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(Stock Exchange Code 2296)

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To Shareholders with Voting Rights:

Isao Miyashita
President and Chief Executive Officer
ITOHAM YONEKYU HOLDINGS INC.
1-6-21 Mita, Meguro-ku, Tokyo, Japan

NOTICE OF THE 7TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 7th Ordinary General Meeting of Shareholders of ITOHAM YONEKYU HOLDINGS INC. (the “Company”), which will be held as indicated below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for which measures for providing information in electronic format will be taken) in electronic format, and posts this information on the following website. Please access either website by using the internet address shown below to review the information.

[Company website] *in Japanese only

https://www.itoham-yonekyu-holdings.com/ir/sh_meeting.html

(Please visit the Company’s website above to confirm the information.)

[General Meeting of Shareholders materials posted website] *in Japanese only

<https://d.sokai.jp/2296/teiji/>

[Tokyo Stock Exchange website] (Listed Company Search)

<https://www.jpx.co.jp/english/listing/co-search/index.html>

(Access the TSE website by using the internet address shown above, enter “ITOHAM YONEKYU HOLDINGS” in “Issue name (company name)” or the Company’s securities code “2296” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

*All of the same data is presented in the items subject to measures for electronic provision that are provided on the websites above.

Please note that on the date of the meeting we will hold a live broadcast on the internet, so we ask shareholders who live far away, etc. to consider watching the live broadcast instead (available only on a Japanese-language website).

1. Date and Time: Friday, June 23, 2023 at 10:00 a.m. Japan time
(Reception Desk will open at 9:15 a.m.)

2. Place: The Garden Hall (inside YEBISU GARDEN PLACE)
1-13-2 Mita, Meguro-ku, Tokyo, Japan

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 7th Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Board of Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 7th Fiscal Year (April 1, 2022 - March 31, 2023)

Matters to be resolved:

- Proposal 1:** Consolidation of Shares
Proposal 2: Election of 6 Directors
Proposal 3: Election of 1 Auditor

*Please note that no gift will be provided for attendees at the Ordinary General Meeting of Shareholders.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Consolidation of Shares

1. Reasons for the proposal

This proposal is to implement a share consolidation in which five (5) shares of the Company's common stock will be consolidated into one (1) share.

As of March 31, 2023, the total number of outstanding shares of the Company's common stock was 287,355,059, which is more than that of its industry peers listed on the Tokyo Stock Exchange, and this share consolidation is intended to improve this situation.

As a result of this share consolidation, it is expected that various per-share indicators (earnings, net asset value, etc.) and the share price will be easier to compare with those of other companies.

The Company has also set its dividend policy in the "Medium-term Management Plan 2023" as "to steadily increase the dividend payout ratio within the range of 30 to 50%, with a target of 40%." By implementing this share consolidation, the Company will be able to set a more detailed dividend per share and consider the implementation of interim dividends, thereby increasing the flexibility of its returns to shareholders policy.

Furthermore, since the trading unit for the shares of all domestic listed companies has been standardized to 100 shares on the Japanese stock exchanges, the number of shares constituting one unit of stock shall remain unchanged at the current 100 shares.

2. Details of the proposal

- (1) Class of shares to be consolidated
Common stock

- (2) Consolidation ratio

The consolidation of shares will be conducted at a ratio of 1 share for every 5 shares.

(Based on the number of shares held by shareholders listed or recorded in the shareholders' register as of September 30, 2023.)

- (3) Effective date

October 1, 2023

- (4) Total number of shares authorized to be issued as of the effective date

200,000,000

The provisions of the Articles of Incorporation regarding the total number of authorized shares shall be deemed to be changed as follows on the effective date of the share consolidation, based on Article 182, Paragraph 2 of the Companies Act.

(The underlined portions indicate amendments.)

Current Articles of Incorporation	After amendment
Article 6 (Total number of shares authorized to be issued) The total number of authorized shares to be issued by the Company shall be <u>1 billion shares</u> .	Article 6 (Total number of shares authorized to be issued) The total number of authorized shares to be issued by the Company shall be <u>200 million shares</u> .

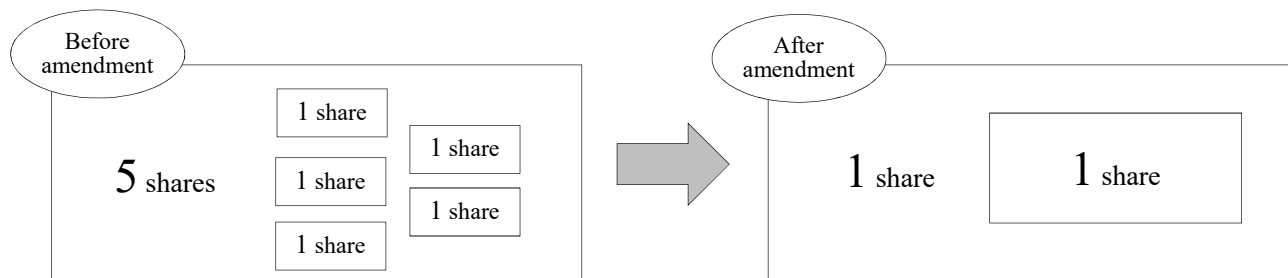
3. Treatment of fractional shares when less than one share is issued

In the event that this share consolidation results in fractions of less than one share, the fractional shares will be sold or purchased as treasury stock in a lump sum by the Company based on the provisions of Article 235 of the Companies Act, and the proceeds will be distributed to shareholders who hold fractional shares in proportion to the fractional shares they hold.

<Reference>

About consolidation of shares

The Company plans to carry out a consolidation of shares of 5 shares into 1 share.



On October 1, 2023, the number of shares held will be reduced to one-fifth of the number of shares held by you on the day before that date. (This is subject to the approval of Proposal 1 of the General Meeting of Shareholders.)

As a result of the consolidation of shares

- ◆ Although the number of Company shares held by shareholders will be reduced to one-fifth of the number prior to the consolidation of shares, the asset value of their Company shares will remain the same because the asset value per share will increase five-fold. Theoretically, the share price will also increase fivefold after the consolidation.
- ◆ As for dividends, the Company plans to adjust the dividend per share after this share consolidation takes effect in order to avoid any change in the economic value of the shares held by the Company. There will be no change in the total amount of dividend payments received due to the consolidation of shares.

- An example of a calculation based on the projected year-end dividend for the fiscal year ending March 31, 2024 (year-end dividend of 25 yen) announced on May 9, 2023

Before amendment			After amendment		
Year-end dividend for the fiscal year ending March 31, 2024			Year-end dividend for the fiscal year ending March 31, 2024		
Year-end dividend per share	Number of shares held prior to the share consolidation	Dividends before tax	Year-end dividend per share	Number of shares held after the share consolidation	Dividends before tax
¥25	× 500 shares	= ¥12,500	¥125	× 100 shares	= ¥12,500
			Adjusted to 5x	One-fifth	No change

<Notes>

- The number of shares constituting one unit of stock will remain unchanged at 100 shares. One voting right will be granted for each 100 shares held after the consolidation of shares.
- Shareholders who own less than 500 shares will lose the opportunity to trade their shares on the stock exchange market and the right to vote at the General Meeting of Shareholders after this share consolidation, as the number of shares they own will be less than 100 shares, which is less than one unit.
- Any fractional shares of less than one hundred (100) shares after the consolidation of shares may be eliminated by using the additional purchase or repurchase program for shares constituting less than one unit. In this case, shareholders will need to follow the procedures on their own. Please contact the securities company or shareholders' registry administrator with whom you are doing business. It is also possible to avoid the disposition of fractional shares by using the additional purchase or buyback program for shares constituting less than one unit prior to the effective date of the share consolidation. (The Company will waive any fees associated with the use of this program until the effective date of the share consolidation.)
- Shareholders holding less than 5 shares will lose their status as shareholders after the consolidation of shares.
- Fractional shares of less than one share after the consolidation of shares will be disposed of in bulk by the Company and the proceeds will be distributed to shareholders with fractional shares in proportion to their fractional shares (no special procedure is required of the shareholders).

Contact information for the administrator of the shareholders' register: Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Agency Business Planning Department
TEL: 0120-782-031 [Hours: 9:00 - 17:00 (except Saturdays, Sundays, and national holidays)]

Proposal 2: Election of 6 Directors

The terms of office of all 5 Directors will expire at the conclusion of this year's Ordinary General Meeting of Shareholders. In addition, Mr. Takamasa Wakaki resigned from his position as a Director on March 31, 2023. Accordingly, the election of 6 Directors including 2 Outside Directors is proposed.

The candidates are as follows:

The election of candidates for Director has been made after the deliberation by the Nomination Committee, the majority of whose members are Independent Outside Directors.

No.	Name	Current positions and responsibilities in the Company	Attendance at the Board of Directors meetings
1	Reelection Isao Miyashita (Age: 55)	President and Chief Executive Officer	100% (15/15)
2	Reelection Koichi Ito (Age: 48)	Director, Managing Executive Officer Senior General Manager of Processed Foods Division In charge of Quality Assurance Division	100% (12/12)
3	Reelection Hajime Ogawa (Age: 52)	Director, Managing Executive Officer Chief Financial Officer CCO	100% (12/12)
4	New candidate Akihisa Horiuchi (Age: 63)	Managing Executive Officer Senior General Manager of Meat Division	-
5	Reelection Yukie Osaka (Age: 67) Outside Director Independent Officer	Director	100% (15/15)
6	New candidate Mikiko Morimoto (Age: 49) Outside Director Independent Officer	-	-

- (Notes)
1. Age and current positions and responsibilities in the Company of each candidate are as of this year's Ordinary General Meeting of Shareholders.
 2. The attendance at the Board of Directors meetings is for those meetings held during fiscal year 2022.
 3. The number of Board of Directors meetings attended by Mr. Koichi Ito and Mr. Hajime Ogawa only covers the Board of Directors meetings held after their appointment as Directors on June 24, 2022.

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company and significant concurrent positions		Number of shares of the Company held
1	[Reelection] Isao Miyashita (February 15, 1968) (Age: 55) Term of office as Director: 7 years and 3 months Attendance at the Board of Directors meetings 100% (15/15)	April 1990 August 2002 June 2003 May 2006 May 2007 May 2008 May 2013 April 2016	Joined Mitsubishi Corporation Director, Foodlink Corporation Director, Japan Farm Co., Ltd. Worked in Meat & Livestock Business Unit, Mitsubishi Corporation Executive Officer; General Manager of Corporate Strategy Planning Office, YONEKYU CORPORATION Director, Managing Executive Officer, YONEKYU CORPORATION Chief Executive Officer, YONEKYU CORPORATION President and Chief Executive Officer, the Company (current position) Director, Itoham Foods Inc. (current position) Director, YONEKYU CORPORATION (current position)	126,482
[Reason for nomination as candidate for Director] Mr. Isao Miyashita has a proven record in leading the entire Group as President and Chief Executive Officer of the Company, including working to establish a Group-wide business execution system and organizational structure, as well as promoting efficient and flexible management. He is nominated as a candidate for Director in the belief that he will contribute to the realization of the Group's sustainable growth and medium- and long-term enhancement of corporate value through performing his duties as a Director by capitalizing on his abundant experience and broad knowledge in overall management.				
2	[Reelection] Koichi Ito (March 16, 1975) (Age: 48) Term of office as Director: 1 year Attendance at the Board of Directors meetings 100% (12/12)	April 1997 July 2006 March 2009 June 2010 March 2013 April 2016 April 2018 March 2019 April 2020 April 2021 April 2022 June 2022 April 2023	Joined Itoham Foods Inc. Executive Officer, Itoham Foods Inc. Acting Senior General Manager of Meat Division, Itoham Foods Inc. Director, Itoham Foods Inc. Director, Executive Officer, Senior General Manager of Food Service Sales Division, Processed Foods Division, Itoham Foods Inc. Director of Board, ANZCO FOODS Ltd. Senior Executive Officer, the Company Executive Director, General Manager of Corporate Strategy Planning Office, YONEKYU CORPORATION COO Group Meat Division, the Company Director, Senior General Manager of Meat Division, Itoham Foods Inc. Acting Senior General Manager of Processed Foods Division, Senior General Manager of Business Strategy Division, Itoham Foods Inc. Managing Executive Officer, Senior General Manager of Processed Foods Division, the Company (current position) Chief Executive Officer, Itoham Foods Inc. (current position) Director, YONEKYU CORPORATION (current position) Director, the Company (current position) In charge of Quality Assurance Division (current position)	2,740,568
[Reason for nomination as candidate for Director] As Senior General Manager of Processed Foods Division, Mr. Koichi Ito is working to drive initiatives forward that contribute to the enhancement of corporate value through the restructuring of the Group's processed food business and the implementation of growth strategies. He is nominated as a candidate for Director in the belief that he will contribute to the realization of the Group's sustainable growth and medium- and long-term enhancement of corporate value through performing his duties as a Director by capitalizing on his abundant experience and broad knowledge gained by serving as Chief Executive Officer of Itoham Foods Inc. and in various other important positions in the Group.				

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company and significant concurrent positions		Number of shares of the Company held
3	[Reelection] Hajime Ogawa (September 22, 1970) (Age: 52) Term of office as Director: 1 year Attendance at the Board of Directors meetings 100% (12/12)	April 1994 December 2007 December 2009 February 2016 April 2019 April 2022 June 2022	Joined Mitsubishi Corporation Mitsubishi Corporation (Shanghai) Ltd. Controller Office, Mitsubishi Corporation Living Essentials Group Administration Dept., Mitsubishi Corporation Corporate Staff Section, Mitsubishi Corporation Managing Executive Officer, Chief Financial Officer, CCO, the Company (current position) Director, Itoham Foods Inc. (current position) Director, YONEKYU CORPORATION (current position) Director, the Company (current position)	1,000
[Reason for nomination as candidate for Director] Mr. Hajime Ogawa has demonstrated strong leadership in strengthening corporate governance, including improving the effectiveness of the Board of Directors, and in pursuing sustainability management. He is nominated as a candidate for Director in the belief that he will contribute to the realization of the Group's sustainable growth and medium- and long-term enhancement of corporate value through performing his duties as a Director by capitalizing on his abundant experience and broad knowledge in the overseas operations and corporate fields.				
4	[New candidate] Akihisa Horiuchi (June 6, 1960) (Age: 63) Term of office as Director: - Attendance at the Board of Directors meetings -	April 1979 May 2003 May 2006 May 2009 March 2011 March 2013 May 2015 April 2017 April 2018 June 2018 April 2023	Joined YONEKYU CORPORATION Director, YONEKYU CORPORATION Executive Officer, YONEKYU CORPORATION Managing Executive Officer, YONEKYU CORPORATION Senior General Manager, Merchandise Division, YONEKYU CORPORATION Senior General Manager, Sales Division, YONEKYU CORPORATION Director, Managing Executive Officer, YONEKYU CORPORATION Director, Senior Executive Operating Officer, YONEKYU CORPORATION Managing Executive Officer, the Company (current position) Chief Executive Officer, YONEKYU CORPORATION (current position) Director, the Company Senior General Manager of Meat Division, the Company (current position) Director, Itoham Foods Inc. (current position)	48,749
[Reason for nomination as candidate for Director] Mr. Akihisa Horiuchi is nominated as a candidate for Director in the belief that he will contribute to the realization of the Group's sustainable growth and medium- and long-term enhancement of corporate value through performing his duties as a Director by capitalizing on his abundant experience and broad knowledge gained by serving as Chief Executive Officer of YONEKYU CORPORATION and in various other important positions in the Group.				

No.	Name (Date of birth)	Career summary, position and responsibilities in the Company and significant concurrent positions		Number of shares of the Company held
5	[Reelection] [Outside Director] [Independent Officer] Yukie Osaka (March 15, 1956) (Age: 67) Term of office as Director: 2 years Attendance at the Board of Directors meetings 100% (15/15)	April 1978	Joined Nihon Short-Wave Broadcasting Co., Ltd. (currently NIKKEI RADIO BROADCASTING CORPORATION)	-
	September 1994	Tokyo Metropolitan Television Broadcasting Corporation		
6	[New candidate] [Outside Director] [Independent Officer] Mikiko Morimoto (July 26, 1973) (Age: 49) Term of office as Director: - Attendance at the Board of Directors meetings -	September 1997	Japan Satellite Broadcasting Inc. (currently WOWOW Inc.)	-
	May 2016	MEIKO NETWORK JAPAN CO., LTD.		
		November 2018	Director, MEIKO NETWORK JAPAN CO., LTD.	
		June 2020	Outside Director, SAKURA internet Inc. (current position)	
		June 2021	Outside Director, the Company (current position)	
		November 2021	Representative Director, General Incorporated Association Customer Success Promotion Association (current position)	
[Reasons for nomination as candidate for Outside Director and the outline of expected role] Ms. Yukie Osaka provides objective and professional advice and supervision to the Company based on her knowledge and wealth of experience that she has gained through her duties and career as a marketing consultant. She also has attended meetings of the Nomination Committee, Remuneration Committee and Governance Committee as a member and has actively expressed her opinions, making a significant contribution to the supervision of business execution from an independent standpoint. She is nominated as a candidate for Outside Director in the belief that she will contribute to the realization of the Group's sustainable growth and medium- and long-term enhancement of corporate value by continuing to fulfill these roles.				
[Reasons for nomination as candidate for Outside Director and the outline of expected role] Ms. Mikiko Morimoto possesses knowledge and wealth of experience that she has gained through her duties and career as a sustainability consultant. The Company judges she will provide objective and professional advice and supervision to the Company based on her knowledge and wealth of experience. Once elected, she is expected to serve as a member of the Nomination Committee, Remuneration Committee, Governance Committee, and Sustainability Committee. She is nominated as a candidate for Outside Director in the belief that she will contribute to the realization of the Group's sustainable growth and medium- and long-term enhancement of corporate value by fulfilling these roles.				

[Independent Officers]

Ms. Yukie Osaka is an Independent Officer as prescribed in the regulations of the Tokyo Stock Exchange. She satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange, and the standards set by the Company for Independence Criteria for Outside Officers. The Company plans to reappoint her as an Independent Officer if her reelection is approved at this Ordinary General Meeting of Shareholders.

Ms. Mikiko Morimoto satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange, and the standards set by the Company for Independence Criteria for Outside Officers. The Company plans to appoint her as an Independent Officer if her election is approved at this Ordinary General Meeting of Shareholders.

(Notes)

1. There are no special interests between each candidate and the Group.
2. Ms. Yukie Osaka and Ms. Mikiko Morimoto are candidates for Outside Director.
3. Ms. Mikiko Morimoto is scheduled to be appointed as an outside member of the board of NEC Networks & System Integration Corporation on June 23, 2023.
4. The Company has entered into an agreement with Ms. Yukie Osaka in accordance with the provisions in Article 427, Paragraph 1 of the Companies Act to limit her liability for damages under Article 423, Paragraph 1 of the said Act. The maximum amount of her liability for damages under the said agreement is the minimum amount of liability stipulated in Article 425, Paragraph 1 of the said Act. The Company plans to renew the said agreement if her reelection is approved at this Ordinary General Meeting of Shareholders.
5. The Company has entered into an indemnity agreement with the current Directors as provided for in Article 430-2, Paragraph 1 of the Companies Act, whereby the Company will indemnify them for the expenses stipulated in Item 1 and the losses stipulated in Item 2 of the same Paragraph to the extent provided by laws and regulations. However, the expenses under Item 1 of the same Paragraph, which pertain to cases in which liability is sought against the Company (excluding shareholder representative actions), are not covered by the indemnity, so that the appropriateness of the execution of duties by the indemnitee will not be impaired.

The Company plans to continue the indemnity agreement if the reelection of the candidates who are currently Directors is approved, and plans to enter into the same indemnity agreement with Mr. Akihisa Horiuchi and Ms. Mikiko Morimoto if their election is approved at this Ordinary General Meeting of Shareholders.
6. The Company has entered into a directors' and auditors' liability insurance contract with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act, insuring Directors, Auditors, and Executive Officers, etc. The insurance policy covers compensation for damages and litigation expenses in the event of a claim against the insured. However, by excluding from coverage losses resulting from criminal or intentionally illegal acts, measures are taken to ensure that the insured's adequacy in the execution of their duties is not impaired. The insured does not bear the cost of insurance premiums. If the election of candidates for Director is approved at this Ordinary General Meeting of Shareholders, each Director will be named as the insured under the said insurance contract. The term of the insurance contract is 1 year, and will be renewed subject to the resolution of the Board of Directors prior to the expiration of the term.

Proposal 3: Election of 1 Auditor

Of the 4 current Auditors, Mr. Ichiro Ichikawa's term of office will expire at the conclusion of this year's Ordinary General Meeting of Shareholders. Accordingly, the election of 1 Auditor is proposed.

The candidate is as follows:

The election of the candidate for Auditor has been made after the deliberation by the Nomination Committee, the majority of whose members are Independent Outside Directors. In addition, the consent of the Board of Auditors has been obtained for this Proposal.

Name (Date of birth)	Career summary, position in the Company and significant concurrent positions	Number of shares of the Company held
[New candidate] [Outside Auditor] [Independent Officer] Hiroshi Matsumura (August 4, 1959) (Age: 63) Term of office as Auditor: -	<p>March 1984 Joined Audit Department, Tohmatsu Awoki & Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>August 1987 Registered as a Certified Public Accountant</p> <p>July 1999 Managing Partner, Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>June 2007 Engagement Partner, Deloitte Touche Tohmatsu LLC</p> <p>July 2009 Audit Department, Deloitte Touche Tohmatsu LLC</p> <p>January 2016 Audit Department & Quality Management Department, Deloitte Touche Tohmatsu LLC</p> <p>August 2020 Left Deloitte Touche Tohmatsu LLC</p> <p>September 2020 Representative, Hiroshi Matsumura Certified Public Accountant Office (current position)</p> <p>March 2022 Auditor, G.D JIDOKIKAI K.K. (current position)</p>	-
<p>[Reason for nomination as candidate for Outside Auditor] Mr. Hiroshi Matsumura is nominated as a candidate for Outside Auditor because of his expertise and wealth of experience in finance and accounting, which he has cultivated through his career as a certified public accountant, and in the belief that he will contribute to the further development of the Group through auditing from a broad and sophisticated perspective with respect to overall management.</p>		

(Note) Age of the candidate is as of this year's Ordinary General Meeting of Shareholders.

[Independent Officer]

Mr. Hiroshi Matsumura satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange, and the standards set by the Company for Independence Criteria for Outside Officers. The Company plans to appoint him as an Independent Officer if his election is approved at this Ordinary General Meeting of Shareholders.

(Notes)

1. There are no special interests between Mr. Hiroshi Matsumura and the Group.
2. Mr. Hiroshi Matsumura is a candidate for Outside Auditor.
3. If the election of Mr. Hiroshi Matsumura is approved at this Ordinary General Meeting of Shareholders, the Company plans to enter into an agreement with him in accordance with the provisions in Article 427, Paragraph 1 of the Companies Act to limit his liability for damages under Article 423, Paragraph 1 of the said Act. The maximum amount of his liability for damages under the said agreement is the minimum amount of liability stipulated in Article 425, Paragraph 1 of the said Act.
4. The Company has entered into an indemnity agreement with the current Auditors as provided for in Article 430-2, Paragraph 1 of the Companies Act, whereby the Company will indemnify them for the expenses stipulated in Item 1 and the losses stipulated in Item 2 of the same Paragraph to the extent provided by laws and regulations. However, the expenses under Item 1 of the same Paragraph, which pertain to cases in which liability is sought against the Company (excluding shareholder representative actions), are not covered by the indemnity, so that the appropriateness of the execution of duties by the indemnitee will not be impaired. The Company plans to enter into the same indemnity agreement with Mr. Hiroshi Matsumura if his election is approved at this Ordinary General Meeting of Shareholders.
5. The Company has entered into a directors' and auditors' liability insurance contract with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act, insuring Directors, Auditors, and Executive Officers, etc. The insurance policy covers compensation for damages and litigation expenses in the event of a claim against the insured. However, by excluding from coverage losses resulting from criminal or intentionally illegal acts, measures are taken to ensure that the insured's adequacy in the execution of their duties is not impaired. The insured does not bear the cost of insurance premiums. If the election of Mr. Hiroshi Matsumura is approved at this Ordinary General Meeting of Shareholders, he will be named as the insured under the said insurance contract. The term of the insurance contract is 1 year, and will be renewed subject to the resolution of the Board of Directors prior to the expiration of the term.

<Reference>

Skills matrix for Directors and Auditors

The Board of Directors is composed of a diverse group of directors with different backgrounds of expertise and experience for fulfilling the functions of the Board of Directors as a whole. The Board of Directors is composed of a number of members that enables it to function most effectively and efficiently, and the ratio of independent outside directors is at least one-third.

The skills matrix for Directors and Auditors if Proposals 2 and 3 are approved as proposed is as follows.

		Skills matrix								
Name		Gender	Management	Marketing Product development	Production technologies Quality Control	Finance and accounting	Legal affairs Risk management	ESG Sustainability	IT DX	International experience
Director	Isao Miyashita	Male	•	•	•		•			•
	Koichi Ito	Male	•	•	•		•			•
	Hajime Ogawa	Male	•			•	•	•	•	•
	Akihisa Horiuchi	Male	•		•		•			
	Yukie Osaka Independent Officer	Female	•	•					•	
	Mikiko Morimoto Independent Officer	Female	•	•				•		
Auditor	Yoshiro Matsuzaki	Male	•		•					
	Shin Takahashi	Male	•			•				
	Kei Umebayashi Independent Officer	Male					•			•
	Hiroshi Matsumura Independent Officer	Male	•			•	•			

<Reference>

Policy on the nomination of candidates for Directors and Auditors

1. Policy and procedure for the nomination of candidates for Director

(1) Nomination criteria

- (i) Having an excellent character, knowledge and high ethical standards.
- (ii) Having an excellent management perspective and an excellent ability to understand the legal and managerial issues accurately.
- (iii) Having an excellent ability to objectively analyze and judge from a company-wide perspective.
- (iv) Being able to actively express one's own opinions and having strong leadership skills.
- (v) Not falling under the category of grounds for disqualification of directors stipulated in the Companies Act, and there being no obstacle in terms of health or other factors.

(2) Nomination procedure

Based on the nomination criteria, the Nomination Committee shall fully deliberate on the appropriateness of candidates and the optimal composition of the Board of Directors, and then the Board of Directors shall adopt a resolution with regard to the nomination.

2. Policy and procedure for the nomination of candidates for Auditor

(1) Nomination criteria

- (i) Having an excellent character, knowledge and high ethical standards.
- (ii) Having an excellent management perspective and an excellent ability to understand the legal and managerial issues accurately.
- (iii) Having an excellent ability to objectively analyze and judge from a company-wide perspective.
- (iv) Being able to express one's own opinions while maintaining a fair and unbiased attitude.
- (v) Not falling under the category of grounds for disqualification of auditors stipulated in the Companies Act, and there being no obstacle in terms of health or other factors.

(2) Nomination procedure

Based on the nomination criteria, the Nomination Committee shall fully deliberate on the appropriateness of candidates and the optimal composition of the Board of Auditors, and then, after obtaining the consent of the Board of Auditors, the Board of Directors shall adopt a resolution with regard to the nomination.

<Reference>

In order to objectively judge the independence of Outside Directors and Outside Auditors (hereinafter referred to as “Outside Officers”), the Company has established the following criteria for the independence of Outside Officers.

<Independence Criteria for Outside Officers>

In addition to the requirements for independent officers stipulated by the Tokyo Stock Exchange, an Outside Director or Outside Auditor shall be deemed to be independent if, as a result of a reasonable scope of investigation by the Company, it is judged that they do not fall under any of the following categories.

- (i) An executive ^{Note (1)} of the Company and its associated companies (hereinafter referred to as the “Group”) during the current or past 10 fiscal years
- (ii) A major business partner of the Group ^{Note (2)} in the current or most recent fiscal year or an executive thereof
- (iii) A major business partner of the Group ^{Note (3)} in the current or most recent fiscal year or an executive thereof
- (iv) A major shareholder (a party who owns at least 10% of the total of voting rights directly or indirectly) of the Company in the current fiscal year or the past 3 fiscal years or an executive thereof
- (v) An entity in which the Group owns at least 10% of the total of voting rights directly or indirectly in the current fiscal year or the past 3 fiscal years or an executive thereof
- (vi) An individual belonging to an audit corporation that is the Accounting Auditor of the Group in the current fiscal year or the past 3 fiscal years
- (vii) A consultant, an accountant professional such as a certified public accountant or a certified public tax accountant, or a legal professional such as an attorney at law, who receives a large amount of monetary consideration or other property ^{Note (4)} from the Group in addition to compensation as an officer (in case it is an organization such as a corporation or an association that receives such property, an individual who belongs to such organization)
- (viii) An individual, or a director or other executive of an organization such as a corporation or an association, who receives a large amount of donations or subsidies ^{Note (5)} from the Group
- (ix) An individual from a company with which the Group has a mutual appointment relationship of officers ^{Note (6)}
- (x) Close relatives ^{Note (8)} of important individuals ^{Note (7)} executing the Group’s business or close relatives of non-executive directors in the current or most recent fiscal year
- (xi) A close relative of a person falling under any of (ii), (iii), (vii) or (viii) above

Notes

- (1) “Executive” means an executive director, an operating officer, an executive officer, a manager or any other employee of a stock company, a member who executes the business of a membership company, or an individual or employee (staff, etc.) who executes the business of a corporation or an organization other than a company.
- (2) “Entity whose major business partner is the Group” means an entity which receives payment from the Group in an amount exceeding 2% of its consolidated sales.
- (3) “Major business partner of the Group” means an entity which pays to the Group an amount exceeding 2% of the Group’s consolidated sales or which provides loans to the Group in an amount exceeding 2% of the Group’s consolidated total assets.
- (4) “Large amount” as used in the context of “a large amount of monetary consideration or other property” means an amount exceeding ¥10 million per year in the case of an individual, or an amount exceeding 2% of the consolidated sales or total revenue in the case of an organization, on average for the past 3 years.
- (5) “Large amount” as used in the context of “a large amount of donations or subsidies” means an amount exceeding the higher of ¥10 million per year or 30% of the organization’s total annual cost, on average for the past 3 years.
- (6) “Mutual appointment relationship of officers” means a relationship where an individual from the Group (an individual who is or used to be a member of the Group in the current fiscal year or the past 10 fiscal years) currently serves as an officer or executive officer of a company, and the Company brings in the individual as an officer or executive officer of the Company from the company.
- (7) “Important individuals” means an executive director, an operating officer, an executive officer, a manager or any other employee in the office of senior management not lower than general manager.
- (8) “Close relatives” means a spouse or relatives up to the second degree of kinship.