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Securities Code: 6463

June 7, 2024

(Start date of measures for electronic provision: May 31, 2024)

To our shareholders:

Hiroshi Suehiro
Representative Director, Chairman & CEO
TPR Co., Ltd.
1-6-2, Marunouchi, Chiyoda-ku, Tokyo

Notice of the 91st Annual General Meeting of Shareholders

We are pleased to announce the 91st Annual General Meeting of Shareholders (the “Meeting”) of TPR Co., Ltd. (the “Company”), which will be held as indicated below.

In convening the Meeting, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items for electronic provision measures) in electronic format, and posts this information on the Company’s website. Please access the following websites to check.

The Company’s website: <https://www.tpr.co.jp/ir/stock/meeting/> (in Japanese)

Website for posted informational materials for the general meeting of shareholders:

<https://d.sokai.jp/6463/teiji/> (in Japanese)

In addition to the Company’s website, the items for electronic provision measures are also posted on the website of Tokyo Stock Exchange (TSE), so please check from the following.

TSE website: <https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Access the TSE website by using the internet address shown above, enter “TPR” in “Issue name (company name)” or the Company’s securities code “6463” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend on the day of the meeting, you can exercise your voting rights via postal mail or the internet, etc. in advance, so please review the Reference Documents for General Meeting of Shareholders and exercise your voting rights by no later than Wednesday, June 26, 2024, at 5:10 p.m. (JST).

[When exercising voting rights via the internet, etc.]

When exercising your voting rights online, please refer to “Information on Exercising Your Voting Rights via the Internet, etc.” below (in Japanese only).

[When exercising voting rights in writing (via postal mail)]

Please indicate your approval or disapproval of each proposal on the voting form and return it so that it arrives by the deadline stated above.

- 1. Date and Time:** Thursday, June 27, 2024, at 10:00 a.m. (JST) (Reception will open at 9:00 a.m.)
- 2. Venue:** Grand Hall, the Industry Club of Japan Building 3rd floor
1-4-6, Marunouchi, Chiyoda-ku, Tokyo
(Although the Meeting will be held in the same building as last year, please note that the location has changed from the second to the third floor.)

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 91st fiscal year (from April 1, 2023 to March 31, 2024), and the results of audits of the Consolidated Financial Statements by the financial auditor and the Audit & Supervisory Board
2. The Non-Consolidated Financial Statements for the 91st fiscal year (from April 1, 2023 to March 31, 2024)

Matters to be resolved:

- Proposal No. 1** Election of Nine Directors
- Proposal No. 2** Election of Two Audit & Supervisory Board Members
- Proposal No. 3** Revision to Share-based Remuneration Plan for Directors
- Proposal No. 4** Revision of Total Remuneration for Audit & Supervisory Board Members

4. Determined Matters for Convocation

- (1) If there is no indication of approval or disapproval for each proposal when you exercise voting rights in writing (via postal mail), it will be treated as an indication of approval.
 - (2) In addition, if you exercise your voting rights multiple times via the internet, etc., we will treat the last exercise as the valid exercise of your voting rights.
 - (3) If you exercise your voting rights both in writing and via the internet, etc., we will treat the exercise of your voting rights via the internet, etc. as valid, irrespective of the arrival date and time.
- When you attend the Meeting in person, you are kindly requested to present the voting form at the reception.
 - If revisions to the items for electronic provision measures arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the aforementioned individual websites on the internet.
 - Shareholders who have made a request for documentary delivery will be sent a document that describes the items for electronic provision measures. However, in accordance with the provisions of laws and regulations and Article 14 of the Articles of Incorporation of the Company, the document will exclude the following items:
 - i. “Matters concerning the Company’s share acquisition rights, etc.” of the Business Report
 - ii. “Notes to the Consolidated Financial Statements”
 - iii. “Notes to the Non-Consolidated Financial Statements”Therefore, the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements stated in the relevant document are part of the documents audited by the financial auditor and the Audit & Supervisory Board Members when preparing the audit report.

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Election of Nine Directors

At the conclusion of the Meeting, the terms of office of all nine Directors will expire. Therefore, the Company proposes the election of nine Directors. Appointment of the candidates for the Directors were made with the report submitted by the Nominating and Remuneration Committee, in which independent outside Directors make up a majority of the members.

The candidates for Director are as follows:

| Candidate No. | Name | Position in the Company | Responsibility in the Company, and significant concurrent positions outside the Company | |
|---------------|-----------------|---|--|--|
| 1 | Hiroshi Suehiro | Representative Director, Chairman & CEO | Director of FALTEC Co., Ltd. | Reelection Male |
| 2 | Kazumi Yano | Representative Director, President & COO | Director of FALTEC Co., Ltd. | Reelection Male |
| 3 | Goji Fujishiro | Deputy President and Executive Officer | Head of Overseas Operations | New election Male |
| 4 | Akihiko Ii | Director, Senior Managing Executive Officer | Head of Sales & Marketing, Head of Purchasing | Reelection Male |
| 5 | Noriaki Ayuzawa | Director, Executive Officer | Head of Technology | Reelection Male |
| 6 | Masataka Honke | Director | — | Reelection Male Outside Independent |
| 7 | Toshihisa Kato | Director | — | Reelection Male Outside Independent |
| 8 | Kanako Osawa | Director | Attorney at law Outside Director (Audit & Supervisory Committee Member) of LINTEC Corporation Outside Audit & Supervisory Board Member of Otsuka Holdings Co., Ltd. Outside Audit & Supervisory Board Member of Toshiba Tec Corporation | Reelection Female Outside Independent |
| 9 | Kenji Muneto | Director | Management consultant | Reelection Male Outside Independent |

| Candidate No. | Name | Career summary, position and responsibility in the Company | |
|--|--|--|---|
| 1 | <p style="text-align: center;">Hiroshi Suehiro</p> <p style="text-align: center;">Reelection Male</p> <p style="text-align: center;">Date of birth: September 11, 1958</p> <p style="text-align: center;">Number of shares of the Company held: 4,300</p> <p style="text-align: center;">Number of years in office: 6 years</p> <p style="text-align: center;">Attendance at Board of Directors meetings: 16/16</p> | <p>Apr. 1981</p> <p>Apr. 2008</p> <p>Apr. 2011</p> <p>Apr. 2014</p> <p>Apr. 2015</p> <p>Apr. 2017</p> <p>Apr. 2017</p> <p>May 2018</p> <p>June 2018</p> <p>June 2019</p> <p>June 2019</p> <p>Apr. 2021</p> | <p>Joined The Fuji Bank, Limited (Currently Mizuho Bank, Ltd.)</p> <p>Executive Officer, General Manager of Corporate Banking Division No. 7 of Mizuho Corporate Bank, Ltd.</p> <p>Managing Executive Officer, Head of Asia & Oceania</p> <p>Managing Executive Officer, Head of the Americas of Mizuho Bank, Ltd.</p> <p>Senior Managing Executive Officer, Head of the Americas</p> <p>Deputy President & Senior Executive Officer, Head of the Americas of Mizuho Financial Group, Inc.</p> <p>Deputy President & Executive Officer, Head of the Americas of Mizuho Bank, Ltd.</p> <p>Deputy President and Executive Officer of the Company</p> <p>Director, Deputy President and Executive Officer</p> <p>Chairman of the Board of FALTEC Co., Ltd.</p> <p>Representative Director, Chairman & CEO of the Company (current position)</p> <p>Director of FALTEC Co., Ltd. (current position)</p> |
| <p>Significant concurrent positions outside the Company</p> <p>Director of FALTEC Co., Ltd.</p> | | | |
| <p>Reasons for nomination as candidate for Director</p> <p>Hiroshi Suehiro has abundant management experience and broad knowledge in various areas such as banking and finance due to having served as Vice President, then Representative Director, Chairman & CEO of the Company after holding the executive positions in other companies over the long term. Accordingly, the Company proposes to nominate him as a candidate to continue serving as Director.</p> | | | |

| Candidate No. | Name | Career summary, position and responsibility in the Company | |
|--|---|---|--|
| 2 | <p style="text-align: center;">Kazumi Yano</p> <p style="text-align: center;">[Reelection] [Male]</p> <p>Date of birth: February 8, 1957</p> <p>Number of shares of the Company held: 10,700</p> <p>Number of years in office: 7 years</p> <p>Attendance at Board of Directors meetings: 16/16</p> | <p>Aug. 1982</p> <p>June 2006</p> <p>June 2009</p> <p>June 2011</p> <p>June 2012</p> <p>Dec. 2013</p> <p>June 2017</p> <p>June 2019</p> <p>Apr. 2021</p> <p>June 2021</p> | <p>Joined the Company</p> <p>General Manager of Production Engineering Department of Nagano Plant</p> <p>General Manager of Engineering Development Department</p> <p>General Manager of Production Engineering Department of Nagano Plant</p> <p>Executive Officer, Plant Manager of Nagano Plant, and General Manager of Production Planning Department</p> <p>Executive Officer, Plant Manager of Nagano Plant</p> <p>Director, Managing Executive Officer of the Company</p> <p>Representative Director and President of TPR INDUSTRY CO., LTD.</p> <p>Director, Senior Managing Executive Officer</p> <p>Representative Director, President & COO (current position)</p> <p>Director of FALTEC Co., Ltd. (current position)</p> |
| <p>Significant concurrent positions outside the Company</p> <p>Director of FALTEC Co., Ltd.</p> | | | |
| <p>Reasons for nomination as candidate for Director</p> <p>Kazumi Yano has broad experience and knowledge in the products and business of the TPR Group, serving as Representative Director, President & COO after holding important positions in the Company's production departments over many years. Accordingly, the Company proposes to nominate him as a candidate to continue serving as Director.</p> | | | |

| Candidate No. | Name | Career summary, position and responsibility in the Company | |
|--|---|--|--|
| 3 | <p style="text-align: center;">Goji Fujishiro</p> <p style="text-align: center;">New election</p> <p style="text-align: center;">Male</p> <p>Date of birth: January 5, 1965</p> <p>Number of shares of the Company held: 400</p> <p>Number of years in office: —</p> <p>Attendance at Board of Directors meetings: —</p> | <p>Apr. 1987</p> <p>Apr. 2015</p> <p>Apr. 2016</p> <p>Apr. 2018</p> <p>Apr. 2019</p> <p>Apr. 2020</p> <p>Apr. 2021</p> <p>May 2021</p> <p>June 2023</p> <p>Apr. 2024</p> | <p>Joined The Fuji Bank, Limited (Currently Mizuho Bank, Ltd.)</p> <p>Executive Officer and General Manager of Executive Secretariat of Mizuho Financial Group, Inc.</p> <p>Managing Executive Officer in charge of Sales of Mizuho Bank Ltd.</p> <p>Managing Executive Officer and Head of Global Products Unit of Mizuho Financial Group, Inc.</p> <p>Managing Executive Officer, Head of Asset Management Company and Head of Global Products Unit</p> <p>Senior Managing Executive Officer in charge of West Japan of Mizuho Bank Ltd.</p> <p>Deputy President and Executive Officer in charge of West Japan</p> <p>Deputy President and Executive Officer in charge of West Japan and Head of Kansai Regional Group</p> <p>Deputy President and Executive Officer of the Company</p> <p>Deputy President and Executive Officer (current position) Head of Overseas Operations</p> |
| | | <p>Significant concurrent positions outside the Company</p> <p>—</p> | |
| | | <p>Reasons for nomination as candidate for Director</p> <p>Goji Fujishiro has abundant management experience and broad knowledge in various areas such as banking and finance after holding the executive positions in other companies over the long term. Accordingly, the Company proposes to nominate him as a candidate to serve as Director.</p> | |
| | | 4 | <p style="text-align: center;">Akihiko Ii</p> <p style="text-align: center;">Reelection</p> <p style="text-align: center;">Male</p> <p>Date of birth: September 11, 1960</p> <p>Number of shares of the Company held: 5,400</p> <p>Number of years in office: 5 years</p> <p>Attendance at Board of Directors meetings: 16/16</p> |
| <p>Significant concurrent positions outside the Company</p> <p>—</p> | | | |
| <p>Reasons for nomination as candidate for Director</p> <p>Akihiko Ii has broad experience and knowledge in the products and business of the TPR Group, having held important positions in the Company's sales departments over many years. Accordingly, the Company proposes to nominate him as a candidate to continue serving as Director.</p> | | | |

| Candidate No. | Name | Career summary, position and responsibility in the Company | |
|--|---|---|--|
| 5 | <p>Noriaki Ayuzawa</p> <p><input type="checkbox"/> Reelection <input type="checkbox"/> Male</p> <p>Date of birth: February 24, 1967</p> <p>Number of shares of the Company held: 1,400</p> <p>Number of years in office: 1 year</p> <p>Attendance at Board of Directors meetings: 13/13</p> | <p>Apr. 1990</p> <p>June 2014</p> <p>June 2019</p> <p>Apr. 2021</p> <p>Apr. 2022</p> <p>Apr. 2023</p> <p>June 2023</p> | <p>Joined the Company</p> <p>General Manager of Product Development Department</p> <p>Executive Officer (Head of Ring, Liner, Sintering Technology)</p> <p>General Manager of Product Development Department</p> <p>Executive Officer (Head of Ring, Liner, Sintering Technology)</p> <p>General Manager of Technical Planning Department, and General Manager of CASE Handling Development Department</p> <p>Executive Officer (Head of Technology)</p> <p>General Manager of Technical Planning Department</p> <p>Executive Officer Head of Technology</p> <p>Director, Executive Officer (current position) Head of Technology</p> |
| | <p>Significant concurrent positions outside the Company</p> <p>—</p> | | |
| | <p>Reasons for nomination as candidate for Director</p> <p>Noriaki Ayuzawa has broad experience and knowledge in the products and business of the TPR Group, having held important positions in the Company's technical departments over many years. Accordingly, the Company proposes to nominate him as a candidate to continue serving as Director.</p> | | |
| | 6 | <p>Masataka Honke</p> <p><input type="checkbox"/> Reelection <input type="checkbox"/> Male <input type="checkbox"/> Outside <input type="checkbox"/> Independent</p> <p>Date of birth: June 9, 1945</p> <p>Number of shares of the Company held: 2,500</p> <p>Number of years in office: 8 years</p> <p>Attendance at Board of Directors meetings: 15/16</p> | <p>Apr. 1968</p> <p>May 1990</p> <p>Apr. 1992</p> <p>Oct. 1994</p> <p>May 1996</p> <p>Aug. 1997</p> <p>Aug. 1998</p> <p>Apr. 2001</p> <p>June 2007</p> <p>June 2013</p> <p>June 2016</p> |
| <p>Significant concurrent positions outside the Company</p> <p>—</p> | | | |
| <p>Reasons for nomination as candidate for outside Director and outline of expected roles</p> <p>Masataka Honke has experience carrying out important positions in the Bank of Japan and the financial industry, and has experience as a corporate manager, and therefore the Company has deemed that he will appropriately execute his duties as outside Director of the Company. Accordingly, the Company proposes to nominate him to continue as a candidate for Director. If he is elected, he will be involved in matters related to the nomination and remuneration of the Company's Directors, etc. as a member of the Nominating and Remuneration Committee from an objective and neutral standpoint.</p> | | | |

| Candidate No. | Name | Career summary, position and responsibility in the Company | |
|---|---|--|--|
| 7 | <p style="text-align: center;">Toshihisa Kato</p> <p style="text-align: center;">Reelection</p> <p style="text-align: center;">Male</p> <p style="text-align: center;">Outside</p> <p style="text-align: center;">Independent</p> <p>Date of birth: November 25, 1953</p> <p>Number of shares of the Company held: 2,200</p> <p>Number of years in office: 5 years</p> <p>Attendance at Board of Directors meetings: 16/16</p> | Apr. 1978 | Joined Ajinomoto Co., Inc. |
| | | July 1996 | Associate General Manager of Central Research Laboratories |
| | | July 1998 | Associate General Manager of Research and Development Department |
| | | July 2000 | General Manager of Production Division No. 1 of Tokai Plant |
| | | Apr. 2005 | General Manager of Fine Chemical & Pharmaceutical Industrialization Center |
| | | July 2006 | General Manager of Tokai Plant |
| | | July 2007 | Corporate Executive Officer, General Manager of Tokai Plant |
| | | July 2009 | Corporate Executive Officer, General Manager of AOC Department, Bioscience Products & Fine Chemicals Division |
| | | Oct. 2010 | Corporate Executive Officer, General Manager of Material Development & Application Labs, Bioscience Products & Fine Chemicals Division |
| | | July 2011 | Corporate Vice President, Deputy Chief Technology Officer |
| | In charge of Open Innovation Affairs and Intellectual Property Affairs | | |
| July 2013 | Corporate Vice President, General Manager of Institute For Innovation | | |
| July 2017 | Advisor | | |
| June 2019 | Outside Director of the Company (current position) | | |
| Significant concurrent positions outside the Company — | | | |
| <p>Reasons for nomination as candidate for outside Director and outline of expected roles</p> <p>Toshihisa Kato has experience of having held important positions in operating companies over many years, and has experience in corporate management, and the Company has therefore deemed that he will appropriately execute his duties as outside Director of the Company. Accordingly, the Company proposes to nominate him as a candidate to continue serving as Director. If he is elected, he will be involved in matters related to the nomination and remuneration of the Company's Directors, etc. as a member of the Nominating and Remuneration Committee from an objective and neutral standpoint.</p> | | | |

| Candidate No. | Name | Career summary, position and responsibility in the Company | |
|--|---|--|---|
| 8 | <p>Kanako Osawa</p> <p><input type="checkbox"/> Reelection</p> <p><input type="checkbox"/> Female</p> <p><input type="checkbox"/> Outside</p> <p><input type="checkbox"/> Independent</p> <p>Date of birth: December 22, 1970</p> <p>Number of shares of the Company held: 600</p> <p>Number of years in office: 3 years</p> <p>Attendance at Board of Directors meetings: 16/16</p> | <p>Mar. 1998</p> <p>Apr. 1998</p> <p>Apr. 1998</p> <p>Oct. 2005</p> <p>June 2015</p> <p>June 2021</p> <p>Mar. 2022</p> <p>June 2022</p> | <p>Graduated from Legal Training and Research Institute of Japan (the 50th Class), Supreme Court of Japan</p> <p>Registered as an attorney at law</p> <p>Joined Kajitani Law Offices (current position)</p> <p>Admitted to the bar of the State of New York, USA</p> <p>Outside Director (Audit & Supervisory Committee Member) of LINTEC Corporation (current position)</p> <p>Outside Director of the Company (current position)</p> <p>Outside Audit & Supervisory Board Member of Otsuka Holdings Co., Ltd. (current position)</p> <p>Outside Audit & Supervisory Board Member of Toshiba Tec Corporation (current position)</p> |
| | <p>Significant concurrent positions outside the Company</p> <p>Attorney at law</p> <p>Outside Director (Audit & Supervisory Committee Member) of LINTEC Corporation</p> <p>Outside Audit & Supervisory Board Member of Otsuka Holdings Co., Ltd.</p> <p>Outside Audit & Supervisory Board Member of Toshiba Tec Corporation</p> | | |
| <p>Reasons for nomination as candidate for outside Director and outline of expected roles</p> <p>Although she does not have experience of being involved in corporate management directly by any method other than being an outside officer in the past, Kanako Osawa has been active in a wide range of fields as an attorney at law and has cultivated expert knowledge and experience. The Company has therefore deemed that she will appropriately execute her duties as outside Director of the Company. Accordingly, the Company proposes to nominate her as a candidate to continue serving as Director. If she is elected, she will be involved in matters related to the nomination and remuneration of the Company's Directors, etc. as a member of the Nominating and Remuneration Committee from an objective and neutral standpoint.</p> | | | |

| Candidate No. | Name | Career summary, position and responsibility in the Company | |
|---------------|---|--|---|
| 9 | <p style="text-align: center;">Kenji Muneto</p> <p style="text-align: center;">Reelection</p> <p style="text-align: center;">Male</p> <p style="text-align: center;">Outside</p> <p style="text-align: center;">Independent</p> <p>Date of birth: June 1, 1961</p> <p>Number of shares of the Company held: 0</p> <p>Number of years in office: 1 year</p> <p>Attendance at Board of Directors meetings: 13/13</p> | <p>Apr. 1985</p> <p>Apr. 2004</p> <p>Apr. 2007</p> <p>Apr. 2009</p> <p>Aug. 2013</p> <p>June 2021</p> <p>Sept. 2021</p> <p>June 2023</p> | <p>Joined Diesel Kiki Co., Ltd.</p> <p>General Manager, Business Planning Department, Sales Division, Head Office of Bosch Automotive Systems Corporation</p> <p>General Manager, No. 2 Sales Department, Fuel Injection System Unit of Bosch Corporation</p> <p>Executive Officer, Fuel Injection System Unit, General Manager of Sales Division</p> <p>Senior Managing Executive Officer, and President of Bosch Fuel Injection Business Japan Division</p> <p>Retired from Bosch Corporation</p> <p>Management consultant (current position)</p> <p>Outside Director of the Company (current position)</p> |
| | <p>Significant concurrent positions outside the Company</p> <p>Management consultant</p> | | |
| | <p>Reasons for nomination as candidate for outside Director and outline of expected roles</p> <p>Kenji Muneto has experience of having held important positions in operating companies over many years, and has experience in corporate management, and the Company has therefore deemed that he will appropriately execute his duties as outside Director of the Company. Accordingly, the Company proposes to nominate him as a candidate to continue serving as Director. If he is elected, he will be involved in matters related to the nomination and remuneration of the Company's Directors, etc. as a member of the Nominating and Remuneration Committee from an objective and neutral standpoint.</p> | | |

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Masataka Honke, Toshihisa Kato, Kanako Osawa, and Kenji Muneto are candidates for outside Director. The Company has provided notice of the statuses of Masataka Honke, Toshihisa Kato, Kanako Osawa, and Kenji Muneto as independent officers to the Tokyo Stock Exchange.
 3. The Company has entered into limited liability agreements of damages with Masataka Honke, Toshihisa Kato, Kanako Osawa, and Kenji Muneto in order to enable them to adequately perform the expected role as outside Director, and plans to continue this agreement with them if their election is approved.
The outline of the agreement is as follows:
 - If the Company incurs damage as a result of the failure of the outside Director to perform his/her duties, as long as the outside Director performed his/her duties in good faith and without gross negligence, the liability for damage that the outside Director shall owe to the Company shall be limited to the minimum amount of liability specified in Article 425, paragraph (1) of the Companies Act.
 4. The Company has entered into a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, and a summary of the contents of the agreement is described in 3. "Matters Concerning Company Officers" of the Business Report (Japanese). If the election of the candidates for Director is approved, they will be included as an insured person under this insurance policy. In addition, the Company plans to renew the insurance policy with the same contents at the next renewal.

Proposal No. 2 Election of Two Audit & Supervisory Board Members

At the conclusion of the Meeting, the terms of office of Audit & Supervisory Board Members Hiroshi Kato and Takashi Yonekawa will expire. Therefore, the Company proposes the election of two Audit & Supervisory Board Members.

Furthermore, the consent of the Audit & Supervisory Board has been obtained for this proposal.

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

| Candidate No. | Name | Career summary, position in the Company | |
|--|--|---|---|
| 1 | Takashi Yonekawa <div style="border: 1px solid black; display: inline-block; padding: 2px;">Reelection</div> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Male</div> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Outside</div> <div style="border: 1px solid black; display: inline-block; padding: 2px;">Independent</div> Date of birth: June 5, 1958 Number of shares of the Company held: 2,500 Number of years in office: 4 years Attendance at Board of Directors meetings: 16/16 Attendance at Audit & Supervisory Board meetings: 17/17 | Apr. 1982 | Joined The Yasuda Fire & Marine Insurance Co., Ltd. (currently Sompo Japan Insurance Inc.) |
| | | Apr. 2012 | Executive Officer, General Manager of Financial Institutions Department of Sompo Japan Insurance Inc. |
| | | Apr. 2013 | Executive Officer, General Manager of Corporate Product Department |
| | | Apr. 2014 | Executive Officer, General Manager of Corporate Product Department of NIPPONKOA Insurance Company, Limited |
| | | Apr. 2014 | Managing Executive Officer of Sompo Japan Insurance Inc. Managing Executive Officer of NIPPONKOA Insurance Company, Limited |
| | | Sept. 2014 | Managing Executive Officer of Sompo Japan Nipponkoa Insurance Inc. |
| | | Apr. 2016 | Director, Managing Executive Officer, and General Manager of Kansai Regional Headquarters I |
| | | Apr. 2018 | Senior Managing Executive Officer, General Manager of Kansai Regional Headquarters I |
| | | Apr. 2020 | Deputy President and Executive Officer of Sompo Japan Insurance Inc. |
| | | June 2020 | Outside Audit & Supervisory Board Member of the Company (current position) Advisor to Sompo Japan Insurance Inc. |
| July 2020 | Chairman of the Yasuda Nipponkoa Health Insurance Association (current position) and Chairman of the Tokyo Federation of Health Insurance Societies (current position) | | |
| June 2021 | Outside Corporate Auditor of Fuyo General Lease Co., Ltd. (current position) | | |
| Significant concurrent positions outside the Company | | | |
| Chairman of the Yasuda Nipponkoa Health Insurance Association | | | |
| Chairman of the Tokyo Federation of Health Insurance Societies | | | |
| Outside Corporate Auditor of Fuyo General Lease Co., Ltd. | | | |
| Reasons for nomination as outside Audit & Supervisory Board Member | | | |
| Takashi Yonekawa has a long-spanning career history as a company officer at other companies, and he has an extensive track record and experience in corporate management. The Company has therefore deemed that he is suitably qualified to carry out audits of business operations. Accordingly, the Company proposes to nominate him as a candidate to continue serving as Audit & Supervisory Board Member. | | | |

| Candidate No. | Name | Career summary, position in the Company | |
|--|--|--|---|
| 2 | <p>Ryoji Kojima</p> <p><input type="checkbox"/> New election</p> <p><input type="checkbox"/> Male</p> <p>Date of birth: October 12, 1965</p> <p>Number of shares of the Company held: 0</p> <p>Number of years in office: —</p> <p>Attendance at Board of Directors meetings: —</p> <p>Attendance at Audit & Supervisory Board meetings: —</p> | <p>Mar. 1991</p> <p>Jan. 2004</p> <p>Mar. 2007</p> <p>Sept. 2011</p> <p>June 2015</p> <p>Mar. 2018</p> <p>June 2019</p> | <p>Joined Takasaki Paper Co., Ltd.</p> <p>Joined the Company</p> <p>Manager of Financial Department</p> <p>Manager of New Business Department</p> <p>Manager of Corporate Planning Department</p> <p>Senior Manager of Corporate Planning Department</p> <p>General Manager of Financial Department (current position)</p> |
| Significant concurrent positions outside the Company | | | |
| — | | | |
| Reasons for nomination as Audit & Supervisory Board Member | | | |
| Ryoji Kojima has extensive knowledge and insight mainly into the finances of the TPR Group, having held important positions in the Company's accounting and corporate planning departments over many years. Accordingly, the Company proposes to nominate him as a candidate to serve as Audit & Supervisory Board Member. | | | |

- Notes:
- There is no special interest between any of the candidates and the Company.
 - Takashi Yonekawa is a candidate for outside Audit & Supervisory Board Member. The Company has provided notice of his status as independent officer to the Tokyo Stock Exchange.
 - The Company has entered into a limited liability agreement of damages with Takashi Yonekawa in order to enable him to adequately perform the expected role as outside Audit & Supervisory Board Member, and plans to continue this agreement with him if his election is approved.
The outline of the agreement is as follows:
 - If the Company incurs damage as a result of the failure of the outside Audit & Supervisory Board Member to perform his/her duties, as long as the outside Audit & Supervisory Board Member performed his/her duties in good faith and without gross negligence, the liability for damage that the outside Audit & Supervisory Board Member shall owe to the Company shall be limited to the minimum amount of liability specified in Article 425, paragraph (1) of the Companies Act.
 - The Company has entered into a directors and officers liability insurance policy with an insurance company as stipulated in Article 430-3, paragraph (1) of the Companies Act, and a summary of the contents of the agreement is described in 3. "Matters Concerning Company Officers" of the Business Report (Japanese). If the election of the candidate for Audit & Supervisory Board Member is approved, he will be included as an insured person under this insurance policy. In addition, the Company plans to renew the insurance policy with the same contents at the next renewal.

Proposal No. 3 Revision to Share-based Remuneration Plan for Directors

1. Reasons for submitting this proposal and why the remuneration is reasonable

At the 84th Annual General Meeting of Shareholders held on June 29, 2017, the Company received approval for the introduction of a share-based remuneration plan called a Board Benefit Trust (BBT) (hereinafter the “BBT”) for Executive Officers as well as Directors who also serve as Executive Officers of the Company. Then, at the 88th Annual General Meeting of Shareholders held on June 29, 2021, the Company received approval for a partial revision of the BBT, which has continued to the present (hereinafter, the resolution approved by the above General Meeting of Shareholders is referred to as the “original resolution”).

In this proposal, the Company requests the approval to revise the current share-based remuneration plan to a Board Benefit Trust-Restricted Stock (BBT-RS) plan (hereinafter the “BBT-RS”; BBT and BBT-RS are collectively referred to as the “Plan”), which will restrict the transfer of stocks provided to Directors residing in Japan until their retirement, and in addition to increase the proportion of share-based remuneration, etc. in Directors’ total remuneration. However, the BBT will continue to apply to Directors who reside outside Japan.

In addition to achieving the original objectives of BBT adoption, this proposal aims to enable Directors to oversee the Company while aligning their perspective closer to that of the Company’s shareholders by having Directors enjoy the same rights as shareholders, such as the right to exercise voting rights and receive dividends on the shares granted under the restricted share-based remuneration plan, even while in office. By increasing the proportion of share-based remuneration, etc. in Directors’ total remuneration, this proposal also aims to further increase their motivation to enhance corporate value over the medium to long term. The Board of Directors and the Nominating and Remuneration Committee, the majority of which are independent outside Directors, believe that the content of this proposal is appropriate.

Assuming that this proposal is approved, the Board of Directors plans to approve the partial revision of the policy for determining the details of remuneration for each Director of the Company after the conclusion of the Meeting (proposed policy of this proposal if approved is included at the end of this document for reference). Since it also aligns with the said policy, the Company believes that the content of the proposal is appropriate.

Under the proposal, approval is also sought for the specific calculation method and specific details of remuneration, etc., to be paid to the Company’s Directors under the Plan, which is separate from the total amount of remuneration, etc., for Directors (up to ¥400 million per year, of which up to ¥70 million per year is allocated for outside Directors, excluding any applicable employee salaries) that was approved at the 78th and 86th Annual General Meeting of Shareholders, held on June 29, 2011 and June 27, 2019, respectively. The details of the Plan will be left to the discretion of the Board of Directors within the scope stipulated in 2. below.

If Proposal No. 1 is approved and adopted in its original form, the number of Directors covered by the Plan will be nine (including four outside Directors).

2. Specific calculation method and details of the amounts of remuneration etc. related to the Plan

(1) Overview of the Plan

The Plan consists of a share-based remuneration plan whereby the Company contributes money as financial funds to a trust (hereinafter the “Trust” refers to the trust established under the Plan) for the acquisition of Company shares and money equivalent to the market value of a certain percentage of the Company shares (hereinafter the “Company shares, etc.”) to be provided to Directors through the Trust in accordance with the Officer Stock Benefit Rules. Based on the BBT-RS, as a general rule Directors will receive the Company’s shares at a fixed time each year, and in principle, Directors will receive money equivalent to the market value of their holding of the Company’s shares upon their retirement from office. In addition, in conjunction with the revision of the Plan, with regard to the points already granted to Directors residing in Japan under the current BBT Plan, a portion of those points will be provided as Company shares at a time to be determined separately after the Meeting, subject to approval and adoption of this Proposal. The remainder will be provided as money equivalent to the market value of the Director’s holding of the Company shares at the time of that individual’s retirement. Moreover, if a Director residing outside Japan relocates to Japan, the points already awarded under the BBT will be transferred to the BBT-RS.

Directors eligible to receive Company shares during their terms of office will enter into a transfer restriction agreement with the Company as set forth in 3. below prior to those shares being granted. Accordingly, any disposal, through transfer or other means, of Company shares granted to a Director while in office will be restricted until the time of their retirement.

In addition, based on the BBT, Directors shall receive provision of Company shares, etc. upon their retirement as a general rule, which is also the current situation.

(2) Persons eligible in the Plan

Directors (Audit & Supervisory Board Members are not eligible under the Plan)

(Note) In addition to the above, Executive Officers not concurrently serving as Directors will be eligible under the Plan.

(Hereinafter, Directors and Executive Officers who are not Directors are collectively referred to as “officers.”)

(3) Trust period

From August 2017 until the termination of the Trust (No specific period or termination date has been set for the Trust, and it will continue as long as the Plan continues. The Plan will terminate in the case of delisting of the Company shares, or abolition of the Officer Stock Benefit Rules, etc.)

(4) Maximum number of Company shares, etc. to provide to Directors

The Company grants the number of points determined according to the Officer Stock Benefit Rules for each fiscal year to Directors. The total number of points granted to Directors each fiscal year shall be increased from the current maximum number of 35,000 points (of which 5,000 points are for outside Directors) to a maximum number of 55,000 points (of which 8,000 points are for outside Directors). These points have been determined by taking into full consideration such factors as the payment level for Director remuneration and the proportion of share-based remuneration included therein as well as the trends for the number of officers and future forecasts, and it is deemed to be appropriate even after revision of the Plan. The total number of points to be granted to officers, including Executive Officers not concurrently serving as Directors, shall not exceed 110,000 points per fiscal year.

The points granted to Directors are calculated as one common share of the Company for each point when providing the Company shares, etc. as described in (7) below (however, in the event of a share split, an allotment of shares without contribution, or a reverse share split, etc. after the approval of this proposal, Company shares shall be reasonably adjusted through either the maximum number of points, the number of points already granted, or a conversion rate in proportion to the share split ratio).

The number of points of a Director, which is the criteria for providing Company shares, etc. described in (7) below, is the number of points granted to said Director up until confirmation of their beneficiary rights as described in (7) below (hereinafter the points calculated in this way are referred to as the “Defined Number of Points”) as a general rule.

(5) Trust amount

The Company establishes the Trust by contributing the funds necessary for the Trust to acquire, in advance for a certain period of time, the number of shares that are reasonably expected to be required to make stock grants under the BBT, within the scope approved in the original resolution. The Trust has been established by the Company since August 2017, and for the three years from the fiscal year ended March 31, 2022 to the fiscal year ended March 31, 2024 (hereinafter the “Current Target Period”), the Company makes an additional contribution to the Trust of the funds needed to acquire shares to be granted to Directors under the BBT, and the Trust then acquires the Company’s shares using those funds. Following the Plan revision stipulated by this proposal, the Trust will continue to exist under the revised Plan.

Even after this proposal is approved, until the termination of the Plan, the Company shall contribute the additional financial funds deemed necessary to the Trust every three fiscal years according to a

reasonable estimation of the amount for the Trust to acquire the necessary number of shares for payment to Directors under the Plan for a period of three consecutive fiscal years (hereinafter the “Applicable Period”) as general rule. Since the maximum number of points to be granted to Directors under the Plan is 55,000 points in total per fiscal year as described in (4) above, at the time of the additional contribution, the Company will contribute to the Trust the funds reasonably expected to be required to acquire up to 165,000 shares, taking into consideration the closing price of the Company’s common shares in regular trading on the Tokyo Stock Exchange immediately before the additional contribution. For reference, if the closing price of ¥2,298 on May 14, 2024 is applied, the above required funds would be approximately ¥379 million. However, when such additional contributions are made, if shares of the Company (excluding shares of the Company corresponding to the number of points granted to Directors but not yet provided to Directors for each Applicable Period up until the most recent one) and money remain in the trust assets (hereinafter “Outstanding Shares, etc.”), the Outstanding Shares, etc. shall be applied to the financial funds for payments under the Plan for the next Applicable Period, and the additional contributions of the Company shall be calculated after taking into account the Outstanding Shares, etc. The Company will disclose the additional contributions when decided in a timely and appropriate manner.

(Note 1) The money actually contributed by the Company to the Trust shall be the amount for the necessary financial funds to provide Company shares, etc. to Executive Officers not concurrently serving as Directors in addition to the necessary financial funds to provide Company shares, etc. to Directors above.

(Note 2) The maximum number of Company shares above is the maximum number of Company shares to acquire using the financial funds necessary to provide Company shares, etc. to Directors. The number of Company shares, etc. that are actually acquired by the Trust is the aggregate number of shares acquired using the necessary financial funds contributed by the Company to provide Company shares, etc. to Executive Officers not concurrently serving as Directors as mentioned in (Note 1) above.

(6) Method for acquiring Company shares through the Trust

The acquisition of Company shares through the Trust shall use the contributions described in (5) above as the financial funds to acquire Company shares by either acquiring Company shares through the stock market or disposing of treasury stock of the Company.

The Trust will disclose details concerning the acquisition of Company shares in a timely and appropriate manner.

(7) Provision of Company shares, etc. and the specific calculation method for the amount of remuneration, etc.

In principle, at a certain time each year, Directors of the Company who fulfill the beneficiary requirements receive a number of the Company shares proportional to the Defined Number of Points granted in accordance with the stipulations in (4) above as a general rule by completing the designated beneficiary confirmation procedures from the Trust. However, if at the time of retirement, a Director meets the requirements set forth in the Officer Stock Benefit Rules, in lieu of a grant of Company shares, the Director will receive a cash benefit equivalent to the market value of the Company shares for a certain percentage of the individual’s points. The Trust may sell Company shares to make these monetary provisions.

Subject to the approval and adoption of this proposal, as a result of the revision of the share-based remuneration plan, points that have been granted to eligible Directors residing in Japan under the BBT will be transferred to the BBT-RS. Directors who are eligible for the transfer will be granted Company shares based on their post-transfer points at a specified time to be determined by the Company after the conclusion of the Meeting.

Moreover, Directors eligible to receive Company shares during their terms of office will enter into a transfer restriction agreement with the Company as set forth in 3. below prior to those shares being granted. Accordingly, any disposal, through transfer or other means, of Company shares granted to a Director while in office will be restricted until the time of their retirement.

In addition, even when a Director has been awarded points, if that Director is removed from their post by a resolution at the general meeting of shareholders, resigns as a result of certain illegal activities during their tenure or has taken inappropriate actions etc. which have caused harm to the Company during their tenure, the Director concerned may lose rights to the provision of Company shares, etc.

The amount of remuneration, etc. that Directors receive shall be based on the monetary value corresponding to the book value of each share of Company shares owned by the Trust multiplied by the total number of points granted to the Director (however, it shall be reasonably adjusted if any stock split, allotment of shares without contribution, or a reverse stock split, etc. of Company shares are made). On the rare occasion a monetary payment is provided in accordance with the Officer Stock Benefit Rules and deemed appropriate, the said amount will be added.

(8) Exercise of voting rights

The voting rights related to the Company shares held within the Trust account shall not be exercised in accordance with instructions of the trust administrator. The applied method is designed to ensure the neutrality of corporate management pertaining to the exercise of voting rights related to the Company shares held in the Trust account.

(9) Handling of dividends

The dividends related to the Company shares held within the Trust account shall be received by the Trust and used for money to acquire Company shares or the trust remuneration, etc. of trust administrators involved in the Trust. When the Trust is terminated, any outstanding dividends, etc. in the Trust shall be paid proportionally to Directors serving at that time based on the number of points granted to each Director up to that point based on the Officer Stock Benefit Rules.

(10) Handing of Trust on termination

The Trust shall be terminated upon delisting of the Company shares, abolishment, etc. of the Officer Stock Benefit Rules or other such reasons. The Company plans to acquire without contribution all Company shares among the residual assets of the Trust assets when the Trust is terminated, to extinguish by resolution of the Board of Directors. Any money among the residual assets of the Trust assets when the Trust is terminated, remaining after excluding that paid to Directors as described in (9), shall be provided to the Company.

3. Summary of the transfer restriction agreement regarding Company shares granted to Directors

Directors eligible to receive Company shares during their terms of office will enter into a transfer restriction agreement (hereinafter the "Transfer Restriction Agreement") with the Company, the details of which are outlined below, prior to those shares being granted. (Directors may receive Company shares on the condition that they sign the Transfer Restriction Agreement) However, in cases where a Director has already retired at the time of the stock granting, the applicable Company shares may be granted to the Director without the need for a Transfer Restriction Agreement.

i. Transfer restriction details

Directors cannot transfer, pledge or otherwise dispose of any Company shares that they receive under the Plan from the date they receive the Company shares concerned until the date they resign from all of their positions as officers of the Company.

ii. Share acquisition by the Company without contribution

In the event of certain illegal activities by a Director or when the requirements for lifting the transfer restrictions in iii. below are not met, the Company will acquire the Director's shares without contribution

iii. Lifting of transfer restrictions

When a Director resigns from all of his/her positions as an officer of the Company for valid reasons or due to the individual's death, the transfer restrictions on the Director's shares will be lifted at that time.

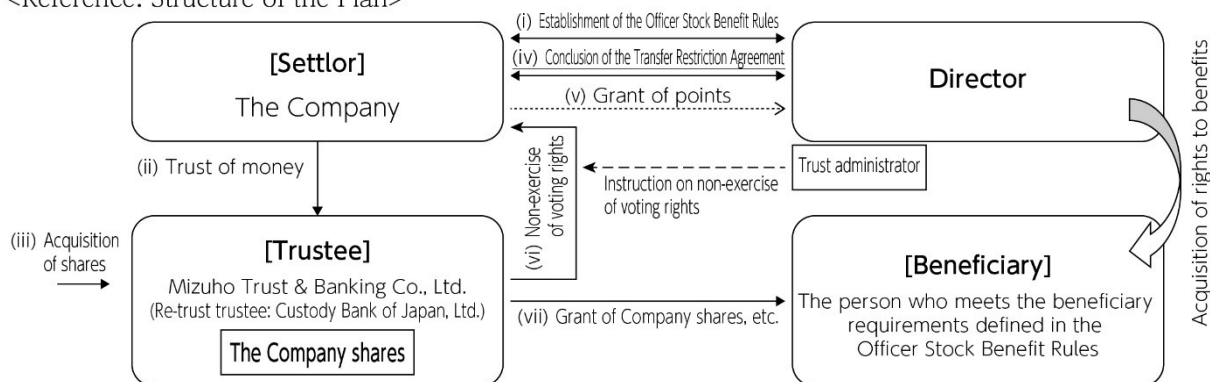
iv. Handling in the event of organizational restructuring, etc.

If during the transfer restriction period, a merger agreement or other organizational restructuring that causes the Company to be dissolved is approved at the Company’s general meeting of shareholders, etc., the transfer restrictions will be lifted immediately before the business day preceding the effective date of the organizational restructuring, etc., by resolution of the Company’s Board of Directors.

Moreover, the Company shares subject to the transfer restrictions under the Transfer Restriction Agreement will be managed in a dedicated account during the transfer restriction period. This account will be opened by the applicable Director at a securities company designated by the Company and will ensure that the applicable shares cannot be transferred, pledged, or otherwise disposed of during the transfer restriction period.

In addition to the above, the Transfer Restriction Agreement will include applicable methods for expressing intent and giving notice under the Transfer Restriction Agreement, applicable methods for revising the Transfer Restriction Agreement, and other matters to be determined by the Board of Directors.

<Reference: Structure of the Plan>



- i. The Company will establish the Officer Stock Benefit Rules within the framework stipulated in the proposal, subject to its approval.
- ii. The Company will place in trust a sum of money within the framework stipulated in the proposal, subject to its approval.
- iii. The Trust will use the money entrusted in ii. above to acquire Company shares by purchasing them on the stock market or by underwriting the disposal of Company treasury stock.
- iv. Each Director will enter into a Transfer Restriction Agreement with the Company to prevent any disposal, through transfer or other means, of the Company shares received during the Director’s term of office. The individual restrictions will continue until the Director concerned resigns from all of his/her positions as an officer of the Company. The Agreement will also include provisions enabling the Company to acquire such shares without contribution.
- v. The Company will grant points to Directors based on the Officer Stock Benefit Rules.
- vi. The Trust will follow the instructions of the trust administrator independent of the Company and will not exercise voting rights related to the Company shares held within the Trust account.
- vii. At specified times set forth in the Officer Stock Benefit Rules, the Trust will grant Company shares to each Director that meets the beneficiary requirements set forth in the Rules (hereinafter the “Beneficiary”) based on the number of points awarded to the Beneficiary concerned. However, if at the time of retirement a Director meets the requirements set forth in the Officer Stock Benefit Rules, the Director will receive a cash benefit equivalent to the market value of the Company shares for a certain percentage of the individual’s points.

[Reference]

If this Proposal is approved, the Board of Directors plans to approve a resolution regarding the following policy (planned) after the Meeting.

Policy for determining the details of remunerations, etc. for each Director (planned)

I. Basic policy

The Company's basic policy is to ensure that the remuneration of Directors is linked to the Company's business performance and medium- to long-term corporate value in order to function as an incentive to continuously enhance corporate value, and it shall set the proper level when determining remuneration for each Director considering the duties and performance of each. Specifically, the remuneration for executive Directors shall consist of ordinary remuneration, variable remuneration and share-based remuneration through a Board Benefit Trust (non-monetary remuneration) as an incentive to better raise awareness about enhancing corporate value. Variable remuneration will not be paid to non-executive Directors.

II. Policy for determining the amount of ordinary remuneration (monetary remuneration) for each Director
Ordinary remuneration for Directors of the Company shall be a monthly fixed management remuneration, which shall be determined in accordance with their position and responsibilities, comprehensively taking into consideration the level of competitors, the Company's business performance, and the level of employee salaries.

III. Policy for determining the details, amount and the method for calculating the figure of variable remuneration (monetary remuneration)

(including the policy for determining the period and conditions for providing remuneration)

Variable remuneration shall be paid by dividing the amount calculated based on the management environment, the Company's performance in the previous fiscal year and the contributions to the performance by each executive Director into 12 equal portions and adding them to ordinary remuneration in order to increase the incentive to achieve higher business performance each fiscal year.

Targets for corporate business performance and indicators shall be set at the time of the establishment of the Plan such as the consolidated ordinary income based on the Mid-term Management Plan and proper indicators according to the duties of each executive Director, in accordance with the management environment, and shall be appropriately reviewed as necessary based on the report of the Nominating and Remuneration Committee, in which independent outside Directors constitute the majority, according to changes in the business environment.

IV. Policy for determining the details, amount and the method for calculating the figure of non-monetary remuneration

(including the policy for determining the period and conditions for providing remuneration)

Non-monetary remuneration is share-based remuneration provided through Board Benefit Trust in accordance with the Officer Stock Benefit Rules to ensure the remuneration plan is linked to the enhancement of medium- to long-term corporate value. Specifically, non-monetary remuneration shall be a point system based on position wherein points are assigned according to a table for a certain period every year. Furthermore, the timing of payment shall be at the end of the Director's term of office, with each point earned during the term of office being converted into one share, which shall be paid at the time of retirement. In the event that shares are paid out during the term of office of a Director, the transfer or other disposition of such shares shall be restricted until the retirement of said Director by entering into a restricted transfer agreement. In addition, any Director who engages in certain illegal or inappropriate acts shall lose their rights to receive provision of Company shares, etc.

V. Policy for determining the ratio of the amount of monetary remuneration, etc. or the amount of non-monetary remuneration, etc. to the amount of remuneration, etc. for each Director

The Nominating and Remuneration Committee shall consider the ratio of remuneration to the amount of remuneration, etc. for each Director, based on a standard level of remuneration in reference to a group of companies with approximately the same business scale in the same type and category of business, structured more closely linked to the Company's business performance and corporate value the higher the position. The Board of Directors shall respect the report of the Nomination and Remuneration Committee and determine the ratio of each type of compensation as indicated in the report.

VI. Matters concerning the determination of the details of remunerations for each Director
The specific details about the amount of remuneration for each Director shall be delegated to the Representative Director, Chairman & CEO by resolution of the Board of Directors, and such authority shall include determining the amount of ordinary remuneration of each Director and the amount of variable remuneration based on the evaluation of the business performance of each Director. The Board of Directors shall consult with the Nominating and Remuneration Committee on the draft prepared by said officer to ensure the authority is being appropriately exercised, and the Representative Director, Chairman & CEO shall make decisions in accordance with the content of such report.

Proposal No. 4 Revision of Total Remuneration for Audit & Supervisory Board Members

Based on a resolution of the 81st Annual General Meeting of Shareholders held on June 27, 2014, the aggregate amount of compensation for the Audit & Supervisory Board Members shall not exceed ¥70 million per year, and still remains at this level.

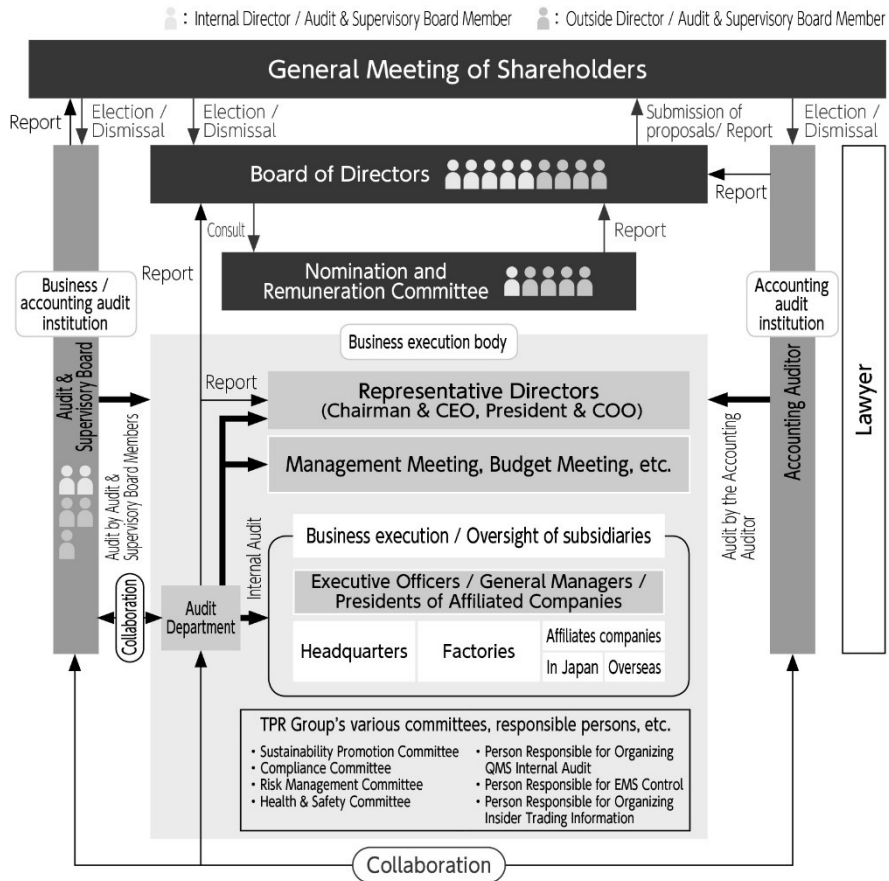
Many years have passed since this aggregate remuneration was last revised. Taking into consideration various factors, such as changes in the economic situation since that time, the diversification of the duties for the Audit & Supervisory Board Members, and the accompanying increased responsibilities, the Company proposes to revise the maximum aggregate remuneration for the Audit & Supervisory Board Members to ¥90 million per year. Japanese firms of a comparable size to the Company were used as a benchmark to determine this figure.

We currently have five Audit & Supervisory Board Members (including three outside Audit & Supervisory Board Members), and if Proposal No. 2 is approved and adopted in its original form, the number of these applicable members (including the same number of outside members) will be the same.

Furthermore, remuneration for Audit & Supervisory Board Members will remain as a fixed amount of basic remuneration only.

(Reference) Corporate Governance Overview

The Company has a Board of Directors and an Audit & Supervisory Board. In order to separate the supervisory function of the Directors from the execution of business, the Company has adopted an Executive Officer System, including a Chairman & CEO and a President & COO. The Audit & Supervisory Board cooperates with the Internal Audit Department and also periodically carries out exchange of opinions with the financial auditor to perform suitable and appropriate audits in order to promote the enhancement of corporate governance.



(Reference) Policy for Election of Directors

The Company's Articles of Incorporation stipulate that the number of Directors be no more than ten, which is an appropriate size for rapid decision-making on an ongoing basis.

As part of the process of Director candidate nomination, we create a matrix that lists the skills, career history, and expertise of each current Director. We then consider the knowledge, experience, and capabilities of the candidates. These include their ability to make accurate and prompt decisions at Board of Directors meetings, their ability to properly manage business from a global perspective, their ability to monitor the execution of business by other Directors, and their ability to comprehensively oversee the business divisions they would be in charge of. We then select the candidates from a comprehensive perspective with the aim of putting the right person in the right position, regardless of nationality or gender. Going forward, the Company will continue to emphasize balance when selecting Director candidates, following the established scale and approach.

(Reference) Criteria for Determining the Independence of Outside Officers

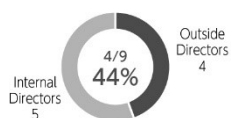
The Company uses the following criteria for determining the independence of its outside officers.

In order for an outside Director or outside Audit & Supervisory Board Member of the Company to be considered independent, that individual must not fall under any of the following categories:

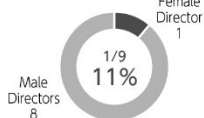
- i. Executive directors, executive officers or other employees of the Company or any of its subsidiaries
- ii. Entities for which the Company is a major client or the executives of such entities
- iii. The Company's major clients or their executives
- iv. A consultant, accounting professional, or legal professional who receives a large amount of money or other property from the Company other than officer remuneration (If the entity receiving the property concerned is an organization such as a corporation or association, this refers to any person who belongs to that organization)
- v. Anyone who has fallen under any of the categories of ii., iii., or iv. above in the past year
- vi. A spouse or a relative within the second degree of kinship of any person that falls under any of the categories of i. through v. above (excluding unimportant positions).

(Reference) Skill matrix of new management structure (planned)

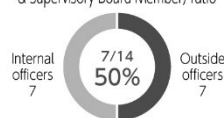
Independent Outside Director ratio



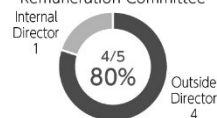
Female Director ratio



Outside officer (Outside Director / Outside Audit & Supervisory Board Member) ratio



Nomination and Remuneration Committee



| | Name | Position in the Company | Fields of expertise | | | | | Nominating and Remuneration Committee | | |
|----------------------------------|-------------------|---|----------------------|---------|-----------------------------------|-------|--------|---------------------------------------|---|--|
| | | | Corporate Management | Finance | Production, Engineering and/or IT | Sales | Global | | | Legal Affairs and/or Risk Management |
| Director | Hiroshi Suehiro | Representative Director, Chairman & CEO | ● | ● | | | ● | ● | ● | Reelection Male |
| | Kazumi Yano | Representative Director, President & COO | ● | | ● | ● | | | | Reelection Male |
| | Goji Fujishiro | Director Deputy President and Executive Officer | ● | ● | | ● | ● | | | New election Male |
| | Akihiko Ii | Director Senior Managing Executive Officer | | | ● | ● | ● | | | Reelection Male |
| | Noriaki Ayuzawa | Director Executive Officer | | | ● | ● | ● | | | Reelection Male |
| | Masataka Honke | Director | ● | ● | | | | ● | ● | Reelection Male Outside Independent |
| | Toshihisa Kato | Director | | | ● | | ● | ● | ● | Reelection Male Outside Independent |
| | Kanako Osawa | Director | | ● | | | ● | ● | ● | Reelection Female Outside Independent |
| | Kenji Muneto | Director | ● | | ● | ● | ● | | ● | Reelection Male Outside Independent |
| Audit & Supervisory Board Member | Yutaka Sukegawa | Full-Time Audit & Supervisory Board Member | | ● | ● | | | ● | | Male Outside Independent |
| | Masahiro Kitahara | Full-Time Audit & Supervisory Board Member | | | | ● | ● | ● | | Male |
| | Ryoji Kojima | Full-Time Audit & Supervisory Board Member | | ● | | | | ● | | New election Male |
| | Takashi Yonekawa | Audit & Supervisory Board Member | | ● | | ● | | ● | | Reelection Male Outside Independent |
| | Shinya Tanaka | Audit & Supervisory Board Member | ● | ● | | | | ● | | Male Outside Independent |