Meeting”) will be held as described below.

In lieu of attending the Shareholders’ Meeting, you can exercise your voting rights either via Postal Mail or via the Internet. Please review the appended Reference Documents for the Ordinary General Meeting of Shareholders, and exercise your voting rights no later than 5:30 p.m. on Friday, June 24, 2022.

1. **Date and Time:** Saturday, June 25, 2022, at 1:00 p.m. (Reception starts at 12:00 p.m.)
2. **Place:** Exhibition Hall B, PACIFICO Yokohama
1-1-1, Minato Mirai, Nishi-ku, Yokohama, Japan
3. **Agenda of the Meeting:**
Matters to be reported:
 - (1) The Business Report, Consolidated Financial Statements for the 42nd Fiscal Term (from April 1, 2021, to March 31, 2022) and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
 - (2) Financial Statements for the 42nd Fiscal Term (from April 1, 2021, to March 31, 2022)

Proposal to be resolved:

Proposal 1: Partial Amendments to the Articles of Incorporation

Proposal 2: Election of Nine (9) Directors

<Matters to be disclosed via the Internet >

- (1) The materials listed below are not attached to this NOTICE because they are posted on the Company's website, in accordance with the relevant laws and regulations and Article 14 of the Company's Articles of Incorporation.
 - 1) Systems to Ensure the Properness of Operations and the Operating Status of the Systems
 - 2) Consolidated Statement of Changes in Net Assets
 - 3) Statement of Changes in Net Assets
 - 4) Notes to the Consolidated Financial Statements
 - 5) Notes to the Financial Statements

- (2) If there are any amendments to the Reference Documents for the Ordinary General Meeting of Shareholders, Business Report, the Consolidated Financial Statements or the Financial Statements, the amended materials will be posted on our website.

https://www.fancl.jp/ir/stock_meeting/

Reference Documents for the Ordinary General Meeting of Shareholders

Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 14, Paragraph 1 provides that information contained in the reference materials for the general meeting of shareholders, etc. shall be provided electronically.
- (2) The purpose of the proposed Article 14, Paragraph 2 is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the internet disclosure and deemed provision of the reference materials for the general meeting of shareholders, etc. (Article 14 of the current Articles of Incorporation) will become unnecessary and will therefore be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date, etc. shall be established.

2. Details of amendments

The details of the amendments are as follows.

(Underlines indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Materials for the General Meeting of Shareholders, Etc.)</u></p> <p><u>Article 14 The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the reference materials for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u></p> <p style="text-align: center;"><New></p>	<p style="text-align: center;"><Deleted></p> <p style="text-align: center;"><u>(Measures for Electronic Provision, Etc.)</u></p> <p><u>Article 14 The Company shall, when convening a general meeting of shareholders, provide information contained in the reference materials for the general meeting of shareholders, etc. electronically.</u></p> <p><u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p>
<New>	<u>(Supplementary provisions)</u>

1. The deletion of Article 14 of the current Articles of Incorporation and the introduction of Article 14 of the Articles of Incorporation after the amendments shall come into effect on September 1, 2022.
2. Notwithstanding the provisions of the preceding paragraph, Article 14 of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held by the last date of February 2023.
3. These supplementary provisions shall be deleted on March 1, 2023 or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.

Proposal 2 Election of Nine (9) Directors

The terms of office of all Directors will expire at the conclusion of the Shareholders' Meeting. Accordingly, we propose to elect nine (9) Directors.

The candidates for Director are as follows:

Candidate number	Name		Current Position	Attendance at the Board of Directors' meetings (% of attendance)
1	Kazuyuki Shimada	Reappointed	President & CEO, Representative Director	18/18 (100%)
2	Tomochika Yamaguchi	Reappointed	Representative Director, Senior Managing Director	18/18 (100%)
3	Akihiro Yanagisawa	Reappointed	Executive Managing Director	18/18 (100%)
4	Yasushi Sumida	Reappointed	Executive Managing Director	18/18 (100%)
5	Shinro Fujita	Reappointed	Executive Managing Director	17/18 (94%)
6	Mitsuaki Nakakubo	Reappointed Outside Director Independent Officer	Director	18/18 (100%)
7	Keiichiro Hashimoto	Reappointed Outside Director Independent Officer	Director	18/18 (100%)
8	Akira Matsumoto	Reappointed Outside Director Independent Officer	Director	18/18 (100%)
9	Junko Tsuboi	Reappointed Outside Director	Director	17/18 (94%)

Notes: Messrs. Mitsuaki Nakakubo, Keiichiro Hashimoto, Akira Matsumoto and Ms. Junko Tsuboi are candidates for Outside Director. Messrs. Mitsuaki Nakakubo, Keiichiro Hashimoto and Akira Matsumoto have been notified with the Tokyo Stock Exchange as Independent Officers as set forth in the rules of the Tokyo Stock Exchange.

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
1	<p data-bbox="279 674 438 846">Kazuyuki Shimada (December 20, 1955) Reappointed</p> <p data-bbox="279 902 438 1048">Attendance at the Board of Directors' meetings 18/18 (100%)</p>	<p data-bbox="470 338 1294 1025"> July 2003 Entered the Company February 2004 Division Manager of New Business Dept. of Management Strategy Div. of the Company April 2006 Division Manager of Corporate Planning Dept. and New Business Dept. of Management Strategy Div. of the Company April 2007 Executive Officer, General Manager of Management Strategy Div. and Division Manager of Corporate Planning Dept. of the Company June 2007 Executive Director, General Manager of Management Strategy Div. and Division Manager of Corporate Planning Dept. of the Company May 2010 Executive Director, General Manager of Administration Dept. of the Company June 2011 Executive Managing Director, General Manager of Administration Dept. of the Company June 2015 Senior Managing Director, General Manager of Group Support Center of the Company April 2017 President & CEO, Representative Director and General Manager of Marketing Div. of the Company March 2020 President & CEO, Representative Director of the Company (Current position) </p> <p data-bbox="470 1048 1294 1375"> [Reason for nomination as a candidate for Director] Kazuyuki Shimada has long had overall control of the management of the Group businesses, mainly corporate planning including risk management, accumulating considerable experience and expertise. He is currently responsible for executing business operations as President & CEO, Representative Director of the Company. With great trust from the officers and employees, he has played a leading role in the management of the Company toward the achievement of Group strategies. He is aware of overall matters on the management of the Company and fully understands the Group's Founding Philosophy—Eliminate the “Negatives” with a Sense of Justice—and Corporate Philosophy—“Can Achieve More” and has fulfilled his roles of making decisions on important managerial matters and overseeing the execution of business operations. Therefore, he is again nominated for Director. </p>	15,300

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
2	<p>Tomochika Yamaguchi (March 5, 1958) Reappointed</p> <p>Attendance at the Board of Directors' meetings 18/18 (100%)</p>	<p>October 2003 Entered the Company</p> <p>March 2005 Executive Officer, General Manager of Direct Sales Headquarter and Division Manager of Internet Promotion Div. of the Company</p> <p>January 2008 Director of Attenir CORPORATION</p> <p>March 2013 Executive Officer, General Manager of Store Channel Unit of the Company</p> <p>June 2014 Executive Director, General Manager of Store Channel Unit of the Company</p> <p>June 2016 Executive Managing Director, in charge of Stores & Wholesale, and General Manager of Store Sales Division of the Company</p> <p>June 2017 Senior Managing Director, in charge of Stores & Wholesale, General Manager of Store Sales Division and Department Manager of Store Sales Promotion Department of the Company</p> <p>January 2020 Representative Director, Senior Managing Director, in charge of Stores & Wholesale and General Manager of Store Sales Division of the Company</p> <p>June 2020 Representative Director, Senior Managing Director, in charge of Domestic Sales and General Manager of Store Sales Division of the Company</p> <p>January 2022 Representative Director, Senior Managing Director, in charge of Group Business and General Manager of New Business Development Division of the Company (Current position)</p> <hr/> <p>[Reason for nomination as a candidate for Director]</p> <p>Tomochika Yamaguchi has long engaged in the store and mail-order sales businesses of the Company and has accumulated ample experience and knowledge. Currently, as Representative Director and Senior Managing Director, he leads the creation of new businesses that are not constrained by the boundaries of the existing businesses and is powerfully driving this effort. In addition, he fully understands the Group's Founding Philosophy—Eliminate the "Negatives" with a Sense of Justice—and Corporate Philosophy—"Can Achieve More" and has fulfilled his roles of making decisions on important managerial matters and overseeing the execution of business operations. Therefore, he is again nominated for Director.</p>	3,900

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
3	Akihiro Yanagisawa (April 16, 1958) Reappointed Attendance at the Board of Directors' meetings 18/18 (100%)	<p>September 1993 Entered the Company</p> <p>February 2000 General Manager of Chiba Factory, Cosmetics Control Dept. of the Company</p> <p>September 2001 Department Manager of Cosmetics Dept. of the Company</p> <p>April 2003 Department Manager of Quality Assurance Dept. of Administration Dept. of the Company</p> <p>February 2004 General Manager of Control Dept., FANCL B&H CORPORATION</p> <p>July 2004 General Manager of Shiga Factory, Control Dept. of FANCL B&H CORPORATION</p> <p>April 2007 President and Representative Director of FANCL B&H CORPORATION (Current position)</p> <p>June 2010 Director of the Company</p> <p>June 2019 Senior Executive Officer of the Company</p> <p>June 2020 Executive Managing Director of the Company (Current position)</p> <p>[Reason for nomination as a candidate for Director]</p> <p>Akihiro Yanagisawa has long engaged in the production related businesses of cosmetics and nutritional supplements, thereby accumulating ample experience and knowledge. Currently, he aims to manufacture safe and reliable products and improve productivity as President and Representative Director of FANCL B&H CORPORATION, a subsidiary of the Company responsible for manufacturing functions. In addition, he fully understands the Group's Founding Philosophy—Eliminate the “Negatives” with a Sense of Justice—and Corporate Philosophy—“Can Achieve More” and has fulfilled his roles of making decisions on important managerial matters and overseeing the execution of business operations. Therefore, he is again nominated for Director.</p>	16,448

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held														
4	Yasushi Sumida (December 17, 1963) Reappointed Attendance at the Board of Directors' meetings 18/18 (100%)	<table border="0" style="width: 100%;"> <tr> <td style="width: 15%; vertical-align: top;">May 2005</td> <td>Entered the Company</td> </tr> <tr> <td style="vertical-align: top;">July 2005</td> <td>Department Manager of Cosmetics Development Dept. of Central Research Institute of the Company</td> </tr> <tr> <td style="vertical-align: top;">June 2008</td> <td>Executive Officer, General Manager of FANCL Research Institute and General Manager of Cosmetics Research Institute of the Company</td> </tr> <tr> <td style="vertical-align: top;">June 2013</td> <td>Executive Director, General Manager of FANCL Research Institute of the Company</td> </tr> <tr> <td style="vertical-align: top;">June 2019</td> <td>Senior Executive Officer, General Manager of FANCL Research Institute of the Company</td> </tr> <tr> <td style="vertical-align: top;">June 2020</td> <td>Executive Managing Director, General Manager of FANCL Research Institute of the Company</td> </tr> <tr> <td style="vertical-align: top;">May 2022</td> <td>Executive Managing Director, General Manager of FANCL Research Institute and General Manager, Research Strategy Office of the Company (Current position)</td> </tr> </table> <p>[Reason for nomination as a candidate for Director]</p> <p>Yasushi Sumida has long engaged in the research and development related businesses in a variety of fields, from basic research to product development of cosmetics. Currently, he supervises the research and development related businesses of the entire Group as the General Manager of FANCL Research Institute, thereby accumulating ample experience and knowledge. In addition, he fully understands the Group's Founding Philosophy—Eliminate the “Negatives” with a Sense of Justice—and Corporate Philosophy—“Can Achieve More” and has fulfilled his roles of making decisions on important managerial matters and overseeing the execution of business operations. Therefore, he is again nominated for Director.</p>	May 2005	Entered the Company	July 2005	Department Manager of Cosmetics Development Dept. of Central Research Institute of the Company	June 2008	Executive Officer, General Manager of FANCL Research Institute and General Manager of Cosmetics Research Institute of the Company	June 2013	Executive Director, General Manager of FANCL Research Institute of the Company	June 2019	Senior Executive Officer, General Manager of FANCL Research Institute of the Company	June 2020	Executive Managing Director, General Manager of FANCL Research Institute of the Company	May 2022	Executive Managing Director, General Manager of FANCL Research Institute and General Manager, Research Strategy Office of the Company (Current position)	9,400
May 2005	Entered the Company																
July 2005	Department Manager of Cosmetics Development Dept. of Central Research Institute of the Company																
June 2008	Executive Officer, General Manager of FANCL Research Institute and General Manager of Cosmetics Research Institute of the Company																
June 2013	Executive Director, General Manager of FANCL Research Institute of the Company																
June 2019	Senior Executive Officer, General Manager of FANCL Research Institute of the Company																
June 2020	Executive Managing Director, General Manager of FANCL Research Institute of the Company																
May 2022	Executive Managing Director, General Manager of FANCL Research Institute and General Manager, Research Strategy Office of the Company (Current position)																

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
5	Shinro Fujita (October 14, 1964) Reappointed Attendance at the Board of Directors' meetings 17/18 (94%)	<p>April 1988 Entered Kirin Brewery Company, Limited (currently Kirin Holdings Company, Limited)</p> <p>September 2002 Lion Nathan Limited (currently Lion Pty Ltd)</p> <p>March 2014 Brasil Kirin Holding S.A.</p> <p>June 2017 General Manager of Corporate Planning Dept. of Kirin Company, Limited and Director of Group Corporate Strategy of Kirin Holdings Company, Limited</p> <p>April 2019 Executive Officer, General Manager of Corporate Planning Dept. of Kirin Holdings Company, Limited</p> <p>November 2019 Entered the Company</p> <p>November 2019 Senior Executive Officer, in charge of Synergy Development, assistant to President of the Company</p> <p>June 2020 Executive Director, General Manager of Synergy Strategy Div. of the Company</p> <p>June 2021 Executive Managing Director, General Manager of Synergy Strategy Div. of the Company</p> <p>January 2022 Executive Managing Director, General Manager of Synergy Strategy Division and General Manager of International Business Development Division of the Company (Current position)</p> <hr/> <p>[Reason for nomination as a candidate for Director]</p> <p>Shinro Fujita has mainly engaged in the overseas and corporate planning related businesses, thereby accumulating ample experience and knowledge. Currently, through a capital and business alliance with Kirin Holdings Company, Limited, he is promoting a synergy strategy by utilizing the management resources of both companies and working to expand the Group's international business. In addition, he fully understands the Group's Founding Philosophy—Eliminate the “Negatives” with a Sense of Justice—and Corporate Philosophy—“Can Achieve More” and has fulfilled his roles of making decisions on important managerial matters and overseeing the execution of business operations. Therefore, he is again nominated for Director.</p>	500

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
6	Mitsuaki Nakakubo (November 24, 1966) Reappointed Outside Director Independent Officer Attendance at the Board of Directors' meetings 18/18 (100%)	<p>April 1995 Registered as an attorney (under Daini Tokyo Bar Association) (Current registration)</p> <p>April 2001 Partner of Asahi Law Offices (Current position)</p> <p>April 2008 Member, Regular Meeting, Daini Tokyo Bar Association</p> <p>June 2017 Outside Company Auditor of Nippon Kodo Holdings Corporation (Current position)</p> <p>June 2019 Outside Director of the Company (Current position)</p> <p>March 2021 Outside Director of Nikkiso Co., Ltd. (Current position)</p> <p>[Reason for nomination as a candidate for Outside Director and expected roles]</p> <p>Mitsuaki Nakakubo has a wealth of experience and broad knowledge as an attorney specialized in corporate legal affairs. In the deliberations at the Board of Directors' meetings, based on his experience and knowledge, he has been actively providing advice and proposals. He has been also serving as chairman of the Nomination and Remuneration Committee, an advisory body to President & CEO, Representative Director from June 2020. For these reasons, in the expectation that he will contribute to the achievement of the Company's management plan and to the enhanced effectiveness of the Board of Directors, he is again nominated for Outside Director. Although he has not been involved in corporate management, the Company has judged that he will properly perform his duties as an Outside Director of the Company for the reasons mentioned above.</p>	900

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
7	Keiichiro Hashimoto (October 20, 1951) Reappointed Outside Director Independent Officer Attendance at the Board of Directors' meetings 18/18 (100%)	<p>April 1974 Entered The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 2001 General Manager of Global Business Division of The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 2003 Representative Member of the Board, Vice President and CFO of MITSUBISHI MOTORS CORPORATION</p> <p>June 2005 Senior Executive Vice President of SEGA SAMMY HOLDINGS INC.</p> <p>June 2010 Chairman and President of Metropolitan Expressway Company Limited</p> <p>May 2014 Vice President and COO of Shioya Tochi Co., Ltd.</p> <p>June 2015 Audit & Supervisory Board Member of HIGASHI-NIPPON BANK, Ltd.</p> <p>April 2016 Outside Audit & Supervisory Board Member of Concordia Financial Group, Ltd. (Current position)</p> <p>April 2019 Vice Chairman & President of Japan Association of Corporate Executives</p> <p>June 2020 Outside Director of the Company (Current position)</p> <p>April 2021 Representative Director of General Incorporated Association T Art Life Village (Current position)</p> <p>June 2021 Outside Director of Maeda Road Construction Co., Ltd. (Current position)</p> <p>October 2021 Outside Director of INFRONEER Holdings Inc. (Current position)</p> <p>[Reason for nomination as a candidate for Outside Director and expected roles]</p> <p>Keiichiro Hashimoto possesses a wealth of experience as an executive of financial institutions and a corporate manager of companies operating globally. In addition, he has broad knowledge regarding IT and social and economic field. In the deliberations at the Board of Directors' meetings, based on his experience and knowledge, he has been actively providing advice and proposals. For these reasons, in the expectation that he will contribute to the achievement of the Company's management plan and to the enhanced effectiveness of the Board of Directors, he is again nominated for Outside Director.</p>	600

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
8	<p>Akira Matsumoto (April 21, 1971) Reappointed Outside Director Independent Officer</p> <p>Attendance at the Board of Directors' meetings 18/18 (100%)</p>	<p>April 1994 Entered Sumitomo Bank (currently Sumitomo Mitsui Banking Corporation)</p> <p>October 1999 Entered KPMG Century Audit Corporation (currently KPMG AZSA LLC.)</p> <p>April 2003 President and Representative Director of MIT Corporate Advisory Services CO., LTD. (Current position)</p> <p>May 2003 Registered as a certified public accountant</p> <p>June 2020 Outside Auditor of DESCENTE LTD. (Current position)</p> <p>June 2020 Outside Director of the Company (Current position)</p> <p>[Reason for nomination as a candidate for Outside Director and expected roles]</p> <p>Akira Matsumoto possesses expertise in finance and accounting as a certified public accountant and a wealth of experience and broad knowledge regarding management accumulated through his involvement in consulting business as a corporate manager. In the deliberations at the Board of Directors' meetings, based on his experience and knowledge, he has been actively providing advice and proposals. For these reasons, in the expectation that he will contribute to the achievement of the Company's management plan and to the enhanced effectiveness of the Board of Directors, he is again nominated for Outside Director.</p>	200

Candidate number	Name (Date of birth)	Career summary, positions and assignments in the Company and important positions concurrently held at other corporations	Number of the Company's shares held
9	Junko Tsuboi (August 8, 1962) Reappointed Outside Director Attendance at the Board of Directors' meetings 17/18 (94%)	<p>April 1985 Entered Kirin Brewery Company, Limited (currently Kirin Holdings Company, Limited)</p> <p>March 2005 General Manager of Corporate Communications Dept. of Kirin Beverage Company, Limited</p> <p>March 2010 President and Representative Director of YOKOHAMA RED BRICK WAREHOUSE Co., Ltd.</p> <p>March 2012 General Manager of CSR Management Dept. and General Manager of Corporate Communications Dept. of Kirin Holdings Company, Limited</p> <p>January 2013 General Manager of Corporate Brand Management Dept. of CSV Div. of Kirin Company, Limited</p> <p>March 2014 Executive Officer, General Manager of Corporate Brand Management Dept. of CSV Div. of Kirin Company, Limited</p> <p>April 2016 Executive Officer, General Manager of Corporate Brand Management Dept. of Kirin Company, Limited</p> <p>March 2019 Senior Executive Officer and General Manager of Corporate Brand Management Dept. of Kirin Holdings Company, Limited</p> <p>June 2020 Outside Director of the Company (Current position)</p> <p>March 2022 Senior Executive Officer of Kirin Holdings Company, Limited (Current position)</p> <p>[Reason for nomination as a candidate for Outside Director and expected roles]</p> <p>Junko Tsuboi has engaged in the marketing, brand strategy and corporate communications related businesses as well as human resources operations at Kirin Group thereby accumulating a high level of expertise, especially in marketing, and contributing to the business expansion. In the deliberations at the Board of Directors' meetings, based on her experience and knowledge, she has been actively providing advice and proposals. For these reasons, in the expectation that she will contribute to the achievement of the Company's management plan and to the enhanced effectiveness of the Board of Directors, she is again nominated for Outside Director.</p>	—

- Notes:
1. No conflict of interest exists between the Company and each candidate.
 2. The Company has entered into an indemnity agreement stipulated in Article 430-2, Paragraph 1 of the Companies Act with each candidate. If the candidates are elected, it plans to continue this agreement.
 3. The Company has entered into a Directors and Officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act to include all of its Directors as insureds. If the candidates are elected, they will be insured under the insurance contract. At the next renewal of the insurance contract, the Company plans to renew the contract with similar contents.
 4. The points to note regarding the candidates for Outside Director are as follows.
 - (1) Independent Officers
Messrs. Mitsuaki Nakakubo, Keiichiro Hashimoto and Akira Matsumoto have been notified with the Tokyo Stock Exchange as Independent Officers as set forth in the rules of the Tokyo Stock Exchange. If they are reappointed at the Shareholders' Meeting, the Company intends to designate them again as Independent Officers.
 - (2) Period of service as Outside Officer
 - i. Mr. Mitsuaki Nakakubo is currently an Outside Director of the Company and will have served for three years at the conclusion of the Shareholders' Meeting.
 - ii. Messrs. Keiichiro Hashimoto and Akira Matsumoto and Ms. Junko Tsuboi are currently Outside Directors of the Company and will have served for two years at the conclusion of the Shareholders' Meeting.
 - (3) Liability limitation agreements
The Company holds with each of Messrs. Mitsuaki Nakakubo, Keiichiro Hashimoto and Akira Matsumoto and Ms. Junko Tsuboi a liability limitation agreement stipulating that the limit of their liabilities for damages shall be one (1) million yen or an amount set by law, whichever is the greater,

with respect to the liabilities stipulated in Article 423, Paragraph 1 of the Companies Act. If these candidates are reelected, the Company plans to continue this agreement.

Reference

Director and Audit & Supervisory Board Member Skill Matrix

Name	Position in the Company	Understanding of Management Philosophy	Corporate Management (Representative Director experience)	ESG, Sustainability	Manufacturing, Technology, R&D	Corporate Finance	Quality & Safety, Compliance, Risk Management	Brand Strategy, Marketing, Sales	IR (dialogue with shareholders and investors)	ICT, Digital Technology, Digital Transformation	Global Experience, Overseas Business Management
Kazuyuki Shimada	President & CEO, Representative Director	●	●	●		●	●	●	●	●	●
Tomochika Yamaguchi	Representative Director, Senior Managing Director	●	●					●		●	●
Akihiro Yanagisawa	Executive Managing Director	●	●	●	●		●				
Yasushi Sumida	Executive Managing Director	●		●	●		●				
Shinro Fujita	Executive Managing Director	●	●			●		●			●
Mitsuaki Nakakubo	Director Outside Director Independent Officer	●					●		●		●
Keiichiro Hashimoto	Director Outside Director Independent Officer	●	●	●		●	●		●	●	●
Akira Matsumoto	Director Outside Director Independent Officer	●	●			●					●
Junko Tsuboi	Director Outside Director	●	●	●				●	●		
Seiichiro Takahashi	Fulltime Audit & Supervisory Board Member	●		●			●				
Naoya Maruo	Fulltime Audit & Supervisory Board Member	●	●			●	●	●			
Tsuneyoshi Seki	Audit & Supervisory Board Member Outside Audit & Supervisory Board Member Independent Officer	●	●			●	●		●		
Hideki Minamikawa	Audit & Supervisory Board Member Outside Audit & Supervisory Board Member Independent Officer	●	●	●			●		●		●
Miyuki Nakagawa	Audit & Supervisory Board Member Outside Audit & Supervisory Board Member Independent Officer	●					●				

Skill Definitions

Skill	Description
Understanding of Management Philosophy	Understands the FANCL Group's founding principles and management philosophy.
Corporate Management (Representative Director experience)	Possesses the experience and skills of a representative director.
ESG, Sustainability	Possesses knowledge, experience, and skills in non-financial factors that support corporate sustainability, such as ESG issues.
Manufacturing, Technology, R&D	Possesses knowledge, experience, and skills in research and development, technology, and the pursuit of safety and security.
Corporate Finance	Possesses knowledge, experience, and skills in corporate finance.
Quality & Safety, Compliance, Risk Management	Possesses knowledge, experience, and skills in quality & safety, compliance, and risk management.
Brand Strategy, Marketing, Sales	Possesses knowledge, experience, and skills in brand strategy, marketing, and sales.
IR (dialogue with shareholders and investors)	Possesses knowledge, experience and skills in IR activities for shareholders and investors.
ICT, Digital Technology, Digital Transformation	Possesses knowledge, experience and skills in ICT, Digital Technology and Digital Transformation.
Global Experience, Overseas Business Management	Possesses knowledge, experience and skills in overseas assignments or overseas business support and management.