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(Stock Exchange Code 7607)  
October 28, 2020

**To Shareholders with Voting Rights:**

Tetsuo Nemoto  
President  
SHINWA Co., Ltd.  
2-9-3, Naeshiro, Moriyama, Nagoya,  
Aichi 463-0046 Japan

## **NOTICE OF THE 70th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We are pleased to inform you that the 70th Annual General Meeting of Shareholders of SHINWA Co., Ltd. (the “Company”) will be held for the purposes as described below.

Given the current situation with novel coronavirus disease (COVID-19), in order to protect shareholders’ safety and prevent infections, we request that shareholders exercise their voting rights in writing in advance, whenever possible.

Please review the attached Reference Documents for the General Meeting of Shareholders, indicate your vote for or against the proposals on the enclosed Voting Rights Exercise Form, and return it by mail to reach the Company no later than the end of the business day (6:00 p.m.), Wednesday, November 18, 2020, Japan time.

- 1. Date and Time:** Thursday, November 19, 2020 at 10:00 a.m. Japan time
- 2. Place:** Conference room on the eighth floor of the Head Office, located at 2-9-3, Naeshiro, Moriyama, Nagoya, Aichi 463-0046 Japan
- 3. Meeting Agenda:**
  - Matters to be reported:** (1) The Business Report, Consolidated Financial Statements for the Company’s 70th Fiscal Year (September 1, 2019 - August 31, 2020) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements  
(2) Non-consolidated Financial Statements for the Company’s 70th Fiscal Year (September 1, 2019 - August 31, 2020)
  - Proposals to be resolved:**
    - Proposal 1:** Appropriation of Surplus
    - Proposal 2:** Partial Amendments to the Articles of Incorporation
    - Proposal 3:** Election of Six Directors (excluding Directors who are Audit and Supervisory Committee Members)
    - Proposal 4:** Election of Three Directors who are Audit and Supervisory Committee Members
    - Proposal 5:** Election of One Director who is Supplementary Audit and Supervisory Committee Member
    - Proposal 6:** Payment of Bonuses to Officers
- 4. Other matters relating to the convocation of the General Meeting of Shareholders**

Please note that any voting right exercised without an indication of for or against a proposal on the Voting Rights Exercise Form shall be treated as an intent of approval.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

The Company considers the return of profits to shareholders as one of its most important management priorities and makes it a basic policy to strive for constant and stable return of profits while taking into account the progress of its business performance. In concrete terms, the Company strives to increase profit distribution through sustained increase in business performance, with a target dividend payout ratio of 30%.

Based on this basic policy, the Company proposes the following year-end dividend for the fiscal year under review. Together with the interim dividend of ¥38 per share, the annual dividend will be ¥76 per share.

We intend to use internal reserves to bolster our corporate strength and develop business going forward, while making efforts to ensure shareholder returns into the future.

1. Matters concerning year-end dividend
  - (1) Type of dividend assets  
Cash
  - (2) Matters concerning allocation of dividend assets and the total amount thereof  
Dividend per common share of the Company: ¥38.00                      Total: ¥506,807,140
  - (3) Effective date of dividends of surplus  
November 20, 2020
2. Matters concerning appropriation of other surplus
  - (1) Item and amount of surplus to be increased  
General reserve:    ¥500,000,000
  - (2) Item and amount of surplus to be decreased  
Retained earnings brought forward:                      ¥500,000,000

## Proposal 2: Partial Amendments to the Articles of Incorporation

### 1. Reason for proposal

The Company proposes an amendment to Article 23 regarding Directors with special titles of the current Articles of Incorporation in order to abolish positions of Director and Executive Vice President, Senior Managing Director, and Managing Director because it intends to assign titles under the newly introduced system of appointing Executive Officers with special titles.

### 2. Details of amendment

The details of the amendment are as follows.

The amendment to the Articles of Incorporation under this proposal will be effective at the conclusion of this General Meeting of Shareholders.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed amendments
Articles 1 - 22 (omitted)	Articles 1 - 22 (unchanged)
(Representative Directors and Executive Directors) Article 23 The Board of Directors shall elect, by resolution, Representative Directors from among Directors (excluding Directors who are Audit and Supervisory Committee Members).	(Representative Directors and Executive Directors) Article 23 The Board of Directors shall elect, by resolution, Representative Directors from among Directors (excluding Directors who are Audit and Supervisory Committee Members).
2. The Board of Directors may elect, by resolution, one Director and Chairperson, one Director and President, one <u>Director and Vice President, one or more Senior Managing Director(s), and one or more Managing Director(s)</u> from among Directors (excluding Directors who are Audit and Supervisory Committee Members).	2. The Board of Directors may elect, by resolution, one Director and Chairperson and one Director and President from among Directors (excluding Directors who are Audit and Supervisory Committee Members).

**Proposal 3:** Election of Six Directors (excluding Directors who are Audit and Supervisory Committee Members)

At the conclusion of this Annual General Meeting of Shareholders, the terms of office of Directors (excluding Directors who are Audit and Supervisory Committee Members) Messrs. Tetsuo Nemoto, Yoshiro Takitani, Shuji Ishikawa, Hiroki Hamada, and Kiyoshi Kato will expire, and Messrs. Motohisa Yoshida and Toshihisa Iriyama will retire upon the expiration of their terms. Accordingly, the Company proposes the election of six Directors (excluding Directors who are Audit and Supervisory Committee Members) based on reports from the Nomination and Remuneration Advisory Committee.

This proposal was deliberated by the Audit and Supervisory Committee and no particular objections were expressed. The candidates for Director (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

No.	Name	Current positions and responsibilities at the Company
1	Tetsuo Nemoto	President; All company integration [Reappointment]
2	Yoshiro Takitani	Senior Managing Director; General Manager, Overseas Business Division [Reappointment]
3	Shuji Ishikawa	Managing Director; General Manager, Marketing Division General Manager, Mid-Japan District Head Office [Reappointment]
4	Hiroki Hamada	Director; General Manager, Nagoya Sales Department III Supervisor, Strategies Sales Promotion Department [Reappointment]
5	Kiyoshi Kato	Director; General Manager, General Affairs Department [Reappointment]
6	Morihiko Okura	Executive Officer; Deputy General Manager, Manufacturing Division General Manager, Manufacturing Department [New appointment]

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
1	<p>Tetsuo Nemoto (September 14, 1951)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 15 out of 15 meetings</p>	<p>November 1997 Director of the Company</p> <p>November 2001 Managing Director</p> <p>November 2003 Senior Managing Director</p> <p>November 2013 President (to present)</p>	425,570
<p>[Reason for nomination as candidate for Director]</p> <p>As President of the Company, Mr. Tetsuo Nemoto is responsible for the management of the Group as a whole. He has abundant knowledge and experience in the marketing, manufacturing and management divisions, and is also well-versed in operations in general. He has also demonstrated strong leadership based on his extensive experience and appropriately fulfilled his role to make important decisions and supervise execution of duties of Directors. Therefore, the Company has judged that he is qualified as Director of the Company and has once again nominated him as a candidate for Director.</p>			
2	<p>Yoshiro Takitani (December 2, 1963)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 14 out of 15 meetings</p>	<p>April 2000 Director of SHINWA INTEC Co., Ltd. (secondment)</p> <p>November 2011 Director of the Company</p> <p>November 2016 Managing Director</p> <p>November 2018 Senior Managing Director (to present)</p> <p>[Significant concurrent positions]</p> <p>Chairman of SHINWA U.S.A. CORPORATION</p> <p>President of SHINWA INTEC Co., Ltd.</p> <p>President of SHINWA (INDIA) ENGINEERING &amp; TRADING PRIVATE LIMITED</p> <p>Chairman of SHINWA REPRESENTAÇÃO COMERCIAL DO BRASIL LTDA.</p> <p>Representative Director of PT. SANTAKU SHINWA INDONESIA</p> <p>President of SHINWA INTEC MALAYSIA SDN. BHD.</p> <p>President of SHINWA ENGINEERING S.A. de C.V.</p> <p>Chairman of SHINWATEC LIMITED</p>	23,800
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Yoshiro Takitani has been responsible for the management of the overseas subsidiaries for many years before his return to Japan. He currently oversees the Overseas Business Division as Senior Managing Director and has been significantly contributing to the improvement of the overseas division's business performance of the Company. Therefore, the Company has judged that he is qualified as Director of the Company and has once again nominated him as a candidate for Director.</p>			
3	<p>Shuji Ishikawa (July 10, 1969)</p> <p>[Reappointment]</p> <p>[Attendance at the Board of Directors meetings] 15 out of 15 meetings</p>	<p>April 2008 General Manager, Nagoya Sales Department III of the Company</p> <p>April 2012 General Manager, Nagoya Sales Department II</p> <p>November 2015 Executive Officer</p> <p>November 2016 General Manager, Nagoya Sales Department II</p> <p>November 2016 Director</p> <p>November 2018 Managing Director (to present)</p> <p>[Significant concurrent positions]</p> <p>Executive Director of SHINWA (SHANGHAI) Co., Ltd.</p>	23,484
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Shuji Ishikawa has been responsible for sales to the Company's major clients for many years. He currently oversees the Marketing Division as Managing Director. He has been significantly contributing to the improvement of the domestic sales division's business performance as a whole, based on his experience in sales to date. Therefore, the Company has judged that he is qualified as Director of the Company and has once again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities		Number of shares of the Company held
4	Hiroki Hamada (June 1, 1968)  [Reappointment]  [Attendance at the Board of Directors meetings] 11 out of 11 meetings	April 2007 April 2010  December 2012 November 2015  November 2017  November 2019	General Manager, Nagoya Sales Department I of the Company Executive Vice President and COO of SHINWA U.S.A. CORPORATION (secondment) General Manager, Nagoya Sales Department III of the Company Executive Officer General Manager, Nagoya Sales Department III Managing Executive Officer General Manager, Nagoya Sales Department III Director (to present)	24,531
[Reason for nomination as candidate for Director] Mr. Hiroki Hamada has been responsible for sales to the Company's major clients for many years. He currently executes business as Director, General Manager of the Nagoya Sales Department III, and Supervisor of the Strategies Sales Promotion Department. He also has a wide range of experience in sales as a person responsible for the overseas subsidiaries, including overseas work assignments, and has been significantly contributing to the improvement of the Company's business performance. Therefore, the Company has judged that he is qualified as Director of the Company and has once again nominated him as a candidate for Director.				
5	Kiyoshi Kato (September 26, 1964)  [Reappointment]  [Attendance at the Board of Directors meetings] 11 out of 11 meetings	April 2007  December 2008  April 2010 November 2015  November 2016  November 2019	Assistant Manager, Nagoya Sales Department III of the Company Assistant Manager, Accounting Department and Manager, Purchasing Section General Manager, Purchasing Department Executive Officer General Manager, Purchasing Department Executive Officer General Manager, General Affairs Department Director (to present)	8,710
[Reason for nomination as candidate for Director] Mr. Kiyoshi Kato served in the sales division of the Company for many years before being transferred to the Management Division to serve as General Manager of the Purchasing Department. He currently executes business as Director and General Manager of the General Affairs Department. He has experience in both sales and management divisions, and is capable of making balanced judgments. Therefore, the Company has judged that he is qualified as Director of the Company and has once again nominated him as a candidate for Director.				
6	Morihiko Okura (August 4, 1962)  [New appointment]  [Attendance at the Board of Directors meetings] —	April 1985 March 1999 January, 2006  April 2015 January 2019  October 2020	Joined TOYOTA MOTOR CORPORATION Toyota Motor North America, Inc. (secondment) Head, Technical Management Office, Body Production Engineering Department General Manager, Process Improvement Department Executive Officer, Deputy General Manager, Manufacturing Division, and General Manager, Manufacturing Department of the Company (secondment) Joined the Company Executive Officer, Deputy General Manager, Manufacturing Division, and General Manager, Manufacturing Department (to present)	3,000
[Reason for nomination as candidate for Director] From TOYOTA MOTOR CORPORATION, Mr. Morihiko Okura was seconded to the Company in January 2019 and joined it in October 2020. With his extensive expertise, know-how, and human networks gained through years of experience at TOYOTA MOTOR CORPORATION, he has achieved great results not only at the manufacturing division but also at the sales division of the Company. Therefore, the Company has judged that he is qualified as Director of the Company and has nominated him as a new candidate for Director.				

(Notes)

1. There are no special interests between each candidate and the Company.
2. The number of shares of the Company held by each candidate is as of August 31, 2020.
3. Regarding attendances at the Board of Directors meetings for Mr. Hiroki Hamada and Mr. Kiyoshi Kato, their attendances after the assumption of office as Director on November 21, 2019 are stated.
4. The current responsibilities of each candidate at the Company are as stated on page 6.

**Proposal 4:** Election of Three Directors who are Audit and Supervisory Committee Members

At the conclusion of this Annual General Meeting of Shareholders, the term of office of Director who is Audit and Supervisory Committee Member, Mr. Masaaki Naito will expire, and Messrs. Hirosuke Goto and Kazunori Tajima will retire upon the expiration of their terms. Accordingly, the Company proposes the election of three Directors who are Audit and Supervisory Committee Members. Regarding this proposal, the consent was obtained in advance from the Audit and Supervisory Committee.

The candidates for Director who are Audit and Supervisory Committee Members are as follows:

No.	Name	Current positions and responsibilities at the Company
1	Tsuneari Moteki	Specially Appointed General Manager, General Affairs Department [New appointment]
2	Masaaki Naito	Outside Director (Audit and Supervisory Committee Member) [Reappointment] [Outside] [Independent]
3	Yoshiaki Shiga	[New appointment] [Outside] [Independent]



No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
1	<p>Tsuneari Moteki (April 7, 1955)</p> <p>[New appointment]</p> <p>[Attendance at the Board of Directors meetings] —</p>	<p>April 1979      Joined The Bank of Tokyo, Ltd.</p> <p>December 1998      Senior Vice President, The Bank of Tokyo-Mitsubishi (Luxembourg) S.A. (secondment)</p> <p>September 2002      Audit Supervisor, Audit Office, The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)</p> <p>November 2012      Join the Company Chief, Management Division</p> <p>July 2013      Deputy General Manager, SHINWA (SHANGHAI) Co., Ltd. (secondment)</p> <p>May 2015      Chief, Management Division of the Company</p> <p>April 2019      Specially Appointed General Manager, General Affairs Department (to present)</p>	1,545
<p>[Reason for nomination as a candidate for Director who is Audit and Supervisory Committee Member]</p> <p>Since joining The Bank of Tokyo, Ltd. (currently MUFG Bank, Ltd.), Mr. Tsuneari Moteki had gained more than 30 years of working experience at the investment banking division and audit division. He joined the Company in 2012. After serving as Deputy General Manager of a Chinese subsidiary for about two years from 2013 to 2015, he is currently responsible mainly for overall management of administration operations for overseas subsidiaries as Specially Appointed General Manager of the General Affairs Department.</p> <p>Therefore, the Company has judged that he is able to supervise business execution including outside Japan appropriately, and has nominated him as a new candidate for Director who is Audit and Supervisory Committee Member.</p>			
2	<p>Masaaki Naito (April 9, 1961)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Attendance at the Board of Directors meetings] 15 out of 15 meetings</p>	<p>April 1988      Registered as attorney</p> <p>April 1988      Joined Matsuo &amp; Kosugi</p> <p>April 1994      Joined Naito Law Firm</p> <p>November 2003      Auditor of the Company</p> <p>November 2015      Director</p> <p>November 2016      Director (Audit and Supervisory Committee Member) (to present)</p> <p>[Significant concurrent positions] Inspector, The TONO SHINKIN BANK</p>	—
<p>[Reason for nomination as a candidate for Outside Director who is Audit and Supervisory Committee Member]</p> <p>After serving as Outside Auditor and Outside Director of the Company, Mr. Masaaki Naito has served as Audit and Supervisory Committee Member since 2016.</p> <p>Although he has no experience in involving corporate management directly, he has professional knowledge and experience in law as an attorney. Therefore, the Company has judged that he is able to supervise business execution from an independent and objective standpoint and to provide advice and suggestions on corporate management, and has nominated him as a candidate for Outside Director who is Audit and Supervisory Committee Member.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
3	Yoshiaki Shiga (November 22, 1964)  [New appointment] [Outside] [Independent]  [Attendance at the Board of Directors meetings] —	<p>October 1989      Joined Audit Corporation, Ito Accounting Firm (merged with ChuoAoyama Audit Corporation later)</p> <p>March 1993      Registered as Certified Public Accountant</p> <p>July 2001      Founded Yoshiaki Shiga Certified Public Accountant &amp; Tax Accountant Office; Director (to present)</p> <p>June 2011      Corporate Auditor, TOENEC CORPORATION</p> <p>July 2019      Ichinomiya City's Bidding Monitoring Committee Member (to present)</p> <p>May 2020      Corporate Auditor, NittsuSystem Co., Ltd. (to present)</p> <p>[Significant concurrent positions] Ichinomiya City's Bidding Monitoring Committee Member Corporate Auditor, NittsuSystem Co., Ltd.</p>	—
<p>[Reason for nomination as a candidate for Outside Director who is Audit and Supervisory Committee Member] Although he has no experience of direct involvement with corporate management, he has professional knowledge in finance, accounting, and tax practices as a CPA and a certified tax accountant. Therefore, the Company has judged that he is able to supervise business execution from an independent and objective standpoint and to provide advice and suggestions on corporate management, and has nominated him as a new candidate for Outside Director who is Audit and Supervisory Committee Member.</p>			

(Notes)

1. There are no special interests between each candidate and the Company.
2. The number of shares of the Company held by each candidate is as of August 31, 2020.
3. Messrs. Masaaki Naito and Yoshiaki Shiga are candidates for Outside Directors.
4. Mr. Masaaki Naito will have been in office as Outside Director for five years at the conclusion of this General Meeting of Shareholders and as Outside Director who is Audit and Supervisory Committee Member for four years at the conclusion of this General Meeting of Shareholders.
5. Messrs. Tsuneari Moteki and Yoshiaki Shiga are new candidates for Directors who are Audit and Supervisory Committee Members.
6. Mr. Masaaki Naito fulfills the requirements for independent officers as defined by Tokyo Stock Exchange and Nagoya Stock Exchange and the standards for independence of Outside Directors of the Company. The Company will continue to register him as an independent officer. Mr. Yoshiaki Shiga will newly serve as an independent officer if he is elected as originally proposed. For the standards for independence of Outside Directors of the Company, please refer to page 16.
7. In accordance with the provisions of Article 427, Paragraph 1, of the Companies Act, the Company has entered into agreements with Directors who are Audit and Supervisory Committee Members to limit the liability under Article 423, Paragraph 1, of the said Act. The maximum amount of liability under the agreements shall be the amount specified by laws and regulations. If Mr. Masaaki Naito is reelected, the Company will continue the agreement with him to limit the liability. If the election of Messrs. Tsuneari Moteki and Yoshiaki Shiga is approved, the Company will enter into agreements with them to limit the liability.

**Proposal 5: Election of One Director who is Supplementary Audit and Supervisory Committee Member**

As the term of office of Mr. Noriaki Kataoka, Director who was appointed as Supplementary Audit and Supervisory Committee Member at the 68th Annual General Meeting of Shareholders held on November 15, 2018, will expire at the conclusion of this General Meeting of Shareholders. In preparation for the shortage in the number of Directors who are Audit and Supervisory Committee Members required by laws and regulations, the Company hereby proposes the election of one Director who is Supplementary Audit and Supervisory Committee Member, as a substitute for a Director who is Audit and Supervisory Committee Member.

Regarding the submission of this proposal to this General Meeting of Shareholders, the consent was obtained from the Audit and Supervisory Committee.

The candidate for Director who is Supplementary Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Past experience, positions and responsibilities	Number of shares of the Company held
Noriaki Kataoka (March 21, 1977)  [Outside] [Independent]  [Attendance at the Board of Directors meetings] —	October 2003    Registered as attorney October 2003    Joined Terazawa Sogo Law Firm October 2007    Joined KATAOKA LAW OFFICE (to present) [Significant concurrent positions] Director (Audit & Supervisory Committee Member), Seria Co., Ltd.	—
<p>[Reason for nomination as a candidate for Outside Director who is Supplementary Audit and Supervisory Committee Member]</p> <p>After serving as Supplementary Auditor of the Company, Mr. Noriaki Kataoka has served as Supplementary Audit and Supervisory Committee Member since November 2016. Although he has no experience of direct involvement with corporate management, he has professional knowledge and experience in law as an attorney and experiences at other companies as Outside Auditor and Outside Director who is Audit and Supervisory Committee Member. Therefore, the Company has nominated him as a candidate for Outside Director who is Supplementary Audit and Supervisory Committee Member.</p>		

**(Notes)**

1. There are no special interests between the candidate and the Company.
2. Mr. Noriaki Kataoka is a candidate for Supplementary Outside Director.
3. Mr. Noriaki Kataoka fulfills the requirements for independent officers as defined by Tokyo Stock Exchange and Nagoya Stock Exchange and the standards for independence of Outside Directors of the Company. For the standards for independence of Outside Directors of the Company, please refer to page 12.
4. When Mr. Noriaki Kataoka takes office as Director who is Audit and Supervisory Committee Member, the Company will enter into agreements with him to limit the liability under Article 423, Paragraph 1, of the Companies Act, in accordance with the provisions of Article 427, Paragraph 1, of the said Act. The maximum amount of liability under the agreements shall be the amount specified by laws and regulations.

[Reference]

Standards for Independence of Outside Directors

The Company has established the independence standards of Outside Directors as follows. In the event that any of the following items are applicable, they shall be deemed not to have sufficient independence to the Company:

1. Executors of operations of the Company and its subsidiaries, or those who were executors of operations even once in the past (Note 1)
2. Major shareholders who own 5% or more of the Company's voting rights or their executors of operations
3. Executor of operations of companies which fall under any of the following:
  - (1) Major suppliers of the Group (Note 2)
  - (2) Major customers of the Group (Note 3)
  - (3) Major borrowers of the Group
  - (4) Companies that the Company owns 5% or more of their voting rights
4. Professionals who belong to organizations that fall under any of the following:
  - (1) Professionals who belong to the audit corporation that is the accounting auditor of the Company, or professionals who belong to the consulting tax accountant office of the Company
  - (2) Other professionals such as consultants, accountants, attorneys and the like whom the Company paid ¥ 10,000,000 or more per year other than remuneration of directors
5. Those who receive donations of ¥10,000,000 or more per year from the Company, or executors of operations of entities
6. Those who are from companies where Directors of the Company took office as outside officers
7. Spouses or relatives within the second degree of kinship of the above 1. to 6.
8. Those who had fallen under the above 2. to 7. in the last five years

- (Notes)
1. Executors of operations refer to executive directors, executive officers, and employees of managerial level or higher.
  2. Major suppliers refer to a company and its group companies that have 2% or more of the Group's consolidated purchase price.
  3. Major customers refer to a company and its group companies that have 2% or more of the Group's consolidated sales.

End

**Proposal 6: Payment of Bonuses to Officers**

The Company proposes to pay a total of ¥35,000,000 as bonuses to the seven Directors (excluding Directors who are Audit and Supervisory Committee Members) in office as of the end of the fiscal year under review, in consideration of the Company's business performance and other factors during the fiscal year under review.

The Company requests that the amounts to be paid to the individual Directors (excluding Directors who are Audit and Supervisory Committee Members) be left to the discretion of the Board of Directors.