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Securities code: 5142

June 7, 2023

(Commencement date of measures for electronic provision: June 1, 2023)

**To Shareholders with Voting Rights:**

Ichiro Hikage  
Representative Director and  
President  
ACHILLES CORPORATION  
2-21-1, Kita-Shinjuku, Shinjuku-ku,  
Tokyo, Japan

**NOTICE OF  
THE 103RD ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are cordially invited to attend the 103rd Annual General Meeting of Shareholders of ACHILLES CORPORATION (the "Company"). The meeting will be held for the purposes described below.

The Company has, for convening this General Meeting of Shareholders, provided information contained in the Reference Documents for the General Meeting of Shareholders, etc. electronically (Electronic Provision Measures Matters). The information has been posted on the Company's website as "Notice of Convocation" and "Electronic Provision Measures Matters for the 103rd Annual General Meeting of Shareholders, etc. (matters not to be included in the documents to deliver to shareholders)." Please access the following website to check it.

The Company's website: <https://www.achilles.jp/english/ir/library/annual/>

In addition to the above website, the Electronic Provision Measures Matters are posted on the website of Tokyo Stock Exchange (TSE). Please access the TSE website (Listed Company Search) shown below, enter "Achilles" in Issue name (company name) or "5142" in Code to search, and click on "Basic information" and then "Documents for public inspection/PR information" to review the matters.

TSE website (Listed Company Search):

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

**If you are unable to attend the meeting, you can exercise your voting rights in writing or via the internet. Please review the Reference Documents for the General Meeting of Shareholders included in the Electronic Provision Measures Matters, and, in accordance with the Guide to Exercising Voting Rights (pages 4 to 5 of the Japanese original), exercise your voting rights by 5:20 p.m. on Wednesday, June 28, 2023.**

**1. Date and Time:** Thursday, June 29, 2023 at 10:00 a.m. Japan time  
(Reception opens at 9:00 a.m.)

**2. Place:** Head Office of the Company  
Shinjuku Front Tower 22nd floor  
2-21-1, Kita-Shinjuku, Shinjuku-ku, Tokyo, Japan

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company's 103rd Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company's 103rd Fiscal Year (April 1, 2022 - March 31, 2023)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Ten (10) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal 3:** Election of One (1) Substitute Director Who Is an Audit & Supervisory Committee Member

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- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
  - ◎ If the Electronic Provision Measures Matters are revised, the revised version will be posted on each of the relevant websites.
  - ◎ For this General Meeting of Shareholders, the paper copy including the Electronic Provision Measures Matters will be sent to all the shareholders, whether or not it was requested. However, in accordance with laws and regulations, and Article 15 of the Articles of Incorporation, said paper copy does not include the following matters:
    - i) "Establishment of Systems to Ensure Appropriateness of Business Activities and Status of Implementation of the Systems" and "Basic Policy for Control of the Company" in the Business Report;
    - ii) "Notes to Consolidated Financial Statements" in Consolidated Financial Statements; and
    - iii) "Notes to Non-consolidated Financial Statements" in Non-consolidated Financial Statements.Accordingly, the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements included in the paper copy are part of the documents audited by the Accounting Auditor and the Audit & Supervisory Committee in preparing respectively the Accounting Audit Report and the Audit Report.

**Precautions at this Annual General Meeting of Shareholders**

- We ask our shareholders who plan to attend the meeting to pay attention to their health conditions and, if unwell, refrain from attending.
- Shareholders are encouraged to consider exercising their voting rights by writing or via the internet instead of attending the meeting.
- For shareholders who are unable to attend the meeting, the General Meeting of Shareholders will be recorded and the recording will be later uploaded on the Company's website.

The above policy may be updated in accordance with future change in the circumstances. Should a major change be made to how the meeting is run, the Company will notify the change on its website.



**Proposal 2:** Election of Ten (10) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

Terms of office of all ten (10) directors (excluding directors who are Audit & Supervisory Committee Members; the same applies hereinafter in this proposal) will expire at the conclusion of this Annual General Meeting of Shareholders.

Accordingly, the Company proposes to elect ten (10) directors.

With regard to this proposal, the Audit & Supervisory Committee of the Company, in consideration of supervision and execution of the Board of Directors, respective candidates' business execution status and performance in the fiscal year under review, and other factors, deemed all the candidates appropriate.

The candidates for directors are as follows:

No.	Name	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings in the fiscal year under review
1	Ichiro Hikage [Reappointment]	Representative Director and President	100% (16/16)
2	Mamoru Ito [Reappointment]	Chairman of the Board	100% (16/16)
3	Minoru Fujisawa [Reappointment]	Senior Managing Director, Head of Administration Division responsible for CSR	100% (16/16)
4	Hiroki Yokoyama [Reappointment]	Managing Director, Head of Production Division, General Manager of Research & Development Head Office	100% (16/16)
5	Takaya Okura [Reappointment]	Director responsible for Plastic Business Group, General Manager of Automotive Materials Division	93.8% (15/16)
6	Katsuji Yamamoto [Reappointment]	Director responsible for Industrial Materials Business Group	100% (16/16)
7	Tatsuya Yanagawa [Reappointment]	Director responsible for Overseas Business Promotion, General Manager of Industrial Materials Division	100% (13/13)
8	Kazuaki Kono [Reappointment]	Director, Assistant Head of Administration Division, General Manager of Financial Accounting Head Office	100% (13/13)
9	Osamu Sato [Reappointment] [External] [Independent]	Director	100% (16/16)
10	Hitoshi Tachino [Reappointment] [External] [Independent]	Director	100% (13/13)

Since Mr. Tatsuya Yanagawa, Mr. Kazuaki Kono, and Mr. Hitoshi Tachino were appointed at the 102nd Annual General Meeting of Shareholders held on June 29, 2022, the number of the Board of Directors meetings held after their assumption of office is 13.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	<p data-bbox="236 611 403 678">Ichiro Hikage (June 4, 1961)</p> <p data-bbox="225 723 414 757">[Reappointment]</p>	<p data-bbox="475 275 911 309">April 1985      Joined the Company</p> <p data-bbox="475 320 1246 376">June 2010      Managing Executive Officer, General Manager of Heat Insulation Materials Division</p> <p data-bbox="475 387 1177 465">June 2012      Director responsible for Industrial Materials Business Group, General Manager of Heat Insulation Materials Division</p> <p data-bbox="475 477 1270 600">January 2014    Director, Assistant Head of Sales Division responsible for Industrial Materials Business Group, General Manager of Heat Insulation Materials Division</p> <p data-bbox="475 611 1270 734">April 2014      Director, Assistant Head of Sales Division responsible for Industrial Materials Business Group, General Manager of Heat Insulation Materials Division and Purchasing Head Office</p> <p data-bbox="475 745 1270 824">June 2014      Director, Assistant Head of Sales Division responsible for Industrial Materials Business Group, General Manager of Purchasing Head Office</p> <p data-bbox="475 835 1270 925">January 2016    Director, Assistant Head of Sales Division responsible for Industrial Materials Business Group and Purchasing</p> <p data-bbox="475 936 1233 992">June 2018      Managing Director, Head of Production Division responsible for Production Innovation</p> <p data-bbox="475 1003 1249 1059">June 2020      Senior Managing Director, Head of Sales Division responsible for Shoes Business Group</p> <p data-bbox="475 1070 1241 1093">June 2022      Representative Director and President (to present)</p>	10,200
<p data-bbox="193 1104 754 1137">[Reason for nomination as candidate for director]</p> <p data-bbox="193 1149 1460 1328">Mr. Ichiro Hikage has a high level of insight and a wealth of experience with regard to the Group's business, including experience leading the sales and production divisions. Also, after assuming office as Representative Director and President in June 2022, he has led the Group, using strong leadership. The Company believes that he drives the Group forward and sustainably improves corporate value, and therefore renominates him as a candidate for a director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Mamoru Ito (January 31, 1954)  [Reappointment]	April 1979      Joined the Company April 2002      Managing Executive Officer responsible for Electronic Materials Development; Manager of First Development Group and General Manager of Static Electricity Technology Department, Research & Development Head Office June 2004      Director responsible for Industrial Materials Production, Deputy General Manager of Research & Development Head Office June 2006      Director, General Manager of Research & Development Head Office September 2006      Director, General Manager of Research & Development Head Office and Intellectual Property Department June 2007      Managing Director responsible for New Businesses, General Manager of Research & Development Head Office June 2008      Managing Director, Head of Industrial Materials Business Group, General Manager of Research & Development Head Office October 2008      Managing Director, Head of Plastic Business Group and Industrial Materials Business Group June 2010      Representative Senior Managing Director in charge of Sales Division and responsible for Overseas Business June 2012      Representative Director and President June 2022      Chairman of the Board (to present)	27,800
<p>[Reason for nomination as candidate for director]</p> <p>Mr. Mamoru Ito has a high level of insight and a wealth of experience with regard to the Group's business, including experience serving as the Company's Representative Director for 12 years. The Company believes that he drives the Group forward and sustainably improves corporate value, and therefore renominates him as a candidate for a director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions		Number of shares of the Company held
3	Minoru Fujisawa (March 11, 1960)  [Reappointment]	April 1978	Joined the Company	9,900
		June 2010	Managing Executive Officer, General Manager of Financial Accounting Head Office	
		June 2012	Director, General Manager of Financial Accounting Head Office and Corporate Planning Head Office	
		January 2016	Director, General Manager of Financial Accounting Head Office	
		June 2018	Managing Director responsible for CSR, Personnel and Administration, and Financial Accounting; General Manager for Compliance Head Office	
		June 2020	Managing Director, Head of Administration Division responsible for CSR	
		June 2022	Senior Managing Director, Head of Administration Division responsible for CSR (to present)	
[Reason for nomination as candidate for director] Mr. Minoru Fujisawa has a high level of insight and a wealth of experience with regard to the Group's business, including experience leading the administration division. The Company believes that he drives the Group forward and sustainably improves corporate value, and therefore renominates him as a candidate for a director.				
4	Hiroki Yokoyama (October 22, 1965)  [Reappointment]	February 1992	Joined the Company	5,200
		June 2016	Managing Executive Officer, General Manager of Industrial Materials Production Head Office and Industrial Materials Factory	
		January 2018	Managing Executive Officer, General Manager of Industrial Materials Production Head Office	
		June 2019	Managing Executive Officer, General Manager of Industrial Materials Production Head Office and Industrial Materials Factory	
		January 2020	Managing Executive Officer, General Manager of Industrial Materials Production Head Office	
		June 2020	Director, Head of Production Division, General Manager of Industrial Materials Production Head Office	
		June 2022	Managing Director, Head of Production Division, General Manager of Research & Development Head Office (to present)	
[Reason for nomination as candidate for director] Mr. Hiroki Yokoyama has a high level of insight and a wealth of experience with regard to the Group's business, including experience leading the production division. The Company believes that he drives the Group forward and sustainably improves corporate value, and therefore renominates him as a candidate for a director.				

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held	
5	Takaya Okura (August 4, 1960)  [Reappointment]	April 1983 April 2014 April 2015 June 2018 June 2020	<p>Joined the Company</p> <p>Managing Executive Officer, General Manager of Automotive Materials Division and Automotive Materials Sales Department</p> <p>Managing Executive Officer, General Manager of Automotive Materials Division</p> <p>Director responsible for Plastic Business Group and Purchasing, General Manager of Automotive Materials Division</p> <p>Director responsible for Plastic Business Group, General Manager of Automotive Materials Division (to present)</p> <p>[Significant concurrent positions] Chairperson, Achilles (Shanghai) International Trading Co., Ltd. and Achilles (Foshan) New Material Technology Co., Ltd.</p>	3,800
		<p>[Reason for nomination as candidate for director]</p> <p>Mr. Takaya Okura has a high level of insight and a wealth of experience with regard to the Group's business, including experience leading the Plastic Business Group and representing overseas subsidiaries. The Company believes that he drives the Group forward and sustainably improves corporate value, and therefore renominates him as a candidate for a director.</p>		
6	Katsuji Yamamoto (November 12, 1957)  [Reappointment]	April 1976 June 2011 January 2013 December 2014 June 2020	<p>Joined the Company</p> <p>Managing Executive Officer, General Manager of Urethane Division and Branch Office Urethane Sales Department</p> <p>Managing Executive Officer, General Manager of Urethane Division</p> <p>Managing Executive Officer, General Manager of Urethane Division and Branch Office Urethane Sales Department</p> <p>Director responsible for Industrial Materials Business Group (to present)</p>	3,500
		<p>[Reason for nomination as candidate for director]</p> <p>Mr. Katsuji Yamamoto has a high level of insight and a wealth of experience with regard to the Group's business, including experience leading the Industrial Materials Business Group. The Company believes that he drives the Group forward and sustainably improves corporate value, and therefore renominates him as a candidate for a director.</p>		



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	Tatsuya Yanagawa (August 31, 1965)  [Reappointment]	<p>April 1989      Joined the Company</p> <p>June 2020      Managing Executive Officer responsible for Overseas Business Promotion, General Manager of Industrial Materials Sales Department</p> <p>October 2021    Managing Executive Officer responsible for Overseas Business Promotion, General Manager of Industrial Materials Division and Industrial Materials Sales Department</p> <p>June 2022      Director responsible for Overseas Business Promotion, General Manager of Industrial Materials Division and Industrial Materials Sales Department</p> <p>April 2023      Director responsible for Overseas Business Promotion, General Manager of Industrial Materials Division (to present)</p> <p>[Significant concurrent position] Chairperson, Achilles Advanced Technology Co., Ltd.</p>	2,600
<p>[Reason for nomination as candidate for director]</p> <p>Mr. Tatsuya Yanagawa has a high level of insight and a wealth of experience with regard to the Group's business, including experience leading overseas business promotion and the Industrial Materials Division. The Company believes that he drives the Group forward and sustainably improves corporate value, and therefore renominates him as a candidate for a director.</p>			
8	Kazuaki Kono (November 29, 1970)  [Reappointment]	<p>April 1993      Joined the Company</p> <p>June 2018      Managing Executive Officer, General Manager of Financial Accounting Head Office and Financial Accounting Department</p> <p>January 2020    Managing Executive Officer, General Manager of Financial Accounting Head Office</p> <p>June 2022      Director, Assistant Head of Administration Division, General Manager of Financial Accounting Head Office (to present)</p> <p>[Significant concurrent position] Representative Director, Achilles Shouji Corporation</p>	3,400
<p>[Reason for nomination as candidate for director]</p> <p>Mr. Kazuaki Kono has a high level of insight and a wealth of experience with regard to the Group's business, including experience leading the financial accounting division. The Company believes that he drives the Group forward and sustainably improves corporate value, and therefore renominates him as a candidate for a director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
9	<p>Osamu Sato (April 22, 1955)</p> <p>[Reappointment] [External] [Independent]</p>	<p>April 1978      Joined KAJIMA CORPORATION</p> <p>August 1995    Chair of Employee Association</p> <p>April 1998      General Manager, Sales and Marketing Department, Sales and Marketing Division</p> <p>April 2004      General Manager, Sales and Marketing Control Department, Sales and Marketing Division</p> <p>April 2010      Executive Officer; Deputy General Manager, Sales and Marketing Division</p> <p>April 2015      Managing Executive Officer; Deputy General Manager, Sales and Marketing Division</p> <p>April 2017      Adviser (Part-time) Senior Managing Executive Officer, Kajima Tatemono Sogo Kanri Co., Ltd</p> <p>April 2018      Adviser (Full-time), KAJIMA CORPORATION</p> <p>June 2018      Director, the Company (to present)</p> <p>April 2019      Senior Managing Executive Officer, Kajima Tatemono Sogo Kanri Co., Ltd</p> <p>April 2021      Specially Appointed Adviser (to present)</p> <p>April 2022      Adviser, Ishiguro Co., Ltd.</p> <p>July 2022      Outside Director, Ishiguro Co., Ltd. (to present)</p> <p>April 2023      Adviser, SANKO AIR CONDITIONING CO., LTD. (to present)</p> <p>[Significant concurrent position] Outside Director, Ishiguro Co., Ltd.</p>	3,400
<p>[Reason for nomination as candidate for external director and expected roles]</p> <p>Mr. Osamu Sato has a high level of insight and a wealth of experience with regard to corporate management and the construction and civil engineering industry, including experience serving as an executive officer of KAJIMA CORPORATION for a long period of time. Since assuming the office of a director of the Company in June 2018, he has appropriately made recommendations and given advice from a standpoint independent of the management team that executes business. His recommendations and advice are relevant to management decisions made by the Board of Directors and expansion of products related to infrastructure development, a priority for the Company, and he is expected to continue to contribute to the Company in the ways described above. For these reasons, the Company believes that he drives the Group forward and sustainably improves corporate value, and therefore renominates him as a candidate for an external director.</p>			



- Notes:
1. There are no special interests between each candidate and the Company.
  2. Mr. Osamu Sato and Mr. Hitoshi Tachino are candidates for external directors.
  3. Mr. Osamu Sato currently serves as an external director of the Company. He will have served as an external director for five (5) years at the conclusion of this meeting.
  4. Mr. Hitoshi Tachino currently serves as an external director of the Company. He will have served as an external director for one (1) year at the conclusion of this meeting.
  5. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Osamu Sato and Mr. Hitoshi Tachino to limit their liability for damages under Article 423, Paragraph 1 of the same Act. An overview of the agreement is as follows:

The agreement limits the liability for damages to ¥10 million or the amount prescribed by laws and regulations, whichever is higher. If the reelection of Mr. Osamu Sato and Mr. Hitoshi Tachino is approved, the Company intends to continue the agreement with them.
  6. The Company has entered into a directors and officers liability insurance contract with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. In the event of a claim for damages submitted by a shareholder or a third party, etc., the insurance policy covers liability, such as damages and legal expenses, to be borne by the insured, including directors. However, there are certain grounds for exemptions; for example, liability arising from actions taken with the knowledge that they are in violation of laws and regulations will not be covered by the policy. The insurance premiums for the policy and all added special clauses are borne by the Company and no substantial insurance premiums are borne by the insured. To ensure that the appropriateness of the performance of duties is not impaired, the policy has a deductible, etc. If the candidates assume the office of directors, all of them will be insured under the insurance contract. The Company intends to renew the insurance contract with the same content during their terms of office.
  7. Mr. Osamu Sato has been designated as an independent director/auditor who is unlikely to have conflicts of interests with general shareholders, as required by the Tokyo Stock Exchange.

Mr. Osamu Sato serves as an outside director of Ishiguro Co., Ltd. Since the amount of transactions between the Company and Ishiguro Co., Ltd. is immaterial, the Company considers that his holding the position does not affect his independence.
  8. Mr. Hitoshi Tachino has been designated as an independent director/auditor who is unlikely to have conflicts of interests with general shareholders, as required by the Tokyo Stock Exchange.

The Company was under an advisory contract with Mr. Hitoshi Tachino until March 2022. Since the amount of fees paid to him, ¥1.8 million per year, was immaterial, the Company considers that the contract does not affect his independence.

(Reference) Skills Matrix of Directors

The candidates in Proposal 2 and Directors who are Audit & Supervisory Committee Members have knowledge, experience, and skills in the following areas:

Name		Corporate management	Sales/ Marketing	Production/ Technology	Personnel/ HR development	Finance/ Accounting/ Tax affairs	Legal affairs/ Compliance	Global	ESG/ Sustainability
Ichiro Hikage		○	○	○			○	○	○
Mamoru Ito		○	○	○			○	○	○
Minoru Fujisawa		○			○	○	○		
Hiroki Yokoyama		○		○	○				○
Takaya Okura		○	○			○		○	
Katsuji Yamamoto		○	○						
Tatsuya Yanagawa		○	○					○	
Kazuaki Kono		○				○	○		○
Osamu Sato	External	○	○		○				
Hitoshi Tachino	External	○	○	○				○	
Shigeru Yamada*					○	○	○		
Nobuyuki Kikuri*					○		○		
Masako Suto*	External				○		○		
Yoshinori Ariga*	External					○	○		
Chie Kasahara*	External						○	○	

\*Audit & Supervisory Committee Member

**Proposal 3:** Election of One (1) Substitute Director Who Is an Audit & Supervisory Committee Member

The Company proposes to elect one (1) substitute director who is an Audit & Supervisory Committee Member, to prepare for the event that the number of directors who are Audit & Supervisory Committee Members falls below the number required by laws and regulations.

The Audit & Supervisory Committee has approved this proposal.

The candidate for substitute director who is an Audit & Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
<p>Kazuomi Matsuoka (May 21, 1967)</p> <p>[External] [Independent]</p>	<p>August 1990 TAC Co., Ltd.            August 1991 Chuo Shinko Audit Corporation            March 1994 Registered as a certified public accountant            November 1996 Düsseldorf Office, Coopers &amp; Lybrand (currently PricewaterhouseCoopers), Germany            September 1999 Chuo Shinko Audit Corporation            July 2000 CFO, Instinet Incorporated            April 2001 Auditor, Japancross Securities Co., Ltd.            December 2001 Registered as a licensed tax accountant            December 2001 Established Kazuomi Matsuoka Accounting and Tax Office (to present)            September 2004 Director and General Manager of Administration Division, Instinet Incorporated            May 2006 General Counsel attached to Corporate Planning Office, SBI Holdings, Inc.            November 2006 Director and Executive Officer, Japannext Co., Ltd.            December 2011 Outside Director, IMAGEEPOCH INC.            June 2012 Supervisory Director, DREAM Private REIT Inc. (to present)            December 2012 Outside Auditor, Good Smile Company, Inc. (to present)            March 2014 Outside Auditor, AppBank Inc.            July 2016 Auditor, Tama Dohokai (to present)            May 2019 Outside Auditor, HOBBY STOCK inc., (to present)            May 2020 Outside Director (Audit &amp; Supervisory Committee Member), create restaurants holdings inc. (to present)            March 2021 Outside Director (Audit &amp; Supervisory Committee Member), AppBank Inc.</p> <p>[Significant concurrent positions]            Kazuomi Matsuoka Accounting and Tax Office            Supervisory Director, DREAM Private REIT Inc.            Outside Auditor, Good Smile Company, Inc.            Auditor, Tama Dohokai            Outside Auditor, HOBBY STOCK inc.,            Outside Director (Audit &amp; Supervisory Committee Member), create restaurants holdings inc.</p>	<p>—</p>

[Reason for nomination as candidate for substitute external director and expected roles]

Mr. Kazuomi Matsuoka is a licensed certified public accountant and tax accountant well-versed in finance and accounting, and has a wealth of experience, including experience serving as an outside director (Audit & Supervisory Committee Member) of create restaurants holdings inc. and AppBank Inc. The Company expects him to appropriately make recommendations and give advice at Audit & Supervisory Committee meetings based on his expertise in finance and accounting. For these reasons, the Company believes that he can effectively supervise and audit the Board of Directors from an objective and fair standpoint, and therefore nominates him as a substitute external director who is an Audit & Supervisory Committee Member.

- Notes:
1. There are no special interests between the candidate and the Company.
  2. The candidate is a candidate for a substitute external director.
  3. If the candidate assumes the office of an external director, the Company intends to enter into an agreement with him to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the same Act. An overview of the agreement is as follows:  
The agreement limits the liability for damages to ¥10 million or the amount prescribed by laws and regulations, whichever is higher.
  4. The Company has entered into a directors and officers liability insurance contract with an insurance company, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. In the event of a claim for damages submitted by a shareholder or a third party, etc., the insurance policy covers liability, such as damages and legal expenses, to be borne by the insured, including directors. However, there are certain grounds for exemptions; for example, liability arising from actions taken with the knowledge that they are in violation of laws and regulations will not be covered by the policy. The insurance premiums for the policy and all added special clauses are borne by the Company and no substantial insurance premiums are borne by the insured. To ensure that the appropriateness of the performance of duties is not impaired, the policy has a deductible, etc. If the candidate assumes the office of an external director who is an Audit & Supervisory Committee Member, he will be insured under the insurance contract. The Company intends to renew the insurance contract with the same content during his term of office.
  5. The candidate meets the conditions to be designated as an independent director/auditor who is unlikely to have conflicts of interests with general shareholders. If he assumes the office of an external director, the Company intends to designate him as an independent/auditor, as required by the Tokyo Stock Exchange.