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Securities code: 6278

March 11, 2024

(Measures for electronic provision have commenced on March 5, 2024)

To Shareholders with Voting Rights

Hiroshi Odaira
President & COO
UNION TOOL CO.
6-17-1 Minami-ohi, Shinagawa-ku, Tokyo,
Japan

Notice of the 63rd Ordinary General Meeting of Shareholders

Dear shareholders:

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

This is to notify you of the 63rd Ordinary General Meeting of Shareholders of UNION TOOL CO. (the “Company”), which will be held as described below.

We have taken measures to provide reference document, etc., (except for voting rights exercise form) for this General Meeting of Shareholders in electronic format, and the matters subject to electronic provision measures are posted on our web site shown below.

https://www.uniontool.co.jp/en/ir/library/general_meeting.html

The matters are also posted on the web site shown below.

The web site of the Tokyo Stock Exchange:

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

Please access the web site above, search by entering the Company’s name or securities code(6278) and select “Basic information” then “Documents for public inspection/PR information” to view the matters.

If you decide to refrain from attending the meeting, you can exercise your voting rights in writing or via the internet.

Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:45 p.m. JST on Wednesday, March 27, 2024.

- 1. Date and Time:** Thursday, March 28, 2024 at 10:00 a.m. JST
- 2. Place:** The conference room on the 3rd floor of the headquarters of the Company
6-17-1 Minami-ohi, Shinagawa-ku, Tokyo, Japan
- 3. Agenda:**
- Matters to be reported:**
1. Business Report and Consolidated Financial Statements for the 63rd Fiscal Year (January 1, 2023 to December 31, 2023) and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
 2. Non-consolidated Financial Statements for the 63rd Fiscal Year (January 1, 2023 to December 31, 2023)

Proposals:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Six Directors
- Proposal 3:** Election of Three Audit & Supervisory Board Members
- Proposal 4:** Election of One Substitute Audit & Supervisory Board Member

- Any updates to the matters subject to electronic provision measures will be posted on our web site and the web site of the Tokyo Stock Exchange.
- Notice of Resolutions, which used to be sent out after the General Meeting of Shareholders, will be posted on the Company's website. We appreciate your understanding.
- Since the matters subject to electronic provision measures posted on each website are the full text of the materials for the General Meeting of Shareholders, the page numbers and section numbers do not match this notice of convocation.

Significant changes in the operation of the General Meeting of Shareholders made in accordance with future circumstances will be notified on the Company's website.

Our Website Information for Investors and General Meeting of Shareholders (in Japanese)

https://www.uniontool.co.jp/ir/stock/general_meeting.html

Guidance for the Exercise of Voting Rights

Exercise of voting rights by attending the meeting

Please hand in your voting rights exercise form at the reception desk.

Date and time:

Thursday, March 28, 2024 at 10:00 a.m. JST

Exercise of voting rights by mail

Please return the enclosed voting rights exercise form with your approval or disapproval for each proposal so that it can reach us by the deadline below.

Deadline:

5:45 p.m. JST on Wednesday, March 27, 2024

Exercise of voting rights via the Internet, etc. (see page 4)

Please follow the instruction on the next page and enter your vote for or against each proposal by the deadline below.

Deadline:

5:45 p.m. JST on Wednesday, March 27, 2024

Guidance for filling out the voting rights exercise form

Proposal 1, 4:

- If you vote for the proposal:
Circle the “賛” field
- If you vote against the proposal:
Circle the “否” field

Proposal 2, 3:

- If you vote for all of the candidates:
Circle the “賛” field
- If you vote against all of the candidates:
Circle the “否” field
- If you vote against some of the candidates:
Circle the “賛” field and the candidate numbers of the candidates you vote against in the parenthesis.

* Shareholders who have submitted a voting rights exercise form that does not indicate whether they approve or disapprove proposals will be deemed to have approved those proposals.

Guidance for the exercise of voting rights via the Internet, etc.

Scanning the QR code

You can log in to the voting rights exercise website without entering the login ID or the temporary password written on the voting rights exercise form.

1. Scan the QR code on the voting rights exercise form.
* “QR code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Please follow the instruction on the screen and enter your vote for or against each proposal.

Entering the login ID and temporary password

Voting rights exercise website: <https://evote.tr.mufg.jp/>

1. Access the voting rights exercise website.
2. Enter the login ID and temporary password written on the voting rights exercise form and click “Log in.”
Enter the login ID and temporary password
Click “Log in”
3. Please follow the instruction on the screen and enter your vote for or against each proposal.

Help desk to inquire about how to exercise your voting rights via the Internet, etc. with PCs, or smartphones

Help desk at Stock Transfer Agency Department, Mitsubishi UFJ Trust and Banking Corporation 0120-173-027 (toll-free in Japan; open 9:00 a.m. to 9:00 p.m. JST)
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Institutional investors may use the electronic voting rights exercise platform operated by ICJ, Inc.

Handling of voting rights exercised more than once

1. Please note that if your voting rights are exercised in duplicate by mail and via the Internet, the vote made via the Internet will be treated as the valid vote.
2. If you exercise your voting rights more than once via the Internet, the last vote will be treated as valid.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

The Company proposes appropriating the surplus as follows:

Year-end dividend:

Based on the Company's basic policy for distribution of surplus, the year-end dividends for the 63rd fiscal year will be paid as specified below.

- (1) Type of dividend property
Cash
- (2) Allocation of dividend property and its total amount
¥42 per share of our common stock
¥725,556,678 in total
- (3) Effective date of the distribution of surplus
March 29, 2024

Proposal 2: Election of Six Directors

The terms of office of all six Directors will expire at the closing of the General Meeting of Shareholders. Accordingly, the Company proposes electing six Directors (four inside Directors and two outside Directors).

The candidates for Director are as follows.

As seen in the career summaries below, the candidates for inside Director are well experienced in corporate management and can handle general corporate matters accurately.

There are no special interests between each candidate and the Company.

No.	Name		Position
1	Reappointment	Takao Katayama	CEO
2	Reappointment	Hiroshi Odaira	President & COO
3	Reappointment	Yuichi Nakajima	Director
4	Reappointment	Yuji Watanabe	Director
5	Reappointment	Hiroki Yamamoto	Outside Independent Director
6	Reappointment	Shozo Wakabayashi	Outside Independent Director

The Company has entered into contracts for director/officer liability insurance that cover all its Directors to indemnify them against liabilities and claims that may arise in the course of performing their duties. If the candidates take office as Director, they will be covered by the insurance policies, which will be renewed during their term of office.

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
1	<p>Takao Katayama (August 20, 1953) (70 years old)</p> <p><u>Reappointment</u></p>	<p>February 1979 Joined the Company January 1981 Managing Director February 1988 General Manager of Overseas Business Department responsible for General Affairs Department, Accounting Department and Manufacturing Department December 1989 Responsible for Engineering Development Department February 1992 Representative Director and Vice President November 1995 Responsible for Corporate Planning Section May 1996 President & COO February 2014 CEO (to present)</p> <p>[Significant concurrent positions] None</p>	593,151
<p>[Reason for nomination as candidate for Director] As the first son of the Company's founder, Mr. Takao Katayama has led the Company to enter foreign markets, strengthened the administrative division and spearheaded the development of new products. He now offers suggestions to the entire industry and pays attention primarily to external matters and explore new possibilities of the Company's products. As the candidate can continue to contribute to its growth, the Company proposes electing him as Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
2	<p>Hiroshi Odaira (November 28, 1957) (66 years old)</p> <p><u>Reappointment</u></p>	<p>May 1989 Joined the Company</p> <p>December 1998 General Manager of General Administration Department of Nagaoka Factory</p> <p>October 2000 General Manager of Corporate Planning Department</p> <p>November 2000 President of UNION TOOL (SHANGHAI) CO., LTD. a subsidiary</p> <p>September 2002 General Manager of Overseas Subsidiary Support Section of the Company</p> <p>December 2009 General Manager of General Administration Department of Nagaoka Factory</p> <p>December 2010 General Manager of General Affairs Department</p> <p>February 2011 Executive Officer and General Manager of General Affairs Department</p> <p>February 2012 Director responsible for Administrative Division and General Manager of General Affairs Department</p> <p>December 2012 President of TAIWAN UNION TOOL CORP. a subsidiary</p> <p>February 2013 Managing Director responsible for Administrative Division and General Manager of General Affairs Department</p> <p>February 2014 President & COO (to present)</p> <p>March 2022 In charge of Internal Audit Department (to present)</p> <p>[Significant concurrent positions] Outside Director of FUJI SEIKO LIMITED</p>	10,300
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Hiroshi Odaira took the initiative in executing the Company's overseas strategy as a General Manager of Corporate Planning Department. He assumed office of President of subsidiaries in Shanghai and other Greater China and was involved in the launch of a new company as a corporate manager in its early days. The candidate currently has led the sales division and taken charge of business execution. The Company considers that he will devote himself to dealing with management aspects, including new products, production system and human resource development that drive the Company's next era. As the candidate can continue to contribute to its growth, the Company proposes electing him as Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
4	<p data-bbox="212 555 427 660">Yuji Watanabe (January 30, 1968) (56 years old)</p> <p data-bbox="231 696 408 730"><u>Reappointment</u></p>	<p data-bbox="472 275 1257 925"> April 1992 Joined the Company December 2013 General Manager of Engineering Development Department, Engineer Managing Department, Engineering Division March 2016 General Manager of Engineering Development Department, Engineering Division March 2017 General Manager of Tool Engineering Department, Engineering Division March 2018 Director of UNION TOOL EUROPE S.A. (to present) January 2020 General Manager of 2nd Tool Engineering Department, Engineering Division of the Company March 2020 Executive Officer and Engineering Division Manager March 2021 Director and Engineering Division Manager (to present) President of U.S. UNION TOOL,INC. (to present) </p> <p data-bbox="472 943 852 1010"> [Significant concurrent positions] None </p>	<p data-bbox="1393 629 1460 663">1,800</p>
<p data-bbox="193 1028 759 1061">[Reason for nomination as candidate for Director]</p> <p data-bbox="193 1066 1449 1328"> Mr. Yuji Watanabe has worked in the engineering development division ever since he joined the Company and worked on the development of production facilities, which is a major strength of the Company. In the development of coating products, which the Company introduced ahead of the industry, he established our competitive advantage in the industry. Networking in the development work led him to the position of Director of our European subsidiary, through which he deepened his experience of business management. As the candidate is expected to continue to lead the development of new products and in-house manufacturing facilities and contribute to further enhancement of our brand, the Company proposes electing him as Director. </p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
	Hiroki Yamamoto (March 12, 1968) (56 years old) <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	April 1998 Registered as an attorney-at-law Joined Hara Takeshita Law Office (currently Hara Godo Law Office) April 2009 Partner (to present) February 2012 Outside Audit & Supervisory Board Member of the Company February 2014 Outside Director (to present) [Significant concurrent positions] Attorney-at-law Outside Director (Audit & Supervisory Committee Member) of TOYO WHARF & WAREHOUSE CO., LTD.	0
5	<p>[Reason for nomination as candidate for Outside Director] Mr. Hiroki Yamamoto is well-versed in corporate legal affairs as an attorney-at-law and has deep insights into business management. As an Outside Director, he will continue to offer detailed instructions and advice on the business decision-making process, helping to further strengthen the Company's compliance with laws and regulations. The Company, therefore, proposes electing him as Outside Director. He currently serves as Outside Director of the Company and will have served in the position for ten years and one month at the closing of the General Meeting of Shareholders. He is a candidate for independent officer as stipulated by the Tokyo Stock Exchange.</p> <p>[Other matters concerning the Outside Director candidate] If Mr. Hiroki Yamamoto is reelected, the Company will renew the agreement, pursuant to Article 427, paragraph 1 of the Companies Act, to limit his liability for damages stipulated in Article 423, paragraph 1 of the same Act, based on provisions of the Company's Articles of Incorporation. However, his liability for damages based on the said agreement will be a predetermined amount that is larger than ¥10 million or the amount provided for by Article 425, paragraph 1 of the same Act, whichever is larger.</p>		

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
6	Shozo Wakabayashi (November 23, 1943) (80 years old) <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div>	April 1967 Joined Ministry of Finance July 1994 General Manager of Osaka Regional Taxation Bureau July 1996 Secretary of Executive Bureau of Securities and Exchange Surveillance Commission June 1998 Vice-minister of Okinawa Development and Promotion Bureau July 2001 Senior Managing Director of Japan Securities Dealers Association June 2004 Chairman and Representative Director of Japan Earthquake Reinsurance Co., Ltd. June 2010 Outside Member of the Board of Directors of Nidec Corporation March 2016 Outside Director of the Company (to present) [Significant concurrent positions] None	0
<p>[Reason for nomination as candidate for Outside Director] Mr. Shozo Wakabayashi has long worked for the Ministry of Finance and held key senior positions including General Manager of Osaka Regional Taxation Bureau. Using the high level of expertise, he will give advice on the Company's management in general, helping to strengthen its compliance. The Company, therefore, proposes electing him as Outside Director. He currently serves as Outside Director of the Company and will have served in the position for eight years at the closing of the General Meeting of Shareholders. He is also a candidate for independent officer as stipulated by the Tokyo Stock Exchange.</p> <p>[Other matters concerning the Outside Director candidate] If Mr. Shozo Wakabayashi is reelected, the Company will renew the agreement, pursuant to Article 427, paragraph 1 of the Companies Act, to limit his liability for damages stipulated in Article 423, paragraph 1 of the same Act, based on provisions of the Company's Articles of Incorporation. However, his liability for damages based on the said agreement will be a predetermined amount that is larger than ¥10 million or the amount provided for by Article 425, paragraph 1 of the same Act, whichever is larger.</p>			

Proposal 3: Election of Three Audit & Supervisory Board Members

The terms of office of all three Audit & Supervisory Board Members will expire at the closing of the General Meeting of Shareholders. Accordingly, the Company proposes electing three Audit & Supervisory Board Members. This proposal has been granted consent by the Audit & Supervisory Board.

The candidates for Audit & Supervisory Board Member are as follows.

There are no special interests between each candidate and the Company.

No.	Name		Position
1	Reappointment	Chiemi Oba	Full-time Audit & Supervisory Board Member
2	Reappointment	Ryosuke Taga	Audit & Supervisory Board Member
3	Reappointment	Yasuo Ishizuka	Audit & Supervisory Board Member

The Company has entered into contracts for director/officer liability insurance that cover all its Audit & Supervisory Board Members to indemnify them against liabilities and claims that may arise in the course of performing their duties. If the candidates take office as Audit & Supervisory Board Member, they will be covered by the insurance policies, which will be renewed during their term of office.

	Name (Date of birth)	Career summary and positions at the Company	Number of shares of the Company held
1	Chiemi Oba (March 23, 1961) (63 years old) <u>Reappointment</u>	April 1990 Joined the Company March 2018 General Manager of Internal Audit Department March 2021 Audit & Supervisory Board Member of the Company (to present) Supervisor of TAIWAN UNION TOOL CORP. (to present) March 2022 Supervisor of UNION TOOL (SHANGHAI) CO., LTD. (to present) Supervisor of DONGGUAN UNION TOOL LTD. (to present) [Significant concurrent positions] None	600
[Reason for nomination as candidate for Audit & Supervisory Board Member] Ms. Chiemi Oba was seconded to our subsidiary in Hong Kong when it was launched and strived to mediate between the Company's headquarters and the subsidiary mainly in management aspects. Since her return to Japan, she has worked in the administrative division to accumulate experience in accounting and finance and strived to enhance our management as General Manager of Internal Audit Department. As the candidate is expected to continue to fully monitor our business management based on her experience and insight, the Company proposes electing her as Audit & Supervisory Board Member.			

	Name (Date of birth)	Career summary and positions at the Company	Number of shares of the Company held
	Ryosuke Taga (December 8, 1975) (48 years old) <input type="checkbox"/> Reappointment <input type="checkbox"/> Outside <input type="checkbox"/> Independent	October 2003 Registered as an attorney-at-law Joined Hara Takeshita Law Office (currently Hara Godo Law Office) April 2010 Partner (to present) February 2014 Outside Audit & Supervisory Board Member of the Company (to present) [Significant concurrent positions] Attorney-at-law	0
2	<p>[Reason for nomination as candidate for Outside Audit & Supervisory Board Member] As Mr. Ryosuke Taga is well-versed in corporate legal affairs as an attorney-at-law and has deep insights into business management, the Company believes he will be able to fulfill duties as Outside Audit & Supervisory Board Member appropriately. The Company proposes electing him as Outside Audit & Supervisory Board Member to monitor its management from an objective standpoint. He currently serves as Outside Audit & Supervisory Board Member of the Company and will have served in the position for ten years and one month at the closing of the General Meeting of Shareholders. He is a candidate for independent officer as stipulated by the Tokyo Stock Exchange.</p> <p>[Other matters concerning the Outside Audit & Supervisory Board Member candidate] If Mr. Ryosuke Taga is reelected, the Company will conclude an agreement, pursuant to Article 427, paragraph 1 of the Companies Act, to limit his liability for damages stipulated in Article 423, paragraph 1 of the same Act, based on provisions of the Company's Articles of Incorporation. However, his liability for damages based on the said agreement will be a predetermined amount that is larger than ¥10 million or the amount provided for by Article 425, paragraph 1 of the same Act, whichever is larger.</p>		

	Name (Date of birth)	Career summary and positions at the Company	Number of shares of the Company held
3	<p>Yasuo Ishizuka (December 6, 1958) (65 years old)</p> <p>Reappointment Outside Independent</p>	<p>April 1981 Joined the Tokyo Tomin Bank, Limited (currently Kiraboshi Bank, Ltd.)</p> <p>June 2015 Managing Director, Head of Management Headquarters and General Manager of Corporate Planning Department</p> <p>April 2016 Managing Director and General Manager of Operations Administration Department</p> <p>October 2016 Managing Director</p> <p>June 2017 Representative Director and President of Tomin Credit Guarantee Co., Ltd. (currently Kiraboshi Credit Guarantee Co., Ltd.)</p> <p>March 2018 Outside Audit & Supervisory Board Member of the Company (to present)</p> <p>March 2021 Representative Director and President of I&E Co., Ltd. (currently Kiraboshi Insurance Agency Co., Ltd.) (to present)</p> <p>April 2022 Director and Chairman of I&E Co., Ltd. (to present)</p> <p>[Significant concurrent positions] Representative Director and President of Kiraboshi Insurance Agency Co., Ltd. Director and Chairman of I&E Co., Ltd.</p>	0
		<p>[Reason for nomination as candidate for Outside Audit & Supervisory Board Member] Mr. Yasuo Ishizuka engaged in banking service over the years at the Tokyo Tomin Bank, Limited. (currently Kiraboshi Bank, Ltd.) and has a wealth of experience as a corporate manager. The Company thus believes he will be able to fulfill duties as Outside Audit & Supervisory Board Member appropriately. The Company proposes electing him as Outside Audit & Supervisory Board Member to monitor its management in general, using his broad insight. He currently serves as Outside Audit & Supervisory Board Member of the Company and will have served in the position for six years at the closing of the General Meeting of Shareholders. He is a candidate for independent officer as stipulated by the Tokyo Stock Exchange.</p> <p>[Other matters concerning the Outside Audit & Supervisory Board Member candidate] If Mr. Yasuo Ishizuka is reelected, the Company will conclude an agreement, pursuant to Article 427, paragraph 1 of the Companies Act, to limit his liability for damages stipulated in Article 423, paragraph 1 of the same Act, based on provisions of the Company's Articles of Incorporation. However, his liability for damages based on the said agreement will be a predetermined amount that is larger than ¥10 million or the amount provided for by Article 425, paragraph 1 of the same Act, whichever is larger.</p>	

(Reference) Skills Matrix of Members of the Board of Directors and Audit & Supervisory Board Members of Union Tool Co. (planned composition after the General Meeting of Shareholders on March 28, 2024)

No.	Name	Gender	Expertise and Experience*					
			a.	b.	c.	d.	e.	f.
Directors								
1	Takao Katayama	Male	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	
2	Hiroshi Odaira	Male	<input type="radio"/>		<input type="radio"/>		<input type="radio"/>	
3	Yuichi Nakajima	Male		<input type="radio"/>	<input type="radio"/>		<input type="radio"/>	<input type="radio"/>
4	Yuji Watanabe	Male		<input type="radio"/>			<input type="radio"/>	
5	Hiroki Yamamoto	Male				<input type="radio"/>		<input type="radio"/>
6	Shozo Wakabayashi	Male	<input type="radio"/>			<input type="radio"/>	<input type="radio"/>	
Audit & Supervisory Board Members								
1	Chiemi Oba	Female				<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2	Ryosuke Taga	Male				<input type="radio"/>		<input type="radio"/>
3	Yasuo Ishizuka	Male	<input type="radio"/>			<input type="radio"/>		<input type="radio"/>

*Expertise and Experience

- a. Management Strategies
- b. Technology and IT
- c. Production and Quality
- d. Finance
- e. Internationality
- f. Law and Risk management

Proposal 4: Election of One Substitute Audit & Supervisory Board Member

The Company proposes electing one substitute Outside Audit & Supervisory Board Member, to prepare for the situation in which the number of the Company's Outside Audit & Supervisory Board Members falls short of that required by laws and regulations. The effectiveness of this election may be cancelled based on resolution of the Board of Directors, provided such as cancellation is done prior to the assumption of office and with the consent of the Audit & Supervisory Board. This proposal has been granted consent by the Audit & Supervisory Board.

The candidate for substitute Outside Audit & Supervisory Board Member is as follows. Mr. Yoshihiko Kato satisfies the requirements for an Outside Audit & Supervisory Board Member stipulated by laws and regulations. There are no special interests between the candidate and the Company.

Name (Date of birth)	Career summary and positions at the Company	Number of shares of the Company held
Yoshihiko Kato (February 14, 1958) (66 years old) New appointment Outside Independent	December 1979 Joined FUJI SEIKO LIMITED June 2004 General Manager of Procurement Department March 2012 General Manager of Kumamoto Factory May 2016 Corporate Auditor (to present) [Significant concurrent positions] Corporate Auditor of FUJI SEIKO LIMITED	0

[Reason for nomination as candidate for substitute Outside Audit & Supervisory Board Member and other matters]
Mr. Yoshihiko Kato is a candidate for substitute Outside Audit & Supervisory Board Member. He has achieved results on the manufacturing management front over the years, and currently plays an active role as Corporate Auditor of FUJI SEIKO LIMITED. He knows well about the responsibilities and duties of an Audit & Supervisory Board Member. The Company considers that if he assumes office as Outside Audit & Supervisory Board Member, he will hit the ground running and perform an appropriate function to monitor management of the Company. If he becomes an Audit & Supervisory Board Member, he will also become a candidate for independent officer as stipulated by the Tokyo Stock Exchange. The Company, therefore, proposes electing him as substitute Outside Audit & Supervisory Board Member.

[Other matters concerning the substitute Outside Audit & Supervisory Board Member candidate]
If Mr. Yoshihiko Kato assumes office as Outside Audit & Supervisory Board Member, the Company will conclude an agreement, pursuant to Article 427, paragraph 1 of the Companies Act, to limit his liability for damages stipulated in Article 423, paragraph 1 of the same Act, based on provisions of the Company's Articles of Incorporation. However, his liability for damages based on the said agreement will be a predetermined amount that is larger than ¥10 million or the amount provided for by Article 425, paragraph 1 of the same Act, whichever is larger.

The Company has entered into contracts for director/officer liability insurance that cover all its Audit & Supervisory Board Members to indemnify them against liabilities and claims that may arise in the course of performing their duties. If the candidates take office as Audit & Supervisory Board Member, they will be covered by the insurance policies.