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Securities Code: 2733

June 8, 2022

To our shareholders:

Hiroaki Suzuki, Representative Director and President
ARATA CORPORATION
6-3-2 Toyo, Koto-ku, Tokyo

Notice of the 20th Annual General Meeting of Shareholders

We hereby inform you of the 20th Annual General Meeting of Shareholders of ARATA CORPORATION (the “Company”) will be held as described below.

Please note that you may exercise your voting rights via the Internet or in writing instead of attending the meeting on the day of the meeting. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights accordingly.

Exercise of Voting Rights

Voting via the Internet

Please submit your approval or disapproval of the proposals by 5:30 p.m. on Friday, June 24, 2022 (JST).

Voting in writing

Please indicate your approval or disapproval of the proposals in the enclosed voting form and then return the form to the Company so that your vote is received by 5:30 p.m. on Friday, June 24, 2022 (JST).

Voting by attending the General Meeting of Shareholders

Please bring the enclosed voting form to the meeting and submit it at the reception desk. Please bring this notice of convocation with you when you attend the meeting on the day.

1. Date and Time: 10:00 a.m. Monday, June 27, 2022

2. Venue: Floor 4, East Net Building, Large Conference Room of ARATA CORPORATION
7-1-2 Toyo, Koto-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 20th fiscal year (from April 1, 2021 to March 31, 2022), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 20th fiscal year (from April 1, 2021 to March 31, 2022)

Matters to be resolved:

Proposal No. 1 Partial Amendments to the Articles of Incorporation

Proposal No. 2 Election of 12 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

- If you are attending the meeting, please submit the enclosed voting form at the reception desk.
- If the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements and the Consolidated Financial Statements are revised, revised contents will be posted on the Company’s website.

Company website: <https://www.arata-gr.jp/en/>

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

In connection with the scheduled enforcement of 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) on September 1, 2022, the system for providing informational materials for the General Meeting of Shareholders in electronic format will be introduced. The Company therefore will make the following changes to the Articles of Incorporation.

- (1) Given the requirement to stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the General Meeting of Shareholders, etc. in electronic format in the Articles of Incorporation, Article 14 (Measures, Etc. for Providing Information in Electronic Format), paragraph 1 in “Proposed Amendments” will be newly established.
- (2) Among items for which the measures for provision in electronic format will be taken with respect to the information contained in the reference documents for the General Meeting of Shareholders, etc., in order to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents, to the scope designated by the Ministry of Justice Order, Article 14 (Measures, Etc. for Providing Information in Electronic Format), paragraph 2 in “Proposed Amendments” will be newly provided.
- (3) Since Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) in the current Articles of Incorporation will no longer be required when the system for providing reference documents for the General Meeting of Shareholders in electronic format is introduced, it will be deleted.
- (4) Supplementary provisions pertaining to the effectiveness of the aforementioned establishment and deletion of provisions will be established.

These supplementary provisions shall be deleted after the due date has lapsed.

2. Details of the amendments

The content of the change shall be as set forth below:

(Changed parts are indicated by underlining.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u> <u>Article 14</u> <u>In relation to convening a General Meeting of Shareholders, if the Company discloses information that is to be stated or presented in the reference documents for the General Meeting of Shareholders, business report, non-consolidated financial statements and consolidated financial statements 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>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
<p>(New provision)</p>	<p><u>(Measures, Etc. for Providing Information in Electronic Format)</u> <u>Article 14</u> <u>1 When the Company convenes a General Meeting of Shareholders, it 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 is not required to state all or some of those items designated by the Ministry of Justice Order 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>
<p>Supplementary Provisions 1 - 2 (Provision omitted)</p>	<p>Supplementary Provisions 1 - 2 (Unchanged)</p>
<p>(New provision)</p>	<p><u>(Transitional Measures for Providing Informational Materials for the General Meeting of Shareholders in Electronic Format)</u> <u>3 The deletion of Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) in the current Articles of Incorporation and the new provision of Article 14 (Measures, etc. for Providing Information in Electronic Format) in the Articles of Incorporation shall go into effect on September 1, 2022.</u></p>
<p>(New provision)</p>	<p><u>4 Notwithstanding the provision of the preceding paragraph, Article 14 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) in the Articles of Incorporation shall remain effective regarding any General Meeting of Shareholders held on a date within six months from September 1, 2022.</u></p>
<p>(New provision)</p>	<p><u>5 The provisions of paragraph 3 to paragraph 5 shall be deleted on the date when six months have elapsed from September 1, 2022 or three months have elapsed from the date of the General Meeting of Shareholders in the preceding paragraph, whichever is later.</u></p>

Proposal No. 2 Election of 12 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)



The terms of office of all 11 Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply hereinafter for this proposal) will expire at the conclusion of the Annual General Meeting of Shareholders.



Accordingly, the Company proposes the election of 12 Directors, increasing the number of Independent Outside Directors by one to enhance the management system.



The Audit and Supervisory Committee discussed this proposal in light of the contents of deliberation by the voluntarily established Nomination and Compensation Committee in which all three Audit and Supervisory Committee Members participate. As a result, the nomination procedure was appropriately conducted, and the Audit and Supervisory Committee has determined that all candidates are the right persons to serve as Directors of the Company.



The candidates for Director are as follows:

Candidate No.	Name	Current position and responsibility in the Company		Number of times of attendance at Board of Directors meetings
1	Nobuyuki Hatanaka	Chairman of the Board of Directors	Reelection	12/12 times
2	Yoichi Suzuki	Vice Chairman of the Board of Directors	Reelection	12/12 times
3	Hiroaki Suzaki	Representative Director and President	Reelection	12/12 times
4	Toshiyuki Omote	Director and Executive Vice President, and General Manager of Sales	Reelection	12/12 times
5	Takahiro Furiyoshi	Director and Managing Executive Officer, General Manager of Corporate Strategy Planning, and Manager of Business Development	Reelection	12/12 times
6	Yoshiro Uryu	Director and Managing Executive Officer, General Manager of Administration Management, and General Manager of Human Resources	Reelection	12/12 times
7	Hidetaka Hatanaka	Director and Managing Executive Officer, General Manager of Product Merchandising, and Manager of Products	Reelection	12/12 times
8	Akihito Mizuno	Director President and CEO of Japell Co., Ltd.	Reelection	12/12 times
9	Yoshihisa Aoki	Outside Director	Independent Outside Reelection	12/12 times
10	Hideo Ishii	Outside Director	Independent Outside Reelection	12/12 times
11	Akira Iwasaki	Outside Director	Independent Outside Reelection	12/12 times
12	Yuji Nasu		Independent Outside New election	-/-


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	 <p>Nobuyuki Hatanaka August 1, 1949 Reelection Tenure as Director 16 years</p>	<p>Apr. 1972 Joined Tomen Corporation Jun. 1974 Joined Syukosha Corporation Dec. 1998 Representative Director and President Jan. 2002 Chairman and Executive Director of Ito-Yasu Corporation Apr. 2004 Representative Director and President of SISCO CORPORATION Oct. 2006 Representative Director and Executive Vice President of the Company Apr. 2007 Representative Director and President Apr. 2017 Representative Director and Chairman & CEO Jun. 2019 Chairman of the Board of Directors (current position)</p>	459,854 shares
<p>Reasons for nomination After assuming the office as Representative Director and President in 2007, Nobuyuki Hatanaka was responsible for the Company's management. He strove for expansion and growth of the Company's business with his superior management skills and leadership, and led the Company to its current growth path. From 2017, he took charge of the Group as Representative Director and Chairman & CEO and since 2019 and has been showing the right direction for the Group as Chairman of the Board of Directors while leading deliberations informed by the opinions of Outside Directors as Chair of the voluntarily established Nomination and Compensation Committees. The Company therefore judges that he is the right person to enhance corporate value of the Company, and nominates him as a candidate for Director.</p>			
2	 <p>Yoichi Suzuki April 23, 1953 Reelection Tenure as Director 20 years</p>	<p>Jun. 1980 Joined Ito-I Corporation Apr. 2002 Director and Advisory Member of the Company Jun. 2004 Senior Managing Director and General Manager of Operations Apr. 2007 Representative Director and Senior Managing Executive Officer, General Manager of Administration, and Head of Internal Control Office Apr. 2015 Representative Director and Executive Vice President, General Manager of Administration and General Manager of Systems Apr. 2018 Representative Director and Executive Vice President, and General Manager of Administration Apr. 2021 Representative Director and Executive Vice President, Head of Administration, and Head of DX Promotion Apr. 2022 Vice Chairman of the Board of Directors (current position)</p>	64,103 shares
<p>Reasons for nomination Since joining the Company, Yoichi Suzuki has worked mainly in administrative divisions and has extensive business experience and knowledge in the Company. He assumed office as a Representative Director in 2007, and has strengthened the management base such as Administrative, Business Planning and System divisions, strengthened the system for CSR activities, and promoted IR activities as well as business structural reforms through pursuing DX. In April 2022, he took office as Vice Chairman of the Board of Directors, and has been responsible for overseeing the entire Arata Group. He has worked to increase productivity of the Group on the whole and expand synergistic effects while pushing to strengthen the governance system. The Company therefore judges that he is the right person to enhance corporate value of the Group, and nominates him as a candidate for Director.</p>			


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	 <p>Hiroaki Suzuki October 25, 1955 Reelection Tenure as Director 6 years</p>	<p>Apr. 1978 Joined Daika Corporation</p> <p>Apr. 2008 Executive Officer and General Manager of Products Department of Sales Division of the Company</p> <p>Apr. 2014 Managing Executive Officer and President of Chubu Branch</p> <p>Jun. 2016 Director and Managing Executive Officer, and President of Chubu Branch</p> <p>Jan. 2017 Director and Executive Vice President, and Acting General Manager of Sales Management</p> <p>Apr. 2017 Representative Director and President & COO</p> <p>Apr. 2021 Representative Director and President, and General Manager of Corporate Strategy Planning</p> <p>Apr. 2022 Representative Director and President (current position)</p>	5,800 shares
<p>Reasons for nomination</p> <p>Hiroaki Suzuki has worked in the sales and the product divisions since joining the Company, and has extensive business experience and knowledge in the Company. He has been in office as Representative Director and President & COO since 2017, and has led the Company's management since then. He has steadily built excellent business records and has produced successful results. He is currently promoting each strategy in Medium-Term Management Plan 2023 towards achieving Long-Term Management Vision 2030. Based on the above, the Company judges that he is expected to demonstrate strong leadership that will contribute to future business growth of the Company and is the right person to enhance corporate value of the Company, and nominates him as a candidate for Director.</p>			
4	 <p>Toshiyuki Omote October 20, 1956 Reelection Tenure as Director 4 years</p>	<p>Apr. 1979 Joined Daika Corporation</p> <p>Apr. 2004 Manager in charge of Wide-Area Mass Sales Department of East Japan of Sales Division of the Company</p> <p>Oct. 2006 Manager of Wide-Area Mass Sales Department of Sales Division</p> <p>Apr. 2010 Executive Officer and Manager of Wide-Area Mass Sales Department of Sales Division</p> <p>Apr. 2015 Managing Executive Officer and Manager of Wide-Area Mass Sales Department 1 of Sales Division</p> <p>Apr. 2018 Managing Executive Officer and General Manager of Sales</p> <p>Jun. 2018 Director and Managing Executive Officer, and General Manager of Sales</p> <p>Apr. 2019 Director and Senior Managing Executive Officer, and General Manager of Sales</p> <p>Apr. 2020 Director and Executive Vice President, and General Manager of Sales (current position)</p>	3,200 shares
<p>Reasons for nomination</p> <p>Since joining the Company, Toshiyuki Omote has held several managerial positions in the sales division. Since 2010 he has served as Executive Officer and Manager of Wide-Area Mass Sales Department of Sales Division, and has played a part in strengthening the Company's sales activities and in achieving growth of its business. In his current role as Director and Executive Vice President, and General Manager of Sales, he works on the strategies for expanding its business and profits through strengthening its sales capabilities, as he has been doing to date. The Company therefore judges that he is the right person to enhance corporate value of the Company, and nominates him as a candidate for Director.</p>			


Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
5	 <p>Takahiro Furiyoshi July 17, 1965 Reelection</p> <p>Tenure as Director 7 years</p>	<p>Apr. 1989 Joined Procter & Gamble Far East, Inc.</p> <p>Mar. 1993 Joined Daika Corporation</p> <p>Apr. 2010 General Manager of Wide-Area Mass Sales Department of the Company</p> <p>Apr. 2014 Executive Officer, General Manager of Tokyo Metropolitan Area, and President of Kanto Branch</p> <p>Jun. 2015 Director and Managing Executive Officer, and General Manager of Sales</p> <p>Apr. 2017 Director and Managing Executive Officer, and General Manager of Business Development</p> <p>Apr. 2019 Director and Managing Executive Officer, General Manager of Business Development, Manager of Development Strategy, and Manager of EC Business</p> <p>Apr. 2022 Director and Managing Executive Officer, General Manager of Corporate Strategy Planning, and Manager of Business Development (current position)</p>	22,050 shares
<p>Reasons for nomination</p> <p>Since joining the Company, Takahiro Furiyoshi has worked in the sales division, is well versed in matters relating to logistics sites, and has specialist knowledge in the field. Since 2015, he has played a significant part in expanding the business as General Manager of Sales. From 2017 he has been engaged, as Director and Managing Executive Officer, and General Manager of Business Development, in development of new business and growth of the overseas business, which will be the pillars of our future operations. Further, from 2022, he has been promoting measures toward achieving Long-Term Management Vision 2030 as General Manager of Corporate Strategy Planning. The Company therefore judges that he is the right person to enhance the corporate value of the Company, and nominates him as a candidate for Director.</p>			
6	 <p>Yoshiro Uryu January 16, 1970 Reelection</p> <p>Tenure as Director 1 year</p>	<p>Apr. 1994 Joined RYOSHOKU LIMITED (currently Mitsubishi Shokuhin Co., Ltd.)</p> <p>Apr. 1999 Joined Sunvic Corporation</p> <p>Apr. 2011 Branch Manager of Fukuoka Office, Kyushu Branch of the Company</p> <p>Apr. 2016 Executive Officer and President of Kyushu Branch</p> <p>Apr. 2019 Executive Officer and General Manager of Corporate Strategy Planning</p> <p>Apr. 2020 Managing Executive Officer and General Manager of Corporate Strategy Planning</p> <p>Jun. 2021 Director and Managing Executive Officer, General Manager of Human Resources, and Manager of Personnel</p> <p>Apr. 2022 Director and Managing Executive Officer, General Manager of Administration Management, and General Manager of Human Resources (current position)</p>	31,354 shares
<p>Reasons for nomination</p> <p>Yoshiro Uryu has worked in the sales and business planning divisions since joining the Company, and has extensive business experience and knowledge in the Company. He had managed a branch as President of Kyushu Branch from 2016, and from 2019, played a part as General Manager of Corporate Strategy Planning in strengthening the Company's sales activities and in achieving growth of its business. In his current role as Director and Managing Executive Officer, General Manager of Administration Management, General Manager of Human Resources, he has been working on development of human resources who will lead the Company in the future. The Company therefore judges that he is the right person to enhance the corporate value of the Company, and nominates him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
7	 <p>Hidetaka Hatanaka June 18, 1975 Reelection</p> <p>Tenure as Director 1 year</p>	<p>Apr. 1999 Joined The Sumitomo Bank, Limited (currently Sumitomo Mitsui Banking Corporation)</p> <p>Aug. 2004 Joined SISCO CORPORATION</p> <p>Apr. 2010 Advisory Member and Branch Manager of Kansai Office of the Company</p> <p>Apr. 2015 Advisory Member and President of Kansai Branch</p> <p>Apr. 2016 Executive Officer and President of Kansai Branch</p> <p>Apr. 2018 Executive Officer, General Manager of Product Merchandising, Manager of Products, and Manager of Product Development</p> <p>Apr. 2020 Managing Executive Officer, General Manager of Product Merchandising</p> <p>Jun. 2021 Director and Managing Executive Officer, General Manager of Product Merchandising, and Manager of Products (current position)</p>	49,335 shares
<p>Reasons for nomination</p> <p>Since joining the Company, Hidetaka Hatanaka has worked in the sales and product divisions, and has extensive business experience and knowledge in the Company. Since 2015, he has played a part as President of Kansai Branch in strengthening the Company's sales activities and in achieving growth of its business. Since 2018, as Executive Officer and General Manager of Product Merchandising, and from 2021 as Director, Managing Executive Officer and General Manager of Product Merchandising, he has worked on enhancing the handling of attractive products which are at the core of the Company. The Company therefore judges that he is the right person to enhance the corporate value of the Company, and nominates him as a candidate for Director.</p>			
8	 <p>Akihito Mizuno December 20, 1963 Reelection</p> <p>Tenure as Director 2 years</p>	<p>Apr. 1986 Joined Japell Co., Ltd.</p> <p>Jun. 2010 Director, General Manager of West Japan Sales Division</p> <p>Jun. 2013 Managing Director and General Manager of Sales Division</p> <p>Jun. 2015 Senior Managing Director, General Manager of Sales Division</p> <p>Jun. 2016 President and CEO (current position)</p> <p>Apr. 2017 President and CEO of Japell Partnership Service Co., Ltd. (current position)</p> <p>Jun. 2020 Director of the Company (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>President and CEO of Japell Co., Ltd.</p> <p>President and CEO of Japell Partnership Service Co., Ltd.</p>	3,108 shares
<p>Reasons for nomination</p> <p>Since 2016, Akihito Mizuno has served as President and CEO of Japell Co., Ltd., the leading specialist wholesaler of pet products and a subsidiary of the Company, and has been instrumental in driving the company's business growth and raising its position in the industry under his strong leadership. In anticipation of adequate advice being given by him on execution of the business based on his abundant knowledge and experience, the Company judges that he is the right person to enhance corporate value of the Company, and nominates him as a candidate for Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
9	 <p data-bbox="352 524 520 678">Yoshihisa Aoki January 17, 1952 Independent Outside Reelection</p> <p data-bbox="347 714 531 770">Tenure as Director 5 years</p>	<p data-bbox="612 264 1182 456">Apr. 1974 Joined ITOCHU Corporation Jun. 2006 Managing Executive Officer Jun. 2009 Managing Director Apr. 2010 Representative Director, Senior Managing Executive Officer, and President of Food Company</p> <p data-bbox="612 463 1182 555">Mar. 2017 Administrative Officer (current position) Jun. 2017 Outside Director of the Company (current position)</p> <p data-bbox="612 562 1225 622">Mar. 2019 Outside Director of Otsuka Holdings Co., Ltd. (current position)</p> <p data-bbox="612 629 1150 689">(Significant concurrent positions outside the Company) Outside Director of Otsuka Holdings Co., Ltd.</p>	- shares
<p data-bbox="277 779 820 808">Reasons for nomination and summary of expected roles</p> <p data-bbox="277 815 1444 1028">As a Representative Director at ITOCHU Corporation's Food Company, Yoshihisa Aoki has a high level of insight into corporate management overall. Using his abundant knowledge in growth strategy and overseas business in particular, he is expected to ensure the reasonableness and appropriateness of decision making through supervision and advice concerning the overall implementation process from strategic planning and the Company's overseas strategy from a global viewpoint. Moreover, if he is elected, the Company plans to continue to see him involved in the appointment of candidates for its officers and the decision on their remuneration as a Nomination and Compensation Committee Member from an independent standpoint.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
10	 <p data-bbox="357 674 518 831">Hideo Ishii October 6, 1954 Independent Outside Reelection</p> <p data-bbox="347 869 528 925">Tenure as Director 4 years</p>	<p data-bbox="612 264 1206 320">Apr. 1978 Joined the Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p data-bbox="612 331 1230 454">Apr. 2002 General Manager of Human Resources Department and Head of Human Resources Training Office of Business Planning Group of Mizuho Securities Co., Ltd.</p> <p data-bbox="612 465 1225 555">Apr. 2004 General Manager of Head Office Sales Department 1 of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p data-bbox="612 566 1190 622">Apr. 2007 Executive Officer and General Manager of Fukuoka Sales Department</p> <p data-bbox="612 633 1225 723">Apr. 2008 Managing Executive Officer of Kowa Real Estate Co., Ltd. (currently Nippon Steel Kowa Real Estate Co., Ltd.)</p> <p data-bbox="612 734 1031 768">Oct. 2010 Senior Managing Director</p> <p data-bbox="612 779 1166 813">Jun. 2013 Director and President of Japan Investor Solutions & Technologies Co., Ltd.</p> <p data-bbox="612 824 1219 913">Mar. 2018 Outside Director (Audit and Supervisory Committee Member) of ROYAL HOLDINGS Co., Ltd. (current position)</p> <p data-bbox="612 925 1182 981">Jun. 2018 Outside Director of the Company (current position)</p> <p data-bbox="612 992 1219 1070">(Significant concurrent positions outside the Company) Outside Director (Audit and Supervisory Committee Member) of ROYAL HOLDINGS Co., Ltd.</p>	- shares
<p data-bbox="276 1081 818 1115">Reasons for nomination and summary of expected roles</p> <p data-bbox="276 1115 1433 1339">As Director and President at Japan Investor Solutions & Technologies Co., Ltd., Hideo Ishii has abundant insight into corporate management overall. Using his abundant knowledge in growth strategy and organizational management in particular, he is expected to ensure the reasonableness and appropriateness of decision making through supervision and advice concerning the overall implementation process from strategic planning and organizational management, which includes the control environment. Moreover, if he is elected, the Company plans to continue to see his involved in the appointment of candidates for its officers and the decision on their remuneration as a Nomination and Compensation Committee Member from an independent standpoint.</p> <p data-bbox="276 1339 1442 1449">It has been more than 14 years since his retirement from Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) in March 2008, and the Company therefore judges there is no problem in his independence and has submitted notification to the Tokyo Stock Exchange that he has been designated as an independent officer as provided for by the aforementioned exchange.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
11	 <p data-bbox="368 725 507 875">Akira Iwasaki April 1, 1952 Independent Outside Reelection</p> <p data-bbox="347 916 528 972">Tenure as Director 2 years</p>	<p data-bbox="612 264 715 291">Apr. 1974</p> <p data-bbox="612 300 715 327">Apr. 2004</p> <p data-bbox="612 362 715 389">Feb. 2007</p> <p data-bbox="612 425 715 452">Jun. 2008</p> <p data-bbox="612 524 715 551">Jun. 2008</p> <p data-bbox="612 622 715 649">Jun. 2009</p> <p data-bbox="612 721 715 748">Jun. 2009</p> <p data-bbox="612 819 715 846">Aug. 2010</p> <p data-bbox="612 855 715 882">Aug. 2012</p> <p data-bbox="612 918 715 945">Apr. 2018</p> <p data-bbox="612 981 715 1008">Jun. 2019</p> <p data-bbox="612 1043 715 1070">Jun. 2020</p> <p data-bbox="612 1115 1150 1142">(Significant concurrent positions outside the Company)</p> <p data-bbox="612 1151 1182 1178">External Director of FRONTIER INTERNATIONAL INC.</p>	- shares
<p data-bbox="276 1182 818 1209">Reasons for nomination and summary of expected roles</p> <p data-bbox="276 1218 1442 1426">Akira Iwasaki has served as Executive Officer and CIO at multiple companies related to finance and systems, and has abundant insight into corporate management. Using his abundant knowledge in IT in particular, he is expected to ensure the reasonableness and appropriateness of decision-making through supervision and advice concerning growth strategy and organizational management based on an understanding of issues from an IT viewpoint, and by demonstrating the direction to head in for further sophistication and efficiency. Moreover, if he is elected, the Company plans to continue to see him involved in the appointment of candidates for its officers and the decision on their remuneration as a Nomination and Compensation Committee Member from an independent standpoint.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
12	 <p>Yuji Nasu June 14, 1955 Independent Outside New election</p> <p>Tenure as Director - years</p>	<p>Apr. 1980 Joined Sumitomo Corporation</p> <p>Nov. 1997 Manager of Sales Department No. 1 of Sumitomo Deutschland GMBH</p> <p>Nov. 2003 Manager of Osaka Machinery System Department of Sumitomo Corporation</p> <p>Apr. 2009 Director of Sumitomo Shoji Machinex Co., Ltd.</p> <p>Apr. 2010 President and Representative Director</p> <p>Apr. 2010 Corporate Officer of Sumitomo Corporation</p> <p>Jun. 2016 Chairman and Representative Director of Sumitomo Shoji Machinex Co., Ltd.</p> <p>Apr. 2019 Advisor</p>	- shares
<p>Reasons for nomination and summary of expected roles</p> <p>Yuji Nasu has served as President and Representative Director at a group company of Sumitomo Corporation among other posts and has a high level of specialized knowledge and experience in overseeing the entire business of a company. As for corporate management, he is a capable person who can make judgment and express opinions from objective viewpoints on execution of the Company's business. The Company therefore nominates him as a candidate for Outside Director. If he is elected, the Company plans to see him involved in the appointment of candidates for its officers and the decision on their remuneration as a Nomination and Compensation Committee Member from an independent standpoint.</p>			

- Notes
1. There is no special interest between any of the candidates and the Company.
 2. Yoshihisa Aoki, Hideo Ishii, Akira Iwasaki and Yuji Nasu are candidates for outside Director.
 3. The Company has entered into a limited liability agreement with Yoshihisa Aoki, Hideo Ishii and Akira Iwasaki under the provisions of Article 423, paragraph (1) of the Companies Act, pursuant to the provisions of Article 427, paragraph (1) of the same Act. The maximum liability for damages based on this agreement is limited to the amount prescribed in Article 425, paragraph (1) of the Companies Act. If the reappointment of Yoshihisa Aoki, Hideo Ishii and Akira Iwasaki is approved, the Company plans to continue this agreement with them. In addition, if the election of Yuji Nasu is approved, the Company plans to enter into the same limited liability agreement with him.
 4. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, making all Directors insureds. This insurance policy covers the legally mandated amount of indemnification and litigation expenses to be borne by an insured (however, there are reasons for coverage exclusion, such as exclusion of coverage for any damage resulting from performance of a criminal act, a fraudulent act, or the like with full knowledge of its violation of laws and regulations, and rules), and all the premiums for insureds are fully borne by the Company. If each candidate assumes the office of Director, each of them will be included in the policy as an insured. The Company plans to renew the said policy with the same kind of details during their terms of office.
 5. The Company has submitted notification to the Tokyo Stock Exchange that Yoshihisa Aoki, Hideo Ishii, Akira Iwasaki and Yuji Nasu have been appointed as independent officers as provided for by the aforementioned exchange. If Yoshihisa Aoki, Hideo Ishii and Akira Iwasaki are reappointed, the Company plans for their designation as independent officers to continue. If Yuji Nasu is elected as Director, the Company plans to designate him as an independent officer.

(Reference)

Skill Matrix of the Board of Directors after the General Meeting of Shareholders

If the candidates listed in this Notice of Convocation are elected as originally proposed, the skill matrix of Directors will be as follows:

Skill	Skill description
Management	Experience and skills in corporate management as a representative of a company
Financial accounting	Possessing knowledge of financial accounting from a management perspective / experience in financial companies / qualified as a certified public accountant
Marketing/Sales	Marketing insight in the Company's core business of cosmetics and daily goods, including purchasing and sales, and sales skills as a wholesaler
Personnel/Labor management	Management skills of "human resources," the source of corporate value creation, and internal control skills
Strategy planning	Planning skills of product strategy, logistics strategy, IT and system strategy, etc. related to the Company's business
SDGs/ESG	Skills to promote ESG based on sustainability thinking
Compliance/Legal affairs	Skills to oversee management from a legal perspective / an attorney-at-law
Global	Experience and skills in overseas business management with a global perspective

● Skills and experience already possessed ■ Expected skills in the future

Name	Independent Outside	Position	Skill							
			Management	Financial accounting	Marketing/Sales	Personnel/Labor management	Strategy planning	SDGs/ESG	Compliance/Legal affairs	Global
Nobuyuki Hatanaka		Chairman of the Board of Directors	●			●	●			●
Yoichi Suzuki		Vice Chairman of the Board of Directors	●	●		●	●	●	●	
Hiroaki Suzaki		Representative Director and President	●		●	●	●	●		
Toshiyuki Omote		Director and Executive Vice President			●		●	●		
Takahiro Furiyoshi		Director and Managing Executive Officer	■		●		●			●
Yoshiro Uryu		Director and Managing Executive Officer		■	●	●	●	●		
Hidetaka Hatanaka		Director and Managing Executive Officer		●	●		●	■		
Akihito Mizuno		Director	●		●	●	●			
Yoshihisa Aoki	●	Outside Director	●				●	●		●
Hideo Ishii	●	Outside Director	●	●		●		●		
Akira Iwasaki	●	Outside Director	●			●		●		●
Yuji Nasu	●	Outside Director	●					●		●
Mikihisa Ito		Director Audit and Supervisory Committee Member	●		●	●		●		●
Satoshi Hiramitsu	●	Outside Director Audit and Supervisory Committee Member		●				●	●	
Tomoko Sakamoto	●	Outside Director Audit and Supervisory Committee Member				●		●	●	