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(Securities Code Number: 7944)

10th March 2021

Jun-ichi Miki  
CEO and Representative Director  
Roland Corporation

## NOTICE OF THE 49th ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

We are pleased to announce that the 49th Ordinary General Meeting of Shareholders of Roland Corporation (the “Company”) will be held for the purposes as described below.

Shareholders may exercise voting rights by mailing the enclosed voting rights exercise form or via the Internet (please refer to pages 7 through 8 of the Japanese version of this document). Please review the Reference Documents for the General Meeting of Shareholders below, and exercise your voting rights no later than 5:15 p.m. on Monday, March 29, 2021, Japan time.

**1. Date and Time:** Tuesday, March 30, 2021 at 10:00 a.m. Japan time

**2. Place:** Entetsu Hall at Entetsu Department Store Annex Building 8F located at  
12-1 Asahi-cho, Naka-ku, Hamamatsu-shi, Shizuoka, Japan

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 49th fiscal year (January 1, 2020 - December 31, 2020) and results of audits of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board
  2. Non-consolidated Financial Statements for the Company’s 49th fiscal year (January 1, 2020 - December 31, 2020)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of Six (6) Directors  
**Proposal 3:** Revision to Stock Compensation Plan for Directors, Etc.

Should the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements require revisions, the revised versions will be posted on the Company’s website (<https://ir.roland.com/ja/ir/stock/meeting>).

The Consolidated Statements of Changes in Net Assets, Notes to Consolidated Financial Statements, Non-consolidated Statements of Changes in Net Assets and Notes to Non-consolidated Financial Statements to be attached to this Notice are posted on the Company’s website (<https://ir.roland.com/ja/ir/stock/meeting>) in accordance with provisions of laws and regulations as well as Article 16 of our articles of incorporation and therefore are not provided in this Notice and its appendix.

Although we will take sufficient measures to prevent the spread of COVID-19, attending shareholders are asked to take the preventive measures below as it is difficult to eliminate the risk of infection. Also, we would appreciate it if you could view the live stream and exercise your voting rights in writing or via the Internet.

### **<Requests to shareholders attending the meeting>**

- We will hold no social gathering or concert for shareholders, and provide no gifts and drinks at the meeting.
- We will limit the number of seats in the venue to less than 50 to ensure sufficient space between seats for preventing the spread of COVID-19. Accordingly, if all seats are occupied, we may restrict entry to the venue.
- Please bring and wear a mask.
- Alcohol disinfectant for shareholders will be provided around the reception area.
- We will measure the body temperature of shareholders entering the venue.
- Staff may ask shareholders who appear to be in poor health to not attend the meeting.
- Please bring this Notice and the enclosed voting rights exercise form and submit the voting rights exercise form at the reception.
- Please arrange for an interpreter if necessary. One interpreter may attend the meeting for one shareholder.

### **Live stream of the general meeting of shareholders**

The general meeting of shareholders will be live-streamed on the event website. You may view the live streaming without prior registration. Please access the website via the following URL or the QR Code to the right.

(For this English translation, the URL and the QR Code are omitted.)

Stream date: From 9:30 a.m. on Tuesday, March 30, 2021 (Japan time)

- \* You cannot exercise your voting rights or ask any questions on this website.
- \* If the live stream is cancelled for any reason, we will announce it on the Company's website.
- \* We will not distribute a recorded video after the live stream ends.

### **For institutional investors**

If an application has been made in advance, institutional investors may use the "ICJ platform," a platform for electronic exercise of voting rights by institutional investors, which is operated by Investor Communications Japan, Inc. (ICJ).

3. Effective date of distribution of surplus: March 31, 2021

**Proposal 2:** Election of Six (6) Directors

The terms of office of all six (6) Directors will expire at the conclusion of this year's Ordinary General Meeting of Shareholders. Accordingly, the election of six (6) Directors is proposed.

The candidates are as follows:

	Name	Current positions and responsibilities at the Company	Overall corporate management	Legal affairs and risk management	Finance and accounting	Technology and product development	Marketing and sales	Global
1	Jun-ichi Miki [Reappointment]	CEO and Representative Director	●			●		●
2	Gordon Raison [Reappointment]	CSO and CMO Director					●	●
3	Isao Minabe [Reappointment] [Outside] [Independent]	Outside Director	●				●	
4	Kazuaki Tsutsumi [Reappointment] [Outside]	Outside Director			●			●
5	Toshihiko Oinuma [Reappointment] [Outside] [Independent]	Outside Director		●				●
6	Sachiko Murase [New appointment] [Outside] [Independent]			●				

\* CSO and CMO stand for Chief Sales Officer and Chief Marketing Officer, respectively.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
1	<p>Jun-ichi Miki (March 1, 1955)</p> <p>[Reappointment]</p> <p>[Served as Director for] 10 years and nine months (as of the conclusion of this ordinary general meeting)</p> <p>[Attendance at the Board of Directors meetings] 13 out of 13 meetings (100%)</p>	<p>Mar. 1977 Jun. 1994 Jun. 1999</p> <p>Aug. 2001 Apr. 2002 Apr. 2006 Jun. 2007 Jun. 2010</p> <p>Apr. 2013 Apr. 2014</p>	<p>Joined Roland Corporation Director (In charge of development) Managing Director (Focusing on the development of contemporary keyboards such as electronic pianos, being in charge of several departments such as indirect/support functions of development and marketing planning) Managing Director (In charge of development) Director (In charge of technical support) Director (In charge of development Staff division) Corporate Executive Officer (In charge of classic projects) Director (In charge of development department of organ and classic keyboards) CEO and Representative Director (current) Representative Director, Tokowaka Co., Ltd.</p>	224,384
<p>[Reason for nomination as candidate for Director] He has been engaged in management of the Company for many years and has deep insights and experience in business management of the Company. Since his appointment as CEO and Representative Director in April 2013, he has displayed his leadership and promoted management reform. The Company expects him to execute his duties appropriately as Director of the Company and contribute to improving corporate value, and therefore proposes his election as Director.</p>				
2	<p>Gordon Raison (September 19, 1965)</p> <p>[Reappointment]</p> <p>[Served as Director for] 1 year (as of the conclusion of this ordinary general meeting)</p> <p>[Attendance at the Board of Directors meetings] 10 out of 10 meetings (100%)</p>	<p>Oct. 1995 Jul. 1998 Jun. 1999 Feb. 2001 Oct. 2005 Sep. 2013 Feb. 2014 Apr. 2015 Mar. 2017 Jan. 2018 Aug. 2019 Mar. 2020</p>	<p>Joined Digital Equipment Corporation Business Transformation Manager European Finance Director, Tektronix Corporation (currently Xerox Corporation) European Finance Director-General Market Operations, Xerox UK Ltd. CFO, UK and Ireland Managing Director and Executive Officer, Europe, Fender Musical Instruments Europe Ltd. Joined Roland (U.K.) Limited CEO, Roland Europe Group Limited Senior Executive Officer, Roland Corporation (current) CEO of Overseas Unit Chief Sales Officer (current) Chief Marketing Officer (current) Director (current)</p>	0
<p>[Reason for nomination as candidate for Director] He has a wide range of experience regarding global management and a significant network as he held important posts in several Europe-based companies. Since February 2014, he has served as head of the Company's subsidiary that manages business in Europe, promoting further global development of the Company. The Company expects him to execute his duties appropriately as Director of the Company and contribute to improving corporate value, and therefore proposes his election as Director.</p>				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
3	<p>Isao Minabe (May 19, 1952)</p> <p>[Reappointment] [Outside] [Independent]</p> <p>[Served as Director for] 6 years and 4 months (as of the conclusion of this ordinary general meeting)</p> <p>[Attendance at the Board of Directors meetings] 13 out of 13 meetings (100%)</p>	<p>Apr. 1984      Joined Daito Construction Co., Ltd. (currently Daito Trust Construction Co., Ltd.)</p> <p>Jun. 1989      Director and Chief General Manager of Tenant Search Dept.</p> <p>Apr. 1997      Managing Director, Chief General Manager of Administration Management Dept. and General Manager of Business Division</p> <p>Apr. 2000      Senior Managing Director, General Manager of Business Division</p> <p>Apr. 2004      President and Representative Director, Daito Building Management Co., Ltd.</p> <p>Apr. 2006      President and Representative Director, Gaspal Kyushu Corporation (currently Gaspal Corporation)</p> <p>Apr. 2007      Managing Director, Daito Trust Construction Co, Ltd, General Manager, East Japan Sales Division</p> <p>Oct. 2007      President and Representative Director, Daito Trust Construction Co., Ltd.</p> <p>Apr. 2009      Chairman and Director, Gaspal Corporation</p> <p>Oct. 2010      President and Representative Director, Daito Finance Co., Ltd.</p> <p>Apr. 2012      President, Executive Officer and Representative Director, Daito Trust Construction Co., Ltd.</p> <p>Aug. 2013      Established Office 3, principal(current)</p> <p>Nov. 2014      Outside Director, Roland Corporation (current)</p> <p>Sep. 2016      Representative Director, Institute of N-WOOD Kokusan Mokuzai/Kankyo Katsuyo Jutaku Ryutsu Organization (current)</p> <p>Jul. 2019      Outside Director, SHiDAX Corporation (current)</p>	0
<p>[Reason for nomination as candidate for Director]</p> <p>He has a very wide range of knowledge concerning corporate management through his experience in serving as President and Representative Director of a company listed on the First Section of Tokyo Stock Exchange. Since his appointment as Outside Director of the Company in November 2014, he has provided appropriate advice to contribute to improving the Company's corporate value by utilizing his insight. The Company considers that he will perform supervisory functions over business execution and therefore proposes his election.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
4	Kazuaki Tsutsumi (December 4, 1974)	Apr. 1998 Dec. 2000	Joined Nissho Iwai Corporation (currently Sojitz Corporation) Manager, Nissho Iwai America Corporation (currently Sojitz Corporation of America)	0
	[Reappointment] [Outside]  [Served as Director for] 2 years (as of the conclusion of this ordinary general meeting)  [Attendance at the Board of Directors meetings] 13 out of 13 meetings (100%)	Jul. 2009 Nov. 2012 Mar. 2019	Joined Taiyo Pacific Partners, L.P. Director (current) Outside Director, Roland Corporation (current)	
[Reason for nomination as candidate for Director] He has a wide range of insight in business management, etc., acquired through his abundant experience in global business and his engagement in an important post at an investment company. Since his appointment as Outside Director of the Company in March 2019, he has provided appropriate advice to contribute to improving the Company’s corporate value by utilizing his insight. The Company considers that he will perform supervisory functions over business execution and therefore proposes his election.				
5	Toshihiko Oinuma (May 13, 1966)	Apr. 1994 Sep. 2000 Feb. 2001 Jan. 2002 Jan. 2007 Sep. 2014	Registered as attorney-at-law and joined Kitahama Law Office Worked at Latham & Watkins LLP (New York office) Admitted to New York Bar Association Partner, Kitahama Partners L.P.C. Representative Partner, Kitahama Partners L.P.C. Established Oinuma International Law and Patent Office Representative Attorney (current)	0
	[Reappointment] [Outside] [Independent]  [Served as Director for] 1 year (as of the conclusion of this ordinary general meeting)  [Attendance at the Board of Directors meetings] 10 out of 10 meetings (100%)	Mar. 2016 Jun. 2016 Mar. 2020	Outside Audit & Supervisory Board Member, Roland Corporation Outside Audit & Supervisory Board Member, Nippon Paint Holdings Co., Ltd. Outside Audit & Supervisory Board Member, Nippon Paint Automotive Coatings Co., Ltd. (current) Outside Director, Roland Corporation (current)	
[Reason for nomination as candidate for Director] He has legal knowledge and a wide range of insight acquired through his abundant experience in global matters and as an attorney-at-law. Since his assumption of the current post in March 2020, he has provided appropriate advice to contribute to improving the Company’s corporate value by utilizing his insight. The Company considers that he will perform supervisory functions over business execution and therefore proposes his election. In addition, he assumed office as Outside Audit & Supervisory Board Member of the Company on March 31, 2016 and retired from that position on March 31, 2020.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
6	Sachiko Murase (August 3, 1972)	Apr. 1995	Joined NICHIIHA CORPORATION	0
		Sep. 2008	Registered as attorney-at-law	
	[New appointment]		Joined SEIWA MEITETSU LAW OFFICE	
	[Outside]	Nov. 2015	Outside Audit & Supervisory Board Member, BUNKYODO Group Holdings Co., Ltd. (current)	
	[Independent]	Sep. 2018	Joined Kudanzakaue Law Office	
	[Served as Director for]	Jun. 2019	Outside Audit & Supervisory Board Member, NICHIAS Corporation (current)	
	-	Jun. 2020	Outside Director, Maxell Holdings, Ltd. (current)	
	[Attendance at the Board of Directors meetings]			
	-			
	[Reason for nomination as candidate for Director] She has business experience as an attorney-at-law specializing in corporate legal affairs and a high degree of expertise regarding corporate governance as well as abundant experience as an outside director and audit & Supervisory board member at listed companies. The Company considers that she will perform supervisory functions over business execution as Outside Director of the Company and therefore proposes her election.			



#### Liability limitation contracts

The Company has entered into a contract with Mr. Isao Minabe, Mr. Kazuaki Tsutsumi and Mr. Toshihiko Oinuma to limit their liabilities for damages under Article 423, Paragraph 1 of the Companies Act to the amount of minimum liability stipulated in laws and regulations as long as they perform their duties in good faith and without gross negligence. If they are reappointed, the same agreement will be continued. Also, if Ms. Sachiko Murase is elected as Director, the Company will enter into a contract with her to limit her liability for damages under Article 423, Paragraph 1 of the Companies Act to the amount of minimum liability stipulated in laws and regulations as long as she performs her duties in good faith and without gross negligence.

#### Directors and officers liability insurance contracts

The Company has entered into a directors and officers liability insurance contract with all Directors as the insured to ensure that officers can fully perform their expected roles in the course of their duties and to allow the Company to obtain superior talent. If this proposal is approved as originally proposed and each candidate is appointed as Director, they will be the insured under the said insurance contract. Under the said insurance contracts, damage caused as a result of the insured Directors and officers assuming responsibilities regarding the execution of their duties or receiving claims pertaining to the pursuit of such responsibilities shall be covered. Provided, however, that there are certain exemptions; for example, damage caused as a result of any conduct committed while knowing that the conduct is in violation of laws and regulations shall not be covered. Also, the said insurance contracts will be renewed on December 16, 2021.

#### Special interests between the candidates for Directors and the Company

- Mr. Isao Minabe is Principal of Office 3, Representative Director of Institute of N-WOOD Kokusan Mokuzai/Kankyo Katsuyo Jutaku Ryutsu Organization and Outside Director of SHiDAX Corporation. There are no special interests between these organizations and the Company.
- Mr. Kazuaki Tsutsumi is Director of Taiyo Pacific Partners, L.P. which indirectly fully controls Taiyo Jupiter Holdings GP Ltd. Taiyo Jupiter Holdings GP Ltd. is a managing partner of Taiyo Jupiter Holdings, L.P., which is a controlling shareholder other than the parent company of the Company. There are no restrictions including items to be approved from Taiyo Pacific Partners, L.P. for promoting business activities of the Company.
- Mr. Toshihiko Oinuma is Representative Attorney of Oinuma International Law and Patent Office and Outside Audit & Supervisory Board Member of Nippon Paint Automotive Coatings Co., Ltd. There are no special interests between these organizations and the Company.
- Ms. Sachiko Murase is attorney at Kudanzakaue Law Office, Outside Audit & Supervisory Board Member of BUNKYODO Group Holdings Co., Ltd. and NICHIAS Corporation and Outside Director of Maxell Holdings, Ltd. There are no special interests between these organizations and the Company.

## The Company's Criteria of Independence

1. The person does not fall under any of the categories mentioned below currently or for the period of recent one year.
  - (1) Our company's main business partner, or its executing person<sup>\*1</sup>
  - (2) The person transacting businesses mainly with our company, or its executing person<sup>\*2</sup>
  - (3) Consultant, accounting expert or legal expert who receives a large amount of pecuniary or other property, besides remuneration for director, from our company (or, if the party receiving such property is an organization such as corporation or partnership, the person who is a member of such an organization)<sup>\*3</sup>
  - (4) Our company's major shareholder or, if such a major shareholder is a corporation, the executing person of the corporation<sup>\*4</sup>
  - (5) The party to which our company makes a large amount of donation (or its executing person, if the party receiving such donations is an organization such as corporation or partnership)<sup>\*5</sup>
  - (6) Executing person of a party with which there is a relationship of mutual appointment of outside directors.
2. The person does not fall under the category of an executing person of our company or its subsidiary at present, or the category of a person who was an executing person of our company or its subsidiary during the past ten years (or, however, during the ten years before assuming the position of non-executing Directors or Audit & Supervisory Board Members, if the person had assumed such a position at any time during the past ten years).
3. Neither the person's spouse, nor person's relatives of the second degree of consanguinity fall under any of the followings during the past one year. This, however, applies only when such spouse or relative is "important" for business partners<sup>\*6</sup>
  - (1) Parties referred to in (1) through (4) of above 1.
  - (2) Executing person of our company or its subsidiary.
4. In addition to the above, there is no particular circumstance that may cause conflicts of interest with general shareholders, in such a manner that the person has continuous transaction relationship with our company.
5. Notwithstanding of the requirements of formality stipulated in the preceding subparagraphs, substantially, if it is considered that there is no fear for occurrence of conflict of interest with general shareholders, we can recognize the person's independence through specifying the reasons for it.

\*1 "Our company's main business partner" shall mean our business partner which falls under any of the followings:

(i) A purchaser or supplier, etc. of our company's products the transaction value with which surpasses 2% of our consolidated sales in the most recent fiscal year.

(ii) A financial institution from which our company borrows funds, the balance of borrowings from which surpasses 2% of our consolidated total assets as of the end of the most recent fiscal year.

\*2 "Person transacting businesses mainly with our company" shall mean a supplier, etc. of our company's products our payment to which surpasses JPY 10 mn and surpasses 2% of such business partner's sales in the most recent fiscal year.

\*3 "Large amount" shall mean one of the followings depending on the provision of services by such consultant, etc. to our company.

(i) In case where the consultant, etc. is an individual, it will be called a large amount if the consideration it received from our company surpassed JPY 10 mn annually in the most recent fiscal year.

(ii) In case where the consultant, etc. belongs to an organization such as corporation and partnership, and such organization provides service to our company, it will be called a large amount if the consideration such an organization received from our company in the most recent fiscal year surpassed JPY 10 mn annually and 2% of such organization's annual consolidated sales.

\*4 "Major shareholder" shall mean a shareholder holding 10% or more of the voting rights (including both direct and indirect holdings).

\*5 "Large amount of donation" shall mean a donation of JPY 10 mn or more annually in the most recent fiscal year.

\*6 "Important" shall mean director, executive officer and executing person ranking General Manager or above or, as to the accounting audit corporation or legal professional corporation, certified public accountant or attorney belonging to such a corporation.

**Proposal 3:** Revision to Stock Compensation Plan for Directors, Etc.

1. Reason for the proposal and reason for considering such compensation, etc. as appropriate

This proposal requests for approval regarding revisions to the stock compensation plan (the “Plan” and a trust established based on a trust agreement to be entered into with Resona Bank, Limited with respect to the Plan is referred to as the “Trust.”) for Directors of the Company and Corporate Executive Officers who entered into an entrustment agreement with the Company (the “Entrusted Corporate Executive Officers”), the adoption and continuation of which was approved at the general meetings of shareholders dated December 21, 2016 and January 9, 2020. Shareholders are asked to leave the details of the Plan entirely to the resolution of the Board of Directors within the framework described in item 2. below.

The purpose of the revision to the Plan is for Directors (including Outside Directors) and Entrusted Corporate Executive Officers (collectively with Directors, the “Directors, etc.”) to raise their awareness of contribution to improving the medium- to long-term performance of the Company and enhancing corporate value more than ever by clarifying linkage between compensation and other benefits for Directors, etc., and the Company’s performance and shareholder value. Therefore, we consider the revision reasonable.

If Proposal 2 “Election of Six (6) Directors” is approved and resolved as originally proposed, five (5) Directors (including three Outside Directors) become eligible for the Plan. In addition, seven (7) Entrusted Corporate Executive Officers not concurrently serving as Directors become eligible for the Plan.

As described above, the Entrusted Corporate Executive Officers are also eligible for the Plan and compensation and other benefits based on the Plan include compensation and other benefits for Entrusted Corporate Executive Officers. This proposal proposes amounts and details for Entrusted Corporate Executive Officers as compensation and other benefits for Directors, etc., regarding the overall compensation and other benefits based on the Plan, taking into account the possibility that those Entrusted Corporate Executive Officers may take office as new Directors during the covered period of the Plan.

## 2. Amounts and details, etc. of the compensation and other benefits under the revised Plan

### (1) Overview of the Plan

The Plan is a stock compensation plan in which the shares of the Company are acquired through trust, funded by the amount of compensation for Directors, etc., contributed by the Company, and the shares of the Company and the money equivalent to the market value of the shares of the Company (the “Company Shares, etc.”) are delivered and provided (the “Deliveries” or “Delivered”) to the Directors, etc. The Directors, etc., other than Outside Directors of the Company will receive performance-based stock compensation linked to the achievement, etc., of the performance targets set forth in the midterm business plan, etc., of the Company and Outside Directors of the Company will receive fixed stock compensation according to their titles and positions (details are as described in (2) and subsequent paragraphs below).

(i) Persons eligible for the Deliveries of the Company Shares, etc., under the Plan	Performance-based stock compensation	<ul style="list-style-type: none"> <li>Directors other than the Outside Directors</li> <li>Entrusted Corporate Executive Officers</li> </ul>
	Fixed stock compensation	<ul style="list-style-type: none"> <li>Outside Directors</li> </ul>

(ii) Effect of the Company's shares subject to the Plan upon the total number of issued shares	
Maximum limit of money to be contributed by the Company (as described in (2) below)	<ul style="list-style-type: none"> <li>JPY 300 million (including JPY 30 million for Outside Directors) covering three fiscal years. However, JPY 200 million (including JPY 20 million for Outside Directors) for the initial covered period (two fiscal years)</li> </ul>
Method of acquisition of the Company's shares (as described in (2) below) and the maximum limit of the number of the Company's shares to be Delivered to the Directors, etc. (as described in (4) below)	<ul style="list-style-type: none"> <li>The Company's shares will be acquired on the stock market or through acceptance of disposal of the Company's treasury stock. During the initial covered period, the Company's shares will be acquired on the stock market.</li> <li>The maximum amount of points to be granted to Directors, etc., will be 40,000 points per fiscal year (of which, 4,000 points for Outside Directors). 40,000 points: corresponding to 40,000 shares</li> <li>The ratio of the number of shares corresponding to the maximum amount of points per fiscal year to be granted to Directors, etc., to the total number of issued shares is approximately 0.1% (as of December 31, 2020, excluding treasury stock).</li> </ul>

(iii) Details of performance achievement conditions (as described in (4) below)	<ul style="list-style-type: none"> <li>Performance-based stock compensation varies between 0% and 100% depending on the degree of the achievement of performance targets (Consolidated ROIC, etc.) formulated under the midterm business plan. We aim Consolidated ROIC of 15% for the current midterm business plan 2020-2022 and achieved Consolidated ROIC of 22% for the first year ending December 31, 2020.</li> </ul>
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(iv) Timing of the Deliveries of the Company Shares, etc. (as described in (5) below)	<ul style="list-style-type: none"> <li>Upon retirement of the Directors, etc., in principle</li> </ul>
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### (2) Maximum limit of money to be contributed by the Company

The period covered by the Plan shall be the three fiscal years that correspond to the period covered by the midterm business plan formulated by the Company (the “Covered Period”). However, as the remaining period of the current midterm business plan lasts from the fiscal year ending on December 31, 2021 until the fiscal year ending on December 31, 2022, the initial Covered Period after the revision of the Plan shall be the said two fiscal years (the “Initial Covered Period”).

The Company will make an additional contribution of money as compensation and other benefits for Directors, etc., of the Company, up to a total of JPY300 million\* (including JPY 30 million for Outside Directors) for each Covered Period and continue the trust whose beneficiaries are the Directors, etc., that meet the beneficiary requirements (every Covered Period; the same applies hereinafter). However, for the Initial Covered Period, the Company will make an additional contribution of money up to a total of JPY 200 million\* (including JPY 20 million for Outside Directors).

\* The Company calculated the maximum amount of trust money by adding trust fees and trust expenses to stock acquisition funds, taking into account the current level of compensation for Directors, etc.

The Trust acquires the Company's shares on the stock market, funded by entrusted money or through acceptance of disposal of the Company's treasury stock. The acquisition of Company's shares through additional contribution during the Initial Covered Period is carried out on the stock market. The Company grants points to Directors, etc., during the trust period (as described in (4) below) and the Trust carries out the Deliveries of the Company Shares, etc.

### (3) Trust period

The trust period is from December 27, 2016 through the end of December 2046. (The trust period of the Trust will be extended as long as the Plan continues.)

The Plan shall terminate upon delisting of the Company's shares, abolition of the Rules of Stock Benefits, etc.

(4) Method of calculation and maximum number of the Company's shares to be Delivered to the Directors, etc. The number of the Company's shares (including shares subject to monetary provision) to be Delivered to the Directors, etc., is decided by the number of points granted. One share of the Company is delivered for one point and fractions of less than one point will be rounded off. However, in the case where the Company's shares in the Trust increase or decrease due to share split, allotment of shares without contribution, share consolidation, or other similar events, the Company will adjust, in accordance with the percentage of such increase or decrease, the number of the Company's shares to be Delivered for each point and the maximum number of shares to be delivered as described below.

The number of points to be granted to Directors, etc., during the Covered Period is calculated as follows. The number of points granted upon assumption of office as Directors, etc. or changes in titles and positions during the Covered Period will be adjusted based on their terms of office and other factors.

#### (i) Directors, etc., excluding Outside Directors of the Company

Points are granted according to their titles and positions and the degree of the achievement of performance targets\* in each fiscal year during the Covered Period, and after the end of the Covered Period, points based on the degree of the achievement of performance targets\* in the last fiscal year of the Covered Period are added to/deducted from the accumulated number of points granted for each fiscal year.

\* Performance indicators shall be performance targets (Consolidated ROIC, etc.) set forth in the midterm business plan, etc., of the Company and vary between 0% and 100% depending on the degree of the achievement of the target.

#### (ii) Outside Directors of the Company

Calculation is based on the accumulated number of points granted according to their titles and positions in each fiscal year during the Covered Period.

The maximum total number of points to be granted to Directors, etc., of the Company shall be 40,000 per fiscal year (of which, 4,000 points for Outside Directors). This maximum number of points has been set by reference to previous share prices and other factors, taking into account the maximum amount of trust money in (2) above.

The maximum number of shares acquired through additional contribution during the Initial Covered Period is 80,000 (of which, 8,000 shares for Outside Directors), which is equivalent to the maximum number of points for the relevant fiscal year multiplied by two which is the number of years of the Covered Period. In addition, the maximum number of shares acquired in the case where the Trust is continued is 120,000 (of which, 12,000 shares for Outside Directors), which is equivalent to the maximum number of points for the relevant fiscal year multiplied by three which is the number of years of the Covered Period. In the case where the above-mentioned points are adjusted, the maximum number of the Company's shares to be Delivered to Directors, etc., is also adjusted according to the adjustment of points.

### (5) Timing and method for the Deliveries of the Company Shares, etc., to Directors, etc.

The Company Shares, etc., shall be Delivered to the Directors, etc., upon their retirement, in principle. The Directors, etc., meeting the beneficiary requirements\* set forth in the Rules of Stock Benefits will receive, in principle, the delivery of the shares of the Company, which are equivalent to 70% of the number corresponding to the number of granted points, after performing the beneficiary determination procedures. For the number of shares of the Company corresponding to the remaining number of points, an amount of money equivalent to the market value of those Company's shares will be provided, instead of the delivery of the Company's shares, from the perspective of securing cash for tax payment. The Company's shares may be sold within the Trust for providing money.

\* Beneficiary requirements

- (i) The person is a Director, etc., during the Covered Period (including those who assumed office as a new Director, etc. during the Covered Period)
  - (ii) The person is already retired as a Director, etc. (\*)
  - (iii) The person had not engaged in certain illegal or wrongful conduct during the term of office
  - (iv) Other requirements deemed necessary for achieving purposes under the stock compensation plan
- (\*) In the case where a Director, etc., dies during the trust period, the inheritor of the Director, etc., shall, promptly after death, receive an amount of money equivalent to the market value of all the

Company's shares corresponding to the number of points granted until that time, instead of receiving such shares.

(6) Exercising voting rights related to the Company's shares under the trust

To ensure the independence of trust from management, voting rights related to the Company's shares under the Trust shall not be exercised uniformly.

(7) Treatment of dividends of the Company's shares under the trust

Dividends related to the Company's shares under the Trust will be received by the trust, and allocated to acquisition of the Company's shares and trust expenses such as trust fees.

(8) Treatment upon the termination of the trust

The Trust will terminate upon delisting of the Company's shares, abolition of the Rules of Stock Benefits or in certain other cases. Of the residual assets of the Trust at the time of termination of the Trust, all the Company's shares will be acquired by the Company without consideration and cancelled by a resolution of the Board of Directors.

Of the residual assets of the Trust at the time of termination of the Trust, monetary portions will be donated to public interest corporations, etc. with no interest in the Directors, etc.

(9) Other details of the Plan

Other details of the Plan shall be determined by the Board of Directors as necessary at the time of the establishment of the Trust, changes to the trust agreement, and additional contributions to the Trust.

For further details of the Plan, please refer to the press release as of February 18, 2021 titled "Notice Regarding Revision to Stock Compensation Plan for Directors, etc."

3. Others

Regarding the acquisition of the Company's shares by the trust during the final fiscal year of the Covered Period after the continuation of the Plan prior to this revision (the period from January 1, 2020 to December 31, 2020), the general meeting of shareholders of the Company dated December 21, 2016 resolved that the acquisition shall be carried out through disposal of the treasury stock by the Company. However, after this revision, the Company's shares shall be acquired on the stock market. Such acquisition will be carried out within the maximum amount of contributions to the trust approved by the resolution at the said general meeting of shareholders (JPY 65 million), and its calculation is based on the value, etc., of the Company's shares at the time of the said general meeting of shareholders, for the purpose of acquiring shares corresponding to the points granted to the Directors, etc., of the Company during the Covered Period. Therefore, the Company considers this reasonable.

## Message from CEO

We would like to take this opportunity to announce that Roland Corporation was listed on the First Section of the Tokyo Stock Exchange on December 16, 2020. We would like to express our sincere gratitude to all of our stakeholders for their immense support.

Since our founding in 1972, Roland as a manufacturer specializing in electronic musical instruments has continued to develop first-in-Japan and first-in-the-world products; products spanning many genres of musical instruments including electronic pianos, electronic drums, synthesizers, and guitar-related equipment that offer exceptional levels of quality that meet the demands of all creators of music from professionals to beginners. In doing so, we have established a brand that is known to music lovers around the world.

And now, under the vision for our medium-term corporate plan, "Bring the Thrill and Excitement (of Creative Experiences) to Everyone in the World," we are moving beyond being simply a provider of hardware, or musical instruments, to becoming a company that also provides content, apps, and cloud services as we evolve into a solution provider that offers users the opportunity to experience and find value in "enjoying music" more easily through these services.

In this age of "life with corona (COVID-19)," we are hearing from many people that they would like to use their stay-at-home time to learn a musical instrument, or start playing music again, or stream their videos. We expect people will have more leisure time as we move into the future, and this will create more demand for ways for people to use this leisure time to channel their creative activities. Through solutions that only a maker specializing in electronic musical instruments can provide, Roland connects people around the world to offer exciting creative experiences in the domains of music and video, and in doing so make a positive contributions to realize sustainable societies, foster culture, and enhance the well-being of all people.

We are committed to fulfill the expectations our shareholders and investors have for Roland going forward, and would like to ask them for their long-term support.

Jun-ichi Miki  
CEO and Representative Director

## **Interview with CEO and Representative Director**

### **What was the background to Roland's delisting from the stock market in 2014 as a result of a management buyout (MBO)?**

When I became CEO in 2013, Roland had yet to break out of its sluggish performance following the global financial crisis in the wake of the collapse of Lehman Brothers and was being left behind by the recovery in the musical instruments market. We understood that the reasons lay in our delay in implementing necessary structural reforms and our inward-looking stance, which had led us to become distanced from our customers and our products to become less competitive. Amid such circumstances, my conversation with the CEO of a venture firm at a musical instrument show in North America in early 2014 was one factor that led to the MBO. I was reminded of how Roland was 30 or 40 years ago when I saw that this CEO was young and quick to put plans into action and how they had grown with different distribution methods and approaches to our company. I felt a strong sense of crisis – we had to make structural reforms and growth investments at the same time and in a speedy manner to compete with such people. There was significant risk to our earnings, and solidarity between management and the ownership of the company was crucial to make such changes while being aware of the risks. There were also issues with our capital relationships at the time because Roland DG Corporation was listed, meaning both the parent company (us) and our subsidiary were listed. Resolving these issues thus also became an objective of the MBO.

### **Why did you choose Taiyo Pacific Partners, L.P. ("Taiyo") as your partner in the MBO?**

We had an existing relationship of mutual trust with Taiyo. They had been holding our shares for a long time, seven years, before the MBO, and had supported us with various kinds of advice on how to improve corporate value, even when our business performance was lackluster. Taiyo also had a vision of forming partnerships with Japanese companies that had potential but were not well-valued in the market, transforming these companies into companies with truly high corporate value, and thus revitalizing the Japanese market. Like us, it was also Taiyo's first MBO, and I felt strongly that they wanted to make sure it was a success. Our goal was to ensure that our customers, business partners, employees, and all other stakeholders could feel that the MBO was a good idea, and we judged Taiyo was the optimal partner to share that success with.

### **Did you succeed in the improvements to management and structural reforms that you wanted to implement in the MBO?**

We generally completed the main structural reforms within two years. This included initiatives such as reforming corporate governance systems at subsidiaries overseas, integrating and consolidating manufacturing factories, and streamlining unprofitable businesses. We also soon began implementing vital growth investments for our mid- to long-term growth, including acquiring a headphone business and launching a cloud business. Additionally, we made significant progress in our product development systems and processes, including the proprietary development of core sound source chips and the creation of a shared platform. On the quantitative side, I believe we achieved results from making solid progress in vital areas. We quickly put sales on a growth track, with net sales averaging over 6% growth per year from 2014 onward. Additionally, our operating profit margin exceeded 10% thanks to major improvements to cost efficiency, including an improvement in the fixed cost ratio of at least 10 percentage points. In these ways, we succeeded in creating the foundations for further growth. This is thanks to the efforts of all our employees.

### **Why did you decide to relist at this time?**

Right from the start, we were aware of relisting as an exit strategy from the MBO. We had been considering implementing this in or after 2017 as soon as preparations were complete, and we decided that now was a good time to move to the next stage when aiming for the next stage of growth, having finished building the foundations for growth. While we were unlisted, we made sure to strengthen our corporate governance and execution capabilities through our solidarity with Taiyo, but now we can see a direction for creating the next stage of corporate value by engaging with a greater range of shareholders and being valued in the stock market. As such, I believe we will be able to raise the level of our management. Plus, as a listed company,



there will also be advantages in terms of expanding our network and utilizing our credibility to secure top-quality personnel and develop our businesses through M&A, etc.

**Taiyo will continue to hold half of Roland's shares. How do you expect Roland and Taiyo's relationship to develop in the future?**

We have a relationship of trust with Taiyo, developed from having worked together to implement reforms to enhance corporate value. Looking ahead, we will maintain a cooperative relationship aimed at enhancing the corporate value of the Company in a lasting manner, based on the same perspective as that of our other shareholders. I believe the fact that Taiyo will continue to hold this amount of our shares even after listing shows the fact that they have faith in our future development.

**What specific "governance"-related points do you prioritize?**

We were particularly aware of the importance of corporate governance as we looked to list our shares. I believe we can classify governance risks with the potential to harm corporate value at Japanese companies into the following three types.

1. "Self-protection and neglect on the part of senior management, including the CEO," which result in companies not taking on risk to begin crucial initiatives;
2. "Runaway CEO" that lead companies to not manage risk or learn from their mistakes, and leap into hopeless initiatives with only their preconceptions;
3. "Corporate culture and characteristics" that give rise to fraud and cover-ups and the inability to fix such issues.

The responsibility for all these issues lies with senior management. Accordingly, I believe we must create systems to ensure that if there is any issue with the CEO, the Board of Directors can immediately dismiss him or her and nominate someone else in his or her place. To achieve this, the monitoring function of the Board of Directors over execution is vital, so we have created a compact Board of Directors comprising six members, four of whom are Outside Directors. In this way, there will be effective controls. Furthermore, we have also established a Nomination and Remuneration Committee chaired by an independent Outside Director and mainly comprising independent Outside Directors. In addition to nomination and remuneration, this committee also fulfills a backup function of monitoring the development and selection of the next generation of senior management personnel.

**It is said that we are now in the age of living with COVID-19. How do you see the musical instruments market developing in the future?**

The musical instruments market has exhibited stable long-term growth. In particular, electronic instruments, which offer a new type of value, have grown at a faster pace than the market as a whole. Furthermore, the Japanese market has tended to shrink, but overseas markets have driven growth in the market as a whole. As a result, Roland has shown strong growth potential by focusing on electronic instruments and building a structure for capturing growth in foreign markets.

I do not see these trends changing, even in the age of living with COVID-19, and I think people's leisure time will increase. The emergence of COVID-19 has resulted in major restrictions on the global economy, but as people have had to stay at home for a protracted period, we have seen the sudden materialization of underlying demand, and I believe this has resulted in significant market growth. Plus, it has reconfirmed the superiority of electronic instruments when it comes to online sales and the affinity for digital marketing that Roland has endeavored to achieve.

**What are the vision and business policies of the Medium-term Management Plan?**

The vision of our current Medium-term Management Plan is "bringing the WAKUWAKU thrill and excitement to all the people in the world." We have established four keywords as key measures to achieve this vision: "produce," "reach," "deliver," and "support."

First, when we thought about the source of Roland's potential, we came up with our ability to "produce" new products and services that can create customers and markets. The production of "game-changing products that

create new markets” is a part of Roland’s DNA, handed down from generation to generation since our founding. Our greatest challenge is to expand our offerings beyond simple hardware to the point where they create value with “solutions” that fulfill our customers’ true needs.

“Reach” comes from our awareness of the fact that no matter how good our products are, customers will not buy them if we can not communicate their value to them. The Company has grown by introducing revolutionary new products and creating markets, so we are by no means strong in the area of “reach.” As such, within the Company, I have been consistently emphasizing the importance of leaving behind old methods and media for digital marketing since I became CEO. I believe that our sales employees have really felt the effects of our marketing as we have faced the COVID-19 pandemic. We aim to become a “marketing-driven company,” or in other words, a strong company where all our current products have the potential to attract new customers.

With “deliver,” we aim to achieve supply chain management that is among the best in the world. Even besides the COVID-19 pandemic, disasters and other unforeseen events pose a constant risk to the supply of materials. We aim to prevent both product shortages and excess inventories and ensure that our products are delivered to the customers who want them, without fail, whatever the conditions. Supply chain management is key to this objective, and we aim to ensure ours is among the best in the world.

In the fourth measure, “support,” we will bolster the engagement of our employees as members of the One Roland team. In addition to corporate governance, which we strengthened through the MBO, we will also integrate internal data and accelerate our efforts to visualize such data. Through these measures, we will ensure people are looking at the same data, thereby eliminating rework and differences in understanding, thus further enhancing productivity and execution capabilities.

**Specifically, what type of initiatives are you referring to when you talk of “creating value with solutions”?**

At present, we are developing our subscription services with the Roland Cloud software synthesizers. We are thinking of further developing these services. First, we aim to provide a greater range of opportunities for people who want to learn a new instrument or pick up their instruments again, such as support videos to cover the period from when they buy an instrument until they can play a song, and expanded lesson content to keep people playing. Furthermore, we intend to transition from being a hardware provider to a solution provider by making people’s smartphones a gateway for providing a range of services on Roland Cloud, covering everything from performance, creation, music sharing, marketplaces, and communities where people can make friends.

**Do you have any thoughts concerning dialogue with shareholders?**

I hope we can become a company that inspires “Cooperative Enthusiasm” from our shareholders too, by building long-term relationships of trust with them. I think there are many different ways to enhance corporate value, so if there is anything that shareholders hope for from us at Roland, I would certainly like to hear it. I would like our shareholders to learn not just about our financials and quantitative data, but also about our vision, actions, people, and teams, and we will look for new ways to hold dialogue with shareholders that are befitting of Roland, to facilitate understanding of what is expected of us through two-way communication. First, I hope that shareholders will register for our email newsletter, which has been well received so far, and become fans of our company as they enhance their understanding of our activities.