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(Securities Code: 1934)  
June 5, 2023  
(Electronic Provision Measures Commencement Date: May 30, 2023)

**To Shareholders with Voting Rights:**

Tsutomu Satake  
Representative Director &  
Chairman of the Board  
Yurtec Co., Inc.  
4-1-1 Tsutsujigaoka, Miyagino-Ku, Sendai

**NOTICE OF  
THE 109<sup>th</sup> ANNUAL GENERAL MEETING OF SHAREHOLDERS**

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

You are cordially notified of the 109th Annual General Meeting of Shareholders to be held for the purposes described below.

In performing convocation procedures for this General Meeting of Shareholders, we are taking measures for electronic provision for information which is the contents of the Shareholders Meeting Reference Documents (Electronic Provision Measures Matters), and are posting those information on the following websites on internet:

[Company's website]: [http://www.yurtec.co.jp/english/ir/stockholders\\_meeting.html](http://www.yurtec.co.jp/english/ir/stockholders_meeting.html)

[Tokyo Stock Exchange's website]:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

After visiting the above website, enter and search Company's name with "Yurtec" or its Securities Code with "1934", select [Basic Information] > [Documents for Public Inspection/PR Information] for view.

[Net de Shoshu (online convocation)]: <https://s.srdb.jp/1934/> (Japanese only)

If you are not attending the meeting, please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights [via mail or online by 5:30 p.m. on Monday, June 26, 2023, Japan time.](#)

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- Considering the status of the novel coronavirus infection disease, we have decided to take appropriate measures to ensure safety of all shareholders and prevent the infection and to hold this General Meeting of Shareholders. All shareholders are encouraged to consider the infection status or their health conditions as of the date of the meeting, and decide whether or not they are attending the meeting in person on the date of the meeting.

- 1. Date and Time:** Tuesday, June 27, 2023 at 10:00 a.m. Japan time (Doors open at 9:00 a.m.)
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- 2. Place:** Third floor Main Auditorium of the Company located at 4-1-1 Tsutsujigaoka, Miyagino-Ku, Sendai
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- 3. Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company's 109th Fiscal Year (April 1, 2022 to March 31, 2023) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
  2. Non-consolidated Financial Statements for the Company's 109th Fiscal Year (April 1, 2022 to March 31, 2023)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Nine (9) Directors (Excluding Directors who are Audit and Supervisory Committee Members)
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#### **4. Other Decisions Pertaining to Convocation**

- (1) In the event voting rights are exercised via both the mailing of the Voting Rights Exercise Form and the Internet, etc., the vote submitted via the Internet, etc. will be deemed valid.
  - (2) In the event voting rights are exercised multiple times via the Internet, etc., the last vote submitted will be deemed valid.
  - (3) In the event your Voting Rights Exercise Form does not indicate your vote for or against the proposals, it will be deemed to have indicated that your vote is for the proposals.
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#### [Notes on General Meeting of Shareholders](#)

- The documents that we are sending to you are intended to constitute the documents stating the Electronic Provision Measures Matters in response to the Request for Delivery of Documents. In this regard, the matters described below are not included in these documents in accordance with laws and regulations as well as Article 15 of the Company's Articles of Incorporation. Therefore, these documents are part of the documents that were audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing their audit report.
  - (1) Establishment and operation of a system necessary to ensure proper operations of the Company in Business Report
  - (2) Consolidated Statement of Changes in Net Assets of the Consolidated Financial Statements and Notes to the Consolidated Financial Statements
  - (3) Statements of Changes in Equity of the Non-consolidated Financial Statements and Notes to the Non-consolidated Financial Statements
- Should any of the Electronic Provision Measures Matters require revision, the details of the revision will be posted on each website on which their respective original texts are posted.



**Proposal 2:** Election of Nine (9) Directors (Excluding Directors who are Audit and Supervisory Committee Members)

The terms of office of all eleven (11) Directors (excluding Directors who are Audit and Supervisory Committee Members. The same applies hereinafter in this proposal) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of nine (9) Directors is proposed.

For the selection of candidates for Directors, the Nomination and Remuneration Advisory Committee, a majority of the members of which are External Independent Directors, has deliberated on this matter to ensure independence and objectivity.

The candidates for Directors are as follows:

No.	Name		Current positions at the Company	Attendance at Board of Directors meetings
1	Toshinori Abe	Reappointment	Director	9 out of 9 meetings (100%)
2	Yoshiharu Ota	Reappointment	Representative Director & President Chief Executive Officer	11 out of 11 meetings (100%)
3	Ikumi Kobayashi	Reappointment	Representative Director & Executive Vice President	11 out of 11 meetings (100%)
4	Kazuo Takasugi	Reappointment	Director & Managing Executive Officer	9 out of 9 meetings (100%)
5	Koji Miura	Reappointment	Director & Managing Executive Officer	9 out of 9 meetings (100%)
6	Yasuhiro Suzuki	Reappointment	Director & Managing Executive Officer	9 out of 9 meetings (100%)
7	Hiromitsu Takano	New Appointment	-	-
8	Seiichi Mitsui	Reappointment External Director Independent Officer	Director	11 out of 11 meetings (100%)
9	Keiichi Takano	Reappointment External Director Independent Officer	Director	11 out of 11 meetings (100%)

(Note) Since Mr. Toshinori Abe, Mr. Kazuo Takasugi, Mr. Koji Miura, and Mr. Yasuhiro Suzuki were appointed on June 24, 2022, their attendance is for Board of Directors meetings held thereafter.

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
1	Toshinori Abe (October 28, 1957) [Reappointment]	<p>April 1981      Joined Tohoku Electric Power Co., Inc.</p> <p>June 2011      General Manager of Human Capital Department, Tohoku Electric Power Co., Inc.</p> <p>June 2014      Executive Officer; General Manager of Tokyo Branch Office, Tohoku Electric Power Co., Inc.</p> <p>June 2017      Managing Director; General Manager of Customer Services Div., Tohoku Electric Power Co., Inc.</p> <p>April 2018      Director &amp; Managing Executive Officer; Head of the Power Generation Company and Sales Company, Tohoku Electric Power Co., Inc.</p> <p>April 2021      Representative Director &amp; Executive Vice President; Head of the Power Generation Company and Sales Company, Tohoku Electric Power Co., Inc.</p> <p>April 2022      Representative Director &amp; Executive Vice President; In charge of Compliance Promotion, In charge of Risk Management, Tohoku Electric Power Co., Inc.</p> <p>June 2022      Director of the Company</p> <p>April 2023      Director of Tohoku Electric Power Co., Inc.</p> <p style="text-align: right;">(to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Director, Tohoku Electric Power Co., Inc. (Scheduled to retire as of June 28, 2023)</li> <li>• Outside Director, The Bank of Iwate, Ltd. (Scheduled to take office as of June 23, 2023)</li> </ul>	0	
<p>[Reason for nomination as candidate for Director]</p> <p>Having acquired business experience mainly in the areas of human capital as well as having served in positions that included Representative Director &amp; Executive Vice President since joining the Company's parent, Tohoku Electric Power Co., Inc., Mr. Toshinori Abe is well versed in management overall. The Company nominated him again as a candidate for Director, given that he has been serving as its Director since June 2022, has extensive business experience with the parent and the Company, and is knowledgeable about management overall.</p>				
2	Yoshiharu Ota (January 18, 1956) [Reappointment]	<p>April 1978      Joined the Company</p> <p>June 2011      Executive Officer; Manager of Electrical Installation Department, Sales Headquarters</p> <p>June 2014      Director, General Manager of Information &amp; Communication Headquarters</p> <p>June 2015      Managing Director; Deputy General Manager of Sales Headquarters and General Manager of Information &amp; Communication Headquarters</p> <p>June 2017      Senior Executive Managing Director; General Manager of Sales Headquarters; In charge of Corporate Ethics</p> <p>April 2018      Vice President; General Manager of Sales Headquarters; In charge of Corporate Ethics</p> <p>June 2019      Representative Director &amp; Executive Vice President; General Manager of Sales Headquarters; In charge of Corporate Ethics</p> <p>June 2021      Representative Director &amp; President, Chief Executive Officer</p> <p style="text-align: right;">(to present)</p>	23,605	
<p>[Reason for nomination as candidate for Director]</p> <p>Having acquired business experience mainly in the area of electrical installation as well as having served in positions that included Executive Officer and Manager of Electrical Installation Department., Sales Headquarters since joining the Company, Mr. Yoshiharu Ota is well versed in business operations overall. The Company nominated him again as a candidate for Director, given that he has been serving as its Director since June 2014 and Representative Director &amp; President, Chief Executive Officer since June 2021, has extensive business experience with the Company, and is knowledgeable about management overall.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
3	Ikumi Kobayashi (January 24, 1959) [Reappointment]	April 1981	Joined the Company	13,203
		June 2016	Senior Executive Officer; General Manager of Business & Sales Planning Department, Sales Headquarters	
		June 2017	Managing Director; Deputy General Manager of Sales Headquarters and General Manager of Tokyo Headquarters	
		June 2019	Director & Managing Executive Officer; Deputy General Manager of Sales Headquarters, General Manager of Information & Communication Headquarters, and General Manager of Business & Sales Planning Department	
		June 2020	Director & Managing Executive Officer; Deputy General Manager of Sales Headquarters, and Deputy General Manager of Electric Power Infrastructure Headquarters	
		June 2021	Representative Director & Executive Vice President; General Manager of Sales Headquarters; In charge of Corporate Ethics	
		June 2022	Representative Director & Executive Vice President; In charge of Business Operation Overall, General Manager of Sales Headquarters; In charge of Corporate Ethics; In charge of IR (to present)	
[Reason for nomination as candidate for Director] Having acquired business experience mainly in the areas of business & sales planning and corporate planning as well as having served in positions that included Senior Executive Officer and General Manager of Business & Sales Planning Department, Sales Headquarters since joining the Company, Mr. Ikumi Kobayashi is well versed in business operations overall. The Company nominated him again as a candidate for Director, given that he has been serving as its Managing Director since June 2017 and Representative Director & Executive Vice President since June 2021, has extensive business experience with the Company, and is knowledgeable about management overall.				
4	Kazuo Takasugi (April 26, 1964) [New Appointment]	April 1987	Joined Tohoku Electric Power Co., Inc.	2,942
		July 2012	Distribution Engineering Management Leader of the Customer Services Div. (Power Supply), Fukushima Branch, Tohoku Electric Power Co., Inc.	
		July 2014	General Manager of the Goshogawara Office, Tohoku Electric Power Co., Inc.	
		June 2017	Vice Manager of the Distribution Engineering Department, Power Network Division; In charge of next generation energy promotion at Corporate Planning Department, Tohoku Electric Power Co., Inc.	
		April 2018	Vice Manager of the Distribution Engineering Department, Distribution Engineering Company; In charge of next generation energy promotion at Corporate Planning Department, Tohoku Electric Power Co., Inc.	
		July 2018	General Manager of the Iwate Regional Office, Distribution Engineering Company, Tohoku Electric Power Co., Inc.	
		April 2020	General Manager of the Office of Internal Audit, Tohoku Electric Power Network Co., Inc.	
		April 2022	General Manager of the Corporate Strategy Div., In charge of Group Governance, Tohoku Electric Power Co., Inc.	
		June 2022	Director & Managing Executive Officer, General Manager of Electric Power Infrastructure Headquarters of the Company (to present)	
[Reason for nomination as candidate for Director] Having acquired business experience mainly in the area of power distribution engineering as well as having served in positions that included General Manager of the Office of Internal Audit of Tohoku Electric Power Network Co., Inc., since joining the Company's parent, Tohoku Electric Power Co., Inc., Mr. Kazuo Takasugi is well versed in management overall. The Company nominated him again as a candidate for Director, given that he has been serving as its Director & Managing Executive Officer since June 2022, has extensive business experience with the parent and the Company, and is knowledgeable about management overall.				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
5	Koji Miura (September 9, 1961) [New Appointment]	April 1984	Joined the Company	10,589
		July 2016	Manager of Technical Proposal Department, Sales Headquarters	
June 2017	Executive Officer; General Manager of Business & Sales Planning Department, Sales Headquarters			
April 2019	Senior Executive Officer status of the Company; Representative Director & Chairman of YURTEC VIETNAM CO.,LTD.			
June 2019	Managing Director status of the Company; Representative Director & Chairman of YURTEC VIETNAM CO.,LTD.			
June 2021	Managing Director; Deputy General Manager of Sales Headquarters; General Manager of the Overseas Business Division			
June 2022	Director & Managing Executive Officer; General Manager of Engineering Headquarters; Deputy General Manager of Electric Power Infrastructure Headquarters (to present)			
[Reason for nomination as candidate for Director] Having acquired business experience mainly in the areas of electrical installation as well as having served in positions that included Executive Officer; General Manager of Business & Sales Planning Department, Sales Headquarters since joining the Company, Mr. Koji Miura is well versed in business operations overall. The Company nominated him again as a candidate for Director, given that he has been serving as Representative Director & Chairman of YURTEC VIETNAM CO., LTD. as Senior Executive Officer status of the Company since April 2019 and Director & Managing Executive Officer since June 2022, has extensive business experience with the Company, and is knowledgeable about management overall.				
6	Yasuhiro Suzuki (May 5, 1961) [New Appointment]	April 1986	Joined the Company	11,489
		July 2015	Deputy General Manager of Yamagata Branch; General Manager of General Affairs Department	
June 2017	General Manager of Accounting and Finance Department			
June 2019	Executive Officer; General Manager of Yamagata Branch			
June 2022	Director & Managing Executive Officer (to present)			
[Reason for nomination as candidate for Director] Having acquired business experience mainly in the areas of accounting and finance as well as having served in positions that included General Manager of Accounting and Finance Department since joining the Company, Mr. Yasuhiro Suzuki is well versed in business operations overall. The Company nominated him again as a candidate for Director, given that he has been serving as its Executive Officer and General Manager of Yamagata Branch since June 2019, and Director & Managing Executive Officer since June 2022, has extensive business experience with the Company, and is knowledgeable about management overall.				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
7	Hiromitsu Takano  (May 4, 1960) [New Appointment]	<p>April 1984      Joined Tohoku Electric Power Co., Inc.</p> <p>June 2012      Deputy General Manager of General Affairs Department, Tohoku Electric Power Co., Inc.</p> <p>June 2013      Head of Office of Legal and Shareholders Affairs of General Affairs Department, Tohoku Electric Power Co., Inc.</p> <p>June 2015      General Manager of General Affairs, Tohoku Electric Power Co., Inc.</p> <p>July 2017      General Manager of General Affairs Department of Internal Services Div.; General Manager of General Network Affairs Department of Power Network Div., Tohoku Electric Power Co., Inc.</p> <p>April 2018      General Manager of General Affairs Department of Internal Services Div.; General Manager of General Network Affairs Department of Transmission/distribution Company Network, Tohoku Electric Power Co., Inc.</p> <p>June 2018      Senior Executive Officer; General Manager of Niigata Branch Office, Tohoku Electric Power Co., Inc.</p> <p>April 2020      Managing Executive Officer; Vice President of the Power Generation Company and Sales Company, Deputy General Manager of the Nuclear Power Div., Tohoku Electric Power Co., Inc.</p> <p>April 2021      Managing Executive Officer; Deputy General Manager of the Nuclear Power Div.; Vice President of the Power Generation Company and Sales Company, Tohoku Electric Power Co., Inc.</p> <p>June 2021      Director &amp; Managing Executive Officer; Deputy General Manager of the Nuclear Power Div.; Vice President of the Power Generation Company and Sales Company, Tohoku Electric Power Co., Inc.</p> <p>April 2022      Representative Director &amp; Executive Vice President; In charge of Nuclear Power Plant Sitting, Tohoku Electric Power Co., Inc.</p> <p>April 2023      Representative Director &amp; Executive Vice President; In charge of Nuclear Power Plant Sitting, In charge of Compliance Promotion; In charge of Risk Management; Conduct Control Compliance &amp; Check Officer, Tohoku Electric Power Co., Inc.</p> <p style="text-align: right;">(to present)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> <li>• Representative Director &amp; Executive Vice President, Tohoku Electric Power Co., Inc.</li> </ul>	0
<p>[Reason for nomination as candidate for Director]</p> <p>Given his experience in managing the electric power business as Representative Director &amp; Executive Vice President of the Company's parent, Tohoku Electric Power Co., Inc., the Company nominated Mr. Hiromitsu Takano as a candidate for Director, with the expectation that he will contribute to its management from the perspective of its parent company by drawing on his extensive experience and outstanding insight.</p>			



No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
	Seiichi Mitsui (July 11, 1942) [Reappointment] [External Director] [Independent Officer]	<p>April 1966      Joined Shinko Sogo Bank, Ltd. (current The Sendai Bank, Ltd.)</p> <p>June 2001      President, Shinko Sogo Bank, Ltd. (current The Sendai Bank, Ltd.)</p> <p>June 2010      Corporate Auditor, the Company (left office in June 2015)</p> <p>October 2012   Chairman of the Board, Jimoto Holdings, Inc. (left office in June 2013)</p> <p>June 2013      Chairman of the Board, The Sendai Bank, Ltd.</p> <p>June 2014      Corporate Adviser, The Sendai Bank, Ltd.</p> <p>June 2015      Director, the Company</p> <p>June 2019      Outside Director, Kamei Corporation</p> <p style="text-align: right;">(to present)</p> <p>[Significant concurrent positions] • Outside Director, Kamei Corporation</p>	10,700
	[Number of years in office of the Company as External Director] Eight (8) years		
8	<p>[Reason for nomination as candidate for External Director and outline of expected roles]</p> <p>Mr. Seiichi Mitsui has experience in managing The Sendai Bank, Ltd. and Jimoto Holdings, Inc. Given his career history and track record, the Company nominated Mr. Mitsui again as a candidate for External Director with the expectation that he will contribute to its management by drawing on his extensive experience and outstanding insight.</p> <p>Mr. Mitsui is expected to provide advice on and supervision of the Company's management policy and business from an objective and independent standpoint representing the common interests of all shareholders including minority shareholders by drawing on his extensive experience and wide-ranging insight as a manager in financial institutions.</p>		
	<p>[Matters pertaining to independence]</p> <p>Mr. Seiichi Mitsui is a candidate for external director as provided for in Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act, and the Company has registered him as an independent officer, as stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange Inc.</p> <p>Mr. Mitsui is Corporate Adviser to The Sendai Bank, Ltd., which is one of the main lenders of the Group; however, the ratio of the amount of borrowings of the Company from The Sendai Bank, Ltd. to the consolidated total assets of the Company is less than 0.4%.</p> <p>Also, Mr. Mitsui is currently an Outside Director of Kamei Corporation. There are business relationships, including construction contracts, between the Company and Kamei Corporation; however, the ratio of the annual amount of such transactions to the consolidated net sales of the Company is less than 0.1% and the ratio to that of Kamei Corporation is also less than 0.1%.</p>		

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
	Keiichi Takano (February 5, 1953) [Reappointment] [External Director] [Independent Officer]	<p>April 1976      Joined Nippon Zenyaku Kogyo Co., Ltd.</p> <p>April 2009      President and Director, Nippon Zenyaku Kogyo Co., Ltd.</p> <p>June 2018      Director and Corporate Adviser, Nippon Zenyaku Kogyo Co., Ltd.</p> <p>June 2019      Corporate Adviser, Nippon Zenyaku Kogyo Co., Ltd. (left office in June, 2021)</p> <p>April 2021      Director, ZENOAQ HOLDINGS CO., LTD.</p> <p>June 2021      Director, the Company  (to present)</p> <p>[Significant concurrent positions] • Director, ZENOAQ HOLDINGS CO., LTD.</p>	200
	[Number of years in office of the Company as External Director] Two (2) year		
9	<p>[Reason for nomination as candidate for External Director and Outline of Expected Roles]</p> <p>Mr. Keiichi Takano has experience in managing Nippon Zenyaku Kogyo Co., Ltd., a leading veterinary drug company. Given his career history and track record, the Company nominated Mr. Takano again as a candidate for External Director with the expectation that he will contribute to its management by drawing on his extensive experience and outstanding insight.</p> <p>Mr. Takano is expected to give advice on and supervision of the Company's management policy and business from an objective and independent standpoint representing the common interests of all shareholders including minority shareholders by drawing on his extensive experience and wide-ranging insight as a corporate manager.</p>		
	<p>[Matters pertaining to independence]</p> <p>Mr. Keiichi Takano is a candidate for external director as provided for in Article 2, paragraph (3), item (vii) of the Regulation for Enforcement of the Companies Act, and he is a candidate for independent officer as stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange Inc.</p> <p>Mr. Takano is currently a Director of ZENOAQ HOLDINGS CO., LTD. There is no business relationship between the Company and ZENOAQ HOLDINGS CO., LTD.</p>		

- (Notes)
1. There are no special interests between the candidates and the Company.
  2. The Company has entered into a liability limitation agreement with Mr. Toshinori Abe, Mr. Seiichi Mitsui and Mr. Keiichi Takano based on the provisions of Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement is the amount stipulated by laws and regulations. Subject to the approval of the election of Mr. Seiichi Mitsui and Mr. Keiichi Takano, the Company intends to renew the agreement. If election of Mr. Hiromitsu Takano is approved as originally proposed, the Company intends to newly enter into the same agreement with him.
  3. The Company has entered into an indemnity agreement with each of Mr. Toshinori Abe, Mr. Yoshiharu Ota, Mr. Ikumi Kobayashi, Mr. Kazuo Takasugi, Mr. Koji Miura, Mr. Yasuhiro Suzuki, Mr. Seiichi Mitsui and Mr. Keiichi Takano pursuant to the provisions of Article 430-2, Paragraph 1 of the Companies Act. In accordance with the indemnity agreement, the Company will provide compensation for expenses in Item 1 of the said Paragraph and losses in Item 2 of the said Paragraph within the range stipulated by laws and regulations. Subject to the approval of the election of each candidate, the Company intends to renew the agreement. If election of Mr. Hiromitsu Takano is approved as originally proposed, the Company intends to newly enter into the same agreement with him.
  4. The Company has entered into a directors and officers liability insurance contract, where the Company, Directors, Executive Officers, and employees in management positions are the insureds, stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The said insurance contract will cover damages including compensation for damages and legal expenses to be borne by the insureds arising from performance of their duties. The Company pays the entire insurance premium amount. If the election of the candidates is approved as originally proposed, they will be included as the insureds under the said insurance contract.

**Opinion of the Audit and Supervisory Committee**

Regarding election and remuneration etc. of Directors who are not Audit and Supervisory Committee Members, the Audit and Supervisory Committee exchanged opinions with the Company's Representative Directors, and considered these matters, including review of discussion at the Nomination and Remuneration Advisory Committee. As a result, the Audit and Supervisory Committee has determined that there are no matters of concern on any of the election and remuneration of Directors who are not Audit and Supervisory Committee Members.

<For Your Reference for Proposal 2>

1. Board of Directors' Skill Matrix

Subject to approval of Proposal 2, the Board of Directors of the Company will be comprised of members with the following skills.

Name	Audit and Supervisory Committee Member	External Director/ Independent Officer	Directors' Skills						
			Corporate management/ Management strategy	Sales/ Marketing	Technology/ Safety & Quality	Legal matters/ Risk control	Finance/ Accounting	Global understanding	Sustainability promotion
Toshinori Abe			●	●		●		●	
Yoshiharu Ota			●	●	●	●			●
Ikumi Kobayashi			●	●	●			●	●
Kazuo Takasugi			●		●	●			●
Koji Miura			●	●	●			●	●
Yasuhiro Suzuki			●	●			●		
Hikomitsu Takano			●	●		●			
Seiichi Mitsui		○	●	●			●		
Keiichi Takano		○	●	●				●	
Kazunari Sugawara	○		●			●	●		
Koichi Ono	○	○				●	●		
Yasunari Takaura	○	○					●		●
Tokuko Yashima	○	○				●	●		

- (Notes) 1. ● indicates the main skills possessed by each Director.  
2. This table does not show all the skills possessed by each Director.

2. Policy on Nomination of Candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) and Directors who are Audit and Supervisory Committee Members

- (1) The basic policy is that the Board of Directors shall build an effective management structure, and be composed of the number of members necessary and appropriate to ensure substantial discussion and monitoring functions on business execution, and the number of Directors shall be an appropriate number not more than seventeen (17) as stipulated in the Company's Articles of Incorporation.
- (2) The Nomination and Remuneration Advisory Committee shall review election and dismissal of Directors, to ensure independence and objectivities of those election and dismissal.
- (3) Candidates of Internal Directors (excluding Directors who are Audit and Supervisory Committee Members) shall be an individual who is suitable for appointment as an officer of the Company in terms of personality, insight, competence, experience, ethics and other relevant elements, and shall be selected among those who are knowledgeable about their respective fields, taking account into balance of expertise, extensive business experience, knowledge on management overall, etc.
- (4) Candidates for External Directors (excluding candidates of Directors who are Audit and Supervisory Committee Members) shall be elected by focusing on whether appropriate decision making and business management oversight under the Board of Directors can be achieved, with their practical experience based upon company management, etc., and their extensive knowledge on social and economic trends, etc.
- (5) Candidates of Directors who are Audit and Supervisory Committee Members shall be elected by focusing on whether they can properly carry out their duties as Audit and Supervisory Committee Members using their experiences and knowledge, and whether they can audit and oversee the execution of Directors' duties. Furthermore, candidate of External Directors who are Audit and Supervisory Committee Members shall be selected by focusing on whether they can audit and oversee those matters objectively and impartially.
- (6) The independence of candidates for External Directors shall be determined in accordance with the "Independence Standards for External Directors" stipulated by the Company.

### 3. Independence Standards for External Directors

The Company determines the independence of External Directors based on the following requirements in conformity with the independence standards prescribed by the financial instruments exchange where the Company is listed. In electing External Directors, emphasis is placed on whether the individual is capable of making decisions at meetings of the Board of Directors appropriately as well as supervising business management by drawing on his/her practical experience and outstanding insight mainly on social and economic trends, which were acquired through corporate management or other means as well as understanding the management philosophy and social responsibilities of the Company and adequately recognizing the roles and responsibilities of an External Director. In electing External Directors who are Audit and Supervisory Committee Members, emphasis is placed on whether the individual is capable of fully understanding the roles and responsibilities of an External Director who is an Audit and Supervisory Committee Member and conducts objective and impartial audits by drawing on his/her extensive experience and outstanding insight.

[The Company's Independence Standards for External Directors]

As a general rule, the Company appoints individuals who do not fall under any of the following specifications as its independent external directors:

- (1) A party or an executive officer of a party whose major business partner is the Company
- (2) A party or an executive officer of a party who is a major business partner of the Company
- (3) A consultant, an accounting expert or a legal expert who receives large sums of money or any other property from the Company other than remuneration for his/her service as a corporate officer (if the entity receiving such property is an organization, such as a corporation and association, a person belonging to such entity)
- (4) Any person who recently was any of (1) to (3) above.
- (5) Any person who was any of a to c below at a point in time in ten years before assuming office:
  - a. An executive officer or a Director who is not an executive officer of the Company's parent
  - b. A corporate auditor of the Company's parent (applicable only when the relevant External Director who is an Audit and Supervisory Committee Member is to be designated as an independent external director)
  - c. An executive officer of a fellow subsidiary
- (6) A close relative of a person falling under any of a to f below (excluding those who are not of importance):
  - a. A person falling under any of (1) to (5) above
  - b. An executive officer of a subsidiary of the Company
  - c. A Director of a subsidiary of the Company who is not an executive officer
  - d. An executive officer or a Director who is not an executive officer of the Company's parent
  - e. An executive officer of a fellow subsidiary
  - f. A person who recently fell under b or c above or was an executive officer of the Company (includes any Director who was not an executive officer when designating a relevant External Director who is an Audit and Supervisory Committee Member as an independent external director)