

Securities code: 6454

May 28, 2021

To our shareholders:

Mitsuteru Kurosawa

President

MAX Co., Ltd.

6-6 Nihonbashi Hakozaeki-cho, Chuo-ku, Tokyo, JAPAN

Notice of the 90th Ordinary General Meeting of Shareholders

We are pleased to announce the 90th Ordinary General Meeting of Shareholders of MAX Co., Ltd. (the “Company”), which will be held as described below.

Recently, the Government of Japan, etc. have been strongly requesting that people voluntarily stay at home to prevent the spread of the novel coronavirus disease (COVID-19) under the state of emergency or other announcement by the Government.

Based on such requests, the Company will hold this Ordinary General Meeting of Shareholders upon implementing appropriate measures to prevent the spread of COVID-19. The Company strongly requests that shareholders exercise their voting rights prior to this meeting via the internet or in writing to the best of their ability and refrain from attending on the day of the General Meeting of Shareholders regardless of physical condition from the perspective of preventing the spread of COVID-19.

We kindly ask you to exercise your voting rights according to any of the following methods. We ask that you please exercise your voting rights after reviewing the attached Reference Documents for the General Meeting of Shareholders.

Guide to Voting

For those not attending the General Meeting of Shareholders

Please indicate your approval or disapproval of the proposals on the enclosed voting form and return it by postal mail to reach us no later than Monday, June 28, 2021 at 5:30 p.m. (Japan Standard Time).

For those attending the General Meeting of Shareholders

Please submit the enclosed voting form at the venue reception on the day of the General Meeting of Shareholders.

Date and Time: Tuesday, June 29, 2021 at 10:00 a.m. (Japan Standard Time)

Meeting Details

Date and time: Tuesday, June 29, 2021 at 10:00 a.m. (Japan Standard Time)
(Registration begins at 9:00 a.m.)

Venue: 8th Floor Conference Room, MAX Co., Ltd. Head office
6-6 Nihonbashi Hakozaki-cho, Chuo-ku, Tokyo

To reduce the risk of infection in the venue, we will arrange the seats with more space between them this year, and therefore, the number of seats will be significantly fewer than in usual years. As a result, it is possible that not everyone who comes to the meeting will be able to enter the venue. We appreciate your understanding.

Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 90th Term (from April 1, 2020 to March 31, 2021), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. Non-Consolidated Financial Statements for the 90th Term (from April 1, 2020 to March 31, 2021)

Items to be resolved:

Proposal No. 1: Appropriation of Surplus

Proposal No. 2: Election of Four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)

Proposal No. 3: Payment of Bonuses to Directors (excluding Directors who are Audit and Supervisory Committee Members)

Proposal No. 4: Continuation of Response Policy concerning Large-scale Purchases of the Company's Shares (Takeover Defense Measures)

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Matters related to year-end dividends

Recognizing that returning profits to our shareholders is one of our most important management policies, the Company has established a basic policy to attempt business growth and distribute achievements underpinned by business results achieved through our pursuit of profits in a stable manner.

Based on this, the Company has established a consolidated dividend policy of “Aim to achieve a dividend on equity (DOE) ratio of 3.0% with a payout ratio of at least 40%.”

For the fiscal year under review, the Group’s net sales decreased 8.1% year on year, operating income decreased 11.9% year on year, ordinary income decreased 7.8% year on year, and net income attributable to owners of the parent decreased 6.5% year on year.

The Company would like to set the year-end dividend for the fiscal year under review at ¥48 per share, given the dividend policy, the Company’s financial conditions and other factors.

(1) Type of dividend property

Cash

(2) Allocation of dividend property and total amount thereof

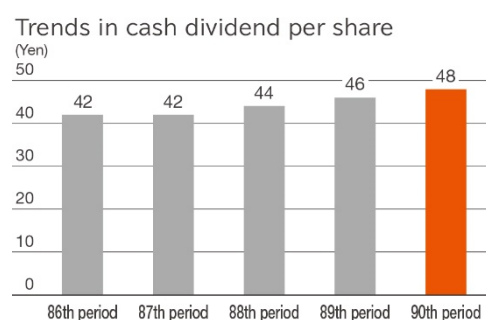
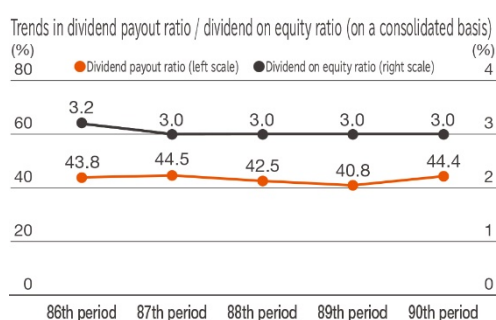
¥48 per common share of the Company

Total amount of dividends: ¥2,289,740,928

(3) Effective date of distribution of dividends of surplus

June 30, 2021

Reference



Proposal No. 2: Election of Four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members)

The term of four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter the same shall apply in this proposal) expires at the close of this General Meeting of Shareholders. Accordingly, the Company proposes the election of four (4) Directors based on recommendations of the Nomination Advisory Committee, the majority of which are Independent Outside Directors.

This proposal was examined in advance by the Audit and Supervisory Committee and no particular issues were found that should be raised.

No.	Name	Current position and responsibilities at the Company	Attendance at meetings of the Board of Directors
1	Mitsuteru Kurosawa [Reelection]	President	17/17
2	Masahito Yamamoto [Reelection]	Managing Director Senior Executive Officer and General Manager of Sales Division	14/14
3	Tatsushi Ogawa [Reelection]	Director Senior Executive Officer and General Manager of Research and Development Division	14/14
4	Yoshihiro Kaku [New Candidate]	Senior Executive Officer In charge of Office Equipment Segment, General Manager of Administration Group and General Manager of Sales Management, Sales Division	—

- Notes:
1. There is no special interest between the candidates and the Company.
 2. The Company has concluded a directors and officers liability insurance (D&O Insurance) contract with an insurance company. This insurance contract indemnifies the insured, including Directors of the Company, against damages arising from liabilities in connection with the execution of their duties, and from claims received related to the pursuit of such liabilities. All candidates will be insured under the said insurance contract. The Company plans to renew the contract with the same terms and conditions at the time of renewal in January 2022.

No.	Name (Date of birth)	Career summary, position and responsibilities, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Mitsuteru Kurosawa (February 1, 1955) 66 years old [Reelection] Tenure as Director Nine (9) years	<p>April 1979 Joined the Company</p> <p>July 2005 General Manager of N Pro Department, Manufacturing Division</p> <p>September 2005 Representative Director and President of MAX (THAILAND) CO., LTD. (attached to the Manufacturing Division of the Company)</p> <p>April 2008 General Manager of Production Technology Department, Manufacturing Division of the Company</p> <p>October 2009 General Manager of Tamamura Factory, Manufacturing Division</p> <p>April 2010 Executive Officer, General Manager of Tamamura Factory, Manufacturing Division and in charge of Fujioka Factory</p> <p>November 2010 Executive Officer and General Manager of Quality Assurance Department</p> <p>January 2011 Executive Officer and General Manager of Environment and Quality Assurance Department</p> <p>June 2012 Director, Executive Officer and General Manager of Environment and Quality Assurance Department</p> <p>April 2014 Director, Senior Executive Officer and General Manager of Research and Development Division</p> <p>April 2015 Managing Director, Senior Executive Officer and General Manager of Research and Development Division</p> <p>April 2017 President (present position)</p>	<p>Reasons for nomination as candidate for Director</p> <p>Mitsuteru Kurosawa has a wealth of experience in the Group's businesses and corporate management, having served as President since 2017, after accumulating experience in various departments including as President of the Company's manufacturing company in Thailand, General Manager of the Environment and Quality Assurance Department, and General Manager of the Research and Development. The Company has determined that he will be able to continue to properly fulfill a role in executing and supervising the Group's management as Director by utilizing his professional experience, and has therefore, nominated him as a candidate for Director.</p>	26,800

No.	Name (Date of birth)	Career summary, position and responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Masahito Yamamoto (March 19, 1964) 57 years old [Reelection] Tenure as Director One (1) year	<p>April 1987 Joined the Company</p> <p>April 2007 Representative Director and President of MAX USA CORP. (attached to the International Sales Department, Sales Division of the Company)</p> <p>May 2014 Deputy General Manager of RB Business Planning Department, Sales Division</p> <p>October 2015 General Manager of IP Division, International Sales Department and General Manager of RB Business Planning Department, Sales Division</p> <p>April 2017 Executive Officer, General Manager of International Sales Department, Sales Division, General Manager of IP Division and in charge of RB Business Planning Department</p> <p>April 2018 Executive Officer, General Manager of International Sales Department, Sales Division, General Manager of IP Division and in charge of RB Business Planning Department and Industrial Equipment Segment</p> <p>October 2018 Senior Executive Officer in charge of Industrial Equipment Segment, Sales Division, General Manager of International Sales Department, General Manager of IP Division and in charge of RB Business Planning Department</p> <p>June 2020 Director, Senior Executive Officer and General Manager of Sales Division</p> <p>April 2021 Managing Director, Senior Executive Officer and General Manager of Sales Division (present position)</p> <p>Reasons for nomination as candidate for Director Masahito Yamamoto has in-depth knowledge of technology and overseas markets, having served as President of the Company's sales subsidiary in the U.S. after working in the production technology department. He also has a wealth of experience in the Group's businesses and corporate management, having served as General Manager of the International Sales Department from 2017 and as General Manager of the Sales Division since 2020. The Company has determined that he will be able to continue to properly fulfill a role in executing and supervising the Group's management as Director by utilizing his professional experience, and has therefore, nominated him as a candidate for Director.</p>	8,900

No.	Name (Date of birth)	Career summary, position and responsibilities, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	<p>Tatsushi Ogawa (September 9, 1964) 56 years old</p> <p>[Reelection]</p> <p>Tenure as Director One (1) year</p>	<p>April 1988 Joined the Company</p> <p>October 2010 Deputy Manager of No. 1 Design Group, Research and Development Division</p> <p>October 2012 General Manager of No. 1 Design Group, Design Development Department, Research and Development Division</p> <p>October 2013 General Manager of Research and Development Department</p> <p>April 2015 Executive Officer, General Manager of Design Development Department, Research and Development Division and General Manager of Design Quality Evaluation Group</p> <p>April 2017 Executive Officer, General Manager of Research and Development Division, General Manager of Design Development Department and General Manager of Design Quality Evaluation Group</p> <p>October 2019 Senior Executive Officer, General Manager of Research and Development Division, General Manager of Design Development Department and General Manager of Design Quality Evaluation Group</p> <p>June 2020 Director, Senior Executive Officer and General Manager of Research and Development Division (present position)</p> <p>Reasons for nomination as candidate for Director Tatsushi Ogawa has deepened his technical knowledge through development and design work in the industrial equipment department, and has a wealth of experience in the Group's businesses and corporate management, having served as General Manager of Research and Development Division since 2017 after serving as General Manager of Research and Development Department and General Manager of Design Development Department, Research and Development Division. The Company has determined that he will be able to continue to properly fulfill a role in executing and supervising the Group's management as Director by utilizing his professional experience, and has therefore, nominated him as a candidate for Director.</p>	7,800

No.	Name (Date of birth)	Career summary, position and responsibilities, and significant concurrent positions outside the Company		Number of the Company's shares owned
4	Yoshihiro Kaku (October 1, 1961) 59 years old [New Candidate]	<p>April 1985 Joined the Company</p> <p>April 2011 General Manager of Corporate Planning Department</p> <p>April 2012 Executive Officer and General Manager of Corporate Planning Department</p> <p>June 2013 Director, Executive Officer and General Manager of Corporate Planning Department</p> <p>October 2013 Director, Executive Officer and General Manager of International Sales Department, Sales Division</p> <p>June 2015 Resigned as Director due to the Company's transition to a company with Audit and Supervisory Committee; Managing Executive Officer and General Manager of International Sales Department, Sales Division</p> <p>April 2017 Managing Executive Officer and General Manager of Sales Management, Sales Division</p> <p>April 2018 Managing Executive Officer in charge of Office Equipment Segment and General Manager of Sales Management, Sales Division</p> <p>October 2018 Senior Executive Officer in charge of Office Equipment Segment and General Manager of Sales Management, Sales Division</p> <p>April 2021 Senior Executive Officer in charge of Office Equipment Segment, General Manager of Administration Group and General Manager of Sales Management, Sales Division (present position)</p>		15,500
		<p>Reasons for nomination as candidate for Director Yoshihiro Kaku has a wealth of experience in the Group's businesses and corporate management through the execution of his duties in the sales and corporate planning departments. He also has a rich international perspective from his experience as General Manager of International Sales Department. The Company has determined that he will be able to properly fulfill a role in executing and supervising the Group's management as Director by utilizing his professional experience, and has therefore, nominated him as a candidate for Director.</p>		

Proposal No. 3: Payment of Bonuses to Directors (excluding Directors who are Audit and Supervisory Committee Members)

The Company would like to pay as executive bonuses a total amount of ¥58,090,000 to four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members) for the fiscal year under review, considering the Company's business performance and other factors.

The Company would like to leave detailed amounts and the timing of payment, etc., for each Director (excluding Directors who are Audit and Supervisory Committee Members) to the resolution of the Board of Directors.

A summary of the Company's policy for determining the details of remuneration, etc. for each individual Director is shown on page 40 of the Business Report.

This proposal has been determined by the Board of Directors based on recommendations of the Remuneration Advisory Committee, which is a voluntary advisory body, while comprehensively taking into account factors such as the Company's business performance and the performance of each Director, and is considered appropriate.

This proposal was examined in advance by the Audit and Supervisory Committee and no particular issues were found that should be raised.

Proposal No. 4: Continuation of Response Policy concerning Large-scale Purchases of the Company's Shares (Takeover Defense Measures)

The Company received approval at the 88th Ordinary General Meeting of Shareholders held on June 26, 2019 to continue the "Response Policy concerning Large-scale Purchases of the Company's Shares (Takeover Defense Measures)" (hereinafter the "Former Plan"). Afterwards, considering recent changes in the environment surrounding takeover defense measures, a review was conducted on the approach of the Former Plan as an initiative to secure and enhance the Company's corporate value and the common interests of shareholders.

Based on the results of this review, the Company has decided at the meeting of the Board of Directors held on May 13, 2021 to continue with the Former Plan after making partial changes, under the condition that shareholders approve at the Company's 90th Ordinary General Meeting of Shareholders to be held on June 29, 2021 (hereinafter, the revised Response Policy concerning Large-scale Purchases of the Company's Shares [Takeover Defense Measures] shall be referred to as the "Plan").

The changes are as follows:

- (1) It will be added that the Plan fulfills the three principles set forth in the "Guidelines Regarding Takeover Defense for the Purpose of Protection and Enhancement of Corporate Value and Shareholder's Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005; and that the Plan was developed taking into account the report entitled "Takeover Defense Measures in Light of Recent Environmental Changes" issued by the Corporate Value Study Group established in the Ministry of Economy, Trade and Industry on June 30, 2008, the Corporate Governance Code introduced by the Tokyo Stock Exchange on June 1, 2015, as well as other public guidelines, practices, and discussions concerning takeover defense measures; and
- (2) Other text, etc., will be revised.

The meeting of the Board of Directors that decided on the continuation of the Plan was attended by all eight (8) Directors including the three (3) Outside Directors. The opinion was stated that the Plan will be approved under the condition that the detailed implementation of the Plan is carried out appropriately.

For the period up to May 13, 2021, the Company did not receive any specific proposal concerning a large-scale purchase from any specific third party (as defined in III. 2. (1) below; hereinafter the same shall apply.).

The Company hereby requests the approval of this proposal concerning the continuation of the Plan intended to continue to protect the common interests of its shareholders.

I. Basic policy on approaches of parties controlling the Company's decisions on financial and business policies

The Company recognizes that as long as it is a listed company the buying and selling of the Company's shares will be carried out in principle based on the free judgement of shareholders and investors, and even when there is a large-scale purchase of the Company's shares, the judgement of whether to accept this purchase or not is ultimately left to the Company's shareholders. If a large-scale purchase contributes to the Company's corporate value and the common interests of shareholders, it cannot be rejected unconditionally. Nevertheless, recently in Japan's capital markets, there have been moves to forcibly push through large-scale purchases without sufficient discussions with the target company's management or without using the process of consent, given legislative reforms and changes in corporate structure and corporate culture, etc.

In order for it to secure and enhance corporate value and the common interests of shareholders in a sustainable manner, the Company understands that it is vital to engage in management based on a deep understanding toward the Company's management philosophy, business characteristics and relationships built with stakeholders. If the management of the Company is conducted without a full understanding by the large-scale purchaser (as defined in III. 2. (1) below; hereinafter the same shall apply) of the Company's management philosophy, business characteristics and relationships built with stakeholders, this will damage the Company's corporate value and the common interests of shareholders. Consequently, parties undertaking inappropriate large-scale purchases that could damage the Company's corporate value and the common interests of shareholders, or taking similar actions, are believed to be inappropriate as a party controlling the Company's decisions on financial and business policies.

II. Initiatives for the effective use of the Company's assets and formation of an appropriate corporate group, and other initiatives to contribute to the realization of Basic Policy on Corporate Control

The Company carries out initiatives as follows aimed at enhancing corporate value and the common interests of shareholders, in addition to that stated in III. below, as initiatives to contribute to the realization of the Basic Policy on Corporate Control.

Since its establishment in 1942, the Company has worked to refine its technologies while quickly identifying the needs of the time. During the early years from 1942 to the 1950s, the Company was the first Japanese company to manufacture a compact stapler and hand tacker. These products earned the trust of customers and established the Company's business foundation of today.

The Company believes that it will grow based on respect for its people and the growth of its people. Under our basic management stance of "We aim to become a group in which everyone grows together by combining our strengths vibrantly and enjoyably," built atop the three pillars of "We will strive to ensure that the management is open," "We will strive to ensure that all employees may participate in the management," and "We will strive to realize a management in which profit is divided among employees and stockholders," the entire company is working to change its mindset in a way that each and every employee plays a lead role in business growth and aims to reinforce the Company's business growth and profit structure, in order to create a Max that grows together with customers.

The Company's business comprises a broad range of fields, reaching beyond office equipment such as staplers, time recorders, and "Bepop" sign making machines, and industrial equipment such as nail guns, air compressors and concrete tools, to include housing equipment such as bathroom heaters, ventilators and dehumidifiers and garbage disposals, etc. The Company's management is working on new product development and reinforcing technologies with an eye on the next generation, based on its marketing know-how and wealth of business experience in these fields. In addition, the Company is pushing ahead with the enhancement of corporate value and the common interests of shareholders based on the understanding and trust of stakeholders who support the Company, such as shareholders, investors, customers, and business partners, etc. The Company will continue striving to enhance corporate value and the common interests of shareholders by continually focusing on "Making products that fully satisfy the people who use them" going forward.

III. Initiatives to prevent decisions on the Company's financial and business policies from being controlled by parties deemed inappropriate based on the Basic Policy on Corporate Control

In case of a large-scale purchase, the Company will require the party to follow certain reasonable rules (Large-scale Purchase Rules) as follows, based on the Basic Policy on Corporate Control appearing in I. above. Having stipulated a certain response policy for when these rules are followed and not followed, the Company will make efforts to prevent decisions on the Company's financial and business policies from being controlled by parties deemed inappropriate based on the Basic Policy on Corporate Control.

1. Purpose of establishing Large-scale Purchase Rules

Recently in Japan's capital markets, there have been moves to forcibly push through large-scale purchases without sufficient discussions with the target company's management or without using the process of consent, given legislative reforms and changes in corporate structure and corporate culture, etc. In light of this situation, the Company's Board of Directors has decided to establish certain rules concerning large-scale purchases (hereinafter the "Large-scale Purchase Rules") to provide necessary and sufficient information for the Company's shareholders to make an appropriate judgement as to whether or not to accept the large-scale purchase.

2. Details of Large-scale Purchase Rules

The Large-scale Purchase Rules require that (1) a Large-Scale Purchaser provide the Board of Directors, in advance, with necessary and sufficient information for the judgement of the Company's shareholders and the evaluation and review by the Company's Board of Directors (hereinafter the "Large-scale Purchase Information"), based on this, (2) a period be established for the Company's Board of Directors to evaluate and review the large-scale purchase, and that (3) the large-scale purchase will be initiated after this period of time elapses. Details are as follows.

(1) Large-scale purchases subject to the rules

The Plan shall apply to the tender offer of the Company's share certificates, etc. or similar actions applicable to (1) or (2) below (in either case excluding purchases approved in advance by the Company's Board of Directors; hereinafter, such purchases shall be referred to as the "Large-scale Purchases" and parties carrying out Large-scale Purchases shall be referred to as the "Large-scale Purchasers"). Large-scale Purchasers must follow the procedures set forth in the Plan in advance.

- (1) Purchases of the Company's share certificates, etc. (Note 3) in order to acquire 20% or more of the ratio of voting rights (Note 2) of a specific group of shareholders (Note 1); and
- (2) Purchases of the Company's share certificates, etc. that result in acquiring 20% or more of the ratio of voting rights of a specific group of shareholders.

(2) Submission of statement of intent

Large-scale Purchasers, prior to the Large-scale Purchase, must submit a written pledge in Japanese that the Large-scale Purchaser will follow the Large-scale Purchase Rules (hereinafter the "Statement of Intent") to the Company's Board of Directors according to the written format stipulated by the Company.

The detailed information that must appear on the Statement of Intent is as follows:

1. Summary of Large-scale Purchaser
 - (i) Name and address of person or entity,
 - (ii) Governing law of establishment,
 - (iii) Name and title of representative,
 - (iv) Contact person in Japan,
 - (v) Purpose and business description of the company, and
 - (vi) Details of the company's largest shareholder or investor.
2. Summary of proposed Large-scale Purchase
3. Number of the Company's shares owned currently and number of the Company's shares to be acquired in the future
4. Pledge that the transaction will follow the Large-scale Purchase Rules

(3) Provision of Large-scale Purchase Information

The Company's Board of Directors will provide to the Large-scale Purchaser a list of the Large-scale Purchase Information to be submitted initially within 10 business days of receiving the Statement of Intent. The Large-Scale Purchaser shall submit to the Company's Board of Directors a written response that includes the Large-Scale Purchase Information in Japanese in accordance with the list of the Large-scale Purchase Information. The specific details of the Large-scale Purchase Information will vary based on attribution of Large-scale Purchaser along with the purpose and details of the Large-scale Purchase, but part of the general items are as follows:

- (1) Details of the Large-scale Purchaser and its group (including joint owners, persons in special relationship, and in case of a fund, the fund members and other members). (This includes detailed name, capital structure, business description, and financial information, etc.);
- (2) Purpose, method and details of the Large-scale Purchase (including the amount and type of the payment consideration, period of purchase, scheme of related transactions, legality of purchase method, feasibility of purchase execution, etc.);
- (3) Number of shares owned by the specific group of shareholders related to the Large-scale Purchase (including the Large-scale Purchaser);
- (4) Calculation basis of purchase price (facts, assumptions, calculation method used as basis for calculation, numerical information used for the calculation and details of synergies expected to be generated from the series of transactions related to the tender offer; to include details of those synergies allocated to minority shareholders);
- (5) Source of purchase funds (including detailed name of provider of funds [including substantial provider], financing method, and details of related transactions);
- (6) The management policy, business plan, capital policy, dividend policy, and composition of officers for the Company and its Group companies the Large-Scale Purchaser envisions after completing the Large-Scale Purchase (including information such as the names and career summary of the candidates, whether or not they have informally consented to assume office, and background in businesses similar to that of the Company and its Group companies)
- (7) The role of the Group in the Large-Scale Purchaser's group following completion of the Large-Scale Purchase

- (8) Response policy to the Group's business partners, customers, regional stakeholders, employees and other stakeholders after the Large-scale Purchase;
- (9) If the Large-scale Purchaser has a lease agreement, collateral agreement, resale agreement, purchase and sale option or other important contract or agreement concerning the Company's share certificates, etc. it already owns (hereinafter the "Collateral Agreements"), specific details of such Collateral Agreement including type of agreement, counterparty of agreement, and the number of share certificates, etc. subject to the agreement, etc.;
- (10) If the Large-scale Purchaser plans to reach an agreement with another third party or conclude a Collateral Agreement concerning the Company's share certificates, etc. it plans to acquire in the Large-scale Purchase, specific details of the said agreement including the planned type of agreement, the counterparty of the agreement, and the number of share certificates, etc. subject to the agreement, etc.; and
- (11) Specific measures for avoiding a conflict of interest with the Company's other shareholders.

In case the Large-scale Purchase Information provided initially is deemed to be insufficient, the Company may ask for additional information to be provided until the sufficient amount of Large-scale Purchase Information is received.

However, from the standpoint of speeding up the information provision from the Large-scale Purchaser and avoiding arbitrary implementation that extends the period for which the Company's Board of Directors requests information from the Large-scale Purchaser to which the Large-scale Purchaser responds (hereinafter the "Information Provision Period"), the Information Provision Period shall be up to 60 days from the day after the day the Large-scale Purchase Information list is initially provided to the Large-scale Purchaser by the Company's Board of Directors. Even if the Large-scale Purchaser does not provide sufficient necessary information, the Company's Board of Directors shall commence evaluation and review at the time the Information Provision Period expires.

When it determines that the provision of Large-scale Purchase Information by the Large-scale Purchaser is performed sufficiently, the Company's Board of Directors will notify the Large-scale Purchaser to that effect (hereinafter the "Information Provision Completion Notification") and will disclose the matter publicly immediately. The Information Provision Period shall be completed as of the day the Company's Board of Directors sends the Information Provision Completion Notification or the date when the above deadline is reached, whichever comes first.

In addition, the fact that a proposal for a Large-scale Purchase was made and the Large-scale Purchase Information provided to the Company's Board of Directors, when determined to be necessary for the decision of the Company's shareholders, will be disclosed publicly in part or its entirety at the point in time the Company's Board of Directors deems it appropriate.

(4) Evaluation and review by the Company's Board of Directors

The Company's Board of Directors believes it must secure a period of up to 60 days (in the case of a public tender offer for the purchase of all the Company's shares where consideration is cash [yen] only), or a period of up to 90 days (in the case of other Large-scale Purchases), as the period for the Company's Board of Directors to evaluate, review, negotiate, build consensus and propose alternatives (hereinafter the "Board of Directors' Evaluation Period"), based on the difficulty of evaluating and reviewing the Large-scale Purchase after completion of the Information Provision Period.

During the Board of Directors' Evaluation Period, the Company's Board of Directors will ask a special committee to consult it on the need to implement countermeasures, and will fully evaluate and review the provided Large-scale Purchase Information, while obtaining advice from outside experts including legal counsel and/or financial advisor as necessary, to formulate an opinion. In conjunction with the special committee's recommendation, the Company's Board of Directors will notify the Large-scale Purchaser and disclose the matter publicly. In addition, where necessary, the Company's Board of Directors may negotiate with the Large-scale Purchaser to improve the conditions concerning the Large-scale Purchase, and present an alternative proposal to shareholders (see 4. below for information about the special committee).

In the event the Company's Board of Directors is unable to form its opinion, improve conditions of the purchase, present an alternative proposal or determine whether to execute countermeasures as stipulated in "3. Response policy in case of Large-scale Purchase" below during the Board of Directors' Evaluation Period, the Company's Board of Directors shall be able to extend the Board of Directors' Evaluation Period within the scope necessary (however, the extension shall be up to 30 days). In such instances, the Company's Board of Directors shall notify the Large-scale Purchaser of the reason for the need to extend the Board of Directors' Evaluation Period, the period of the extension and other matters deemed appropriate, and immediately disclose such information.

The Large-scale Purchase shall be initiated only after the Board of Directors' Evaluation Period elapses.

3. Response policy in case of Large-scale Purchase

(1) In case the Large-scale Purchaser does not follow the Large-scale Purchase Rules

In case the Large-scale Purchaser does not follow the Large-scale Purchase Rules, regardless of the specific purchase method, the Company's Board of Directors may take measures to combat the Large-scale Purchase allowed under the authority of the Company's Board of Directors by the Companies Act, other laws and regulations, and the Company's Articles of Incorporation, such as gratis allotment of stock acquisition rights, etc., in order to protect the Company's corporate value and the common interests of shareholders (hereinafter the "Countermeasures"). Specific Countermeasures will be selected from those determined to be appropriate at that point in time.

A summary of the situation when gratis allotment of stock acquisition rights is used as a specific countermeasure by the Company's Board of Directors shall be according to Appendix 1. Furthermore, in the case of implementing gratis allotment of stock acquisition rights, an exercise period, exercise conditions and acquisition clauses may be established in consideration of the effect as a countermeasure.

(2) In case the Large-scale Purchaser follows the Large-scale Purchase Rules

In case the Large-scale Purchaser follows the Large-scale Purchase Rules, the Company's Board of Directors, even if it opposes the Large-scale Purchase, shall only be allowed to state its opposition, submit an alternative proposal, or persuade shareholders, etc., and in principle, will not take Countermeasures against the Large-scale Purchase. Whether to accept the purchase proposal of the Large-scale Purchaser will be determined by the Company's shareholders after considering the details of the said purchase proposal, along with the Company's Board of Directors' opinion or alternative proposal in response to it, etc.

However, even if the Large-scale Purchase Rules are followed, if the said Large-scale Purchase is determined to significantly damage the Company's corporate value and the

common interests of shareholders, the Company's Board of Directors may implement Countermeasures with the purpose of protecting the Company's corporate value and the common interests of shareholders. Specifically, in case the following (1) through (8) is acknowledged, in principle, the Large-scale Purchase will be considered to have been judged to significantly damage the Company's corporate value and the common interests of shareholders.

- (1) When the tender offer of the Company's shares is determined to be for the purpose of forcing the share price higher to make the Company and the Company's stakeholders to buy the purchased shares back at a premium, as the Large-scale Purchaser has no real intent to participate in the Company's management (greenmailing).
- (2) When the tender offer of the Company's shares is determined to be for the purpose of temporarily controlling the Company's management, in order to transfer the Company or its Group companies' IP, know-how, corporate secrets, main business partners or customers required for business operations to the Large-scale Purchaser or its group companies, etc.
- (3) When the tender offer of the Company's shares is determined to be for the purpose of diverting the Company or its Group companies' assets, after taking control of the Company's management, as collateral or repayment funds for debt of the Large-scale Purchaser or its group companies, etc.
- (4) When the tender offer of the Company's shares is determined to be for the purpose of temporarily controlling the Company's management to dispose of high value assets such as real estate or securities not related to the business of the Company or its Group companies at that time, in order to pay a one-time higher dividend from the proceeds therefrom, or sell off the shares after having driven up the stock price by paying temporary higher dividends.
- (5) When it is determined that the purchase conditions of the Company's shares proposed by the Large-scale Purchaser (amount and type of payment consideration, details, timing, method, legality, and feasibility, etc.) based on reasonable grounds is significantly insufficient or inappropriate considering the Company's corporate value.
- (6) When it is determined that the tender offer method of the Company's shares proposed by the Large-scale Purchaser may actually force the selling of shares upon the Company's shareholders by restricting the opportunity or freedom of judgment by shareholders, such as a coercive two-tier purchase (refers to the purchase of shares such as a tender offer, in which the purchase of all the shares is not induced in the first stage of purchase, and the purchasing conditions in the second stage of purchase are set unfavorably, or not stated clearly) (provided, however, that a partial tender offer does not fall under this category by definition).
- (7) When it is determined that through acquisition of a controlling interest by the Large-scale Purchaser there are reasonable grounds for predicting damage to the Company's corporate value, including relationship with that the Company's shareholders, along with customers, employees and other stakeholders or when there is concern that it will significantly inhibit the maintenance and enhancement of the Company's corporate value.
- (8) When it is determined there are reasonable grounds that the Company's future corporate value over the medium- to long-term perspective will be significantly lower in case the Large-scale Purchaser acquires a controlling interest when compared to the Company's future corporate value in case the Large-scale Purchaser does not acquire a controlling interest.

(3) Suspension of implementation of Countermeasures, etc.

After the Company's Board of Directors decides to implement specific Countermeasures against the Large-scale Purchase, in case the Large-scale Purchaser withdraws or changes the Large-scale Purchase, or if the Company's Board of Directors determines that implementation of Countermeasures is inappropriate and it is before the finalization of rights of shareholders that occur from the implementation of Countermeasures, the Company's Board of Directors may suspend or change the implementation of Countermeasures fully respecting the opinion or recommendations of the special committee (refer to 4. (1) below and Appendix 2).

Conversely, even after the Company's Board of Directors decides not to implement Countermeasures against the Large-scale Purchase, if the Large-scale Purchase is once judged to significantly damage the Company's corporate value and the common interests of shareholders, the Company's Board of Directors may implement Countermeasures against the Large-scale Purchase respecting to the maximum extent the recommendation of the special committee, with the purpose of protecting the Company's corporate value and the common interests of shareholders.

4. Procedures for securing the fairness of Countermeasures

(1) Establishment of special committee

The Company's Board of Directors will have the ultimate determination of whether or not to execute the Countermeasures with the purpose of protecting the Company's corporate value and the common interests of shareholders, even in cases where the Large-scale Purchase Rules are followed, whether or not the Large-scale Purchase Rules were followed. The Company's Board of Directors will establish a special committee as an organization independent from the Company's Board of Directors in order to secure the reasonableness and fairness of the judgement of the Company's Board of Directors and the appropriate implementation of the Large-scale Purchase Rules. Refer to Appendix 2 for a summary of the special committee.

(2) Procedures at time of countermeasure implementation

When the Company's Board of Directors implements Countermeasures, the Company's Board of Directors shall review the details of the Large-scale Purchase and impacts that the Large-scale Purchase will have on the Company's corporate value and the common interests of shareholders, based on the Large-scale Purchase Information received from the Large-scale Purchaser, while receiving advice from outside experts such as legal counsel and/or financial advisor, etc.

In addition, the Company's Board of Directors, prior to the implementation of Countermeasures, will ask the special committee to examine the need for implementation of Countermeasures in order to secure the fairness of its judgement, and based on this consultation, the special committee will provide recommendations on the need for implementation of Countermeasures to the Company's Board of Directors. The Company's Board of Directors, in principle, will follow the recommendations of the special committee when making judgement of whether to implement Countermeasures or not.

5. Impacts on shareholders and investors

(1) Impacts that Large-scale Purchase Rules will have on shareholders and investors

The purpose of the Large-scale Purchase Rules is to receive information necessary for the Company's shareholders to judge whether or not to accept the Large-scale Purchase, to provide the opinion of the Company's Board of Directors which is actually responsible for the Company's management, and furthermore to guarantee an opportunity for the Company's shareholders to receive an alternative proposal when necessary. As a result, the Company's shareholders will be able to make an appropriate judgement as to whether to accept the Large-scale Purchase or not based on sufficient information.

Consequently, the establishment of the Large-scale Purchase Rules is premised on the fact that the Company's shareholders and investors will make an appropriate investment decision, which is believed to contribute to the interests of the Company's shareholders and investors.

Furthermore, as indicated in 3. above, the Company's response policy to a Large-scale Purchase will vary based on whether the Large-scale Purchaser follows the Large-scale Purchase Rules. As such, the Company's shareholders and investors should be aware of the moves of the Large-scale Purchaser and the Company's response to such.

(2) Impacts that implementation of Countermeasures will have on shareholders and investors

If the Large-scale Purchaser does not follow the Large-scale Purchase Rules and even if the Large-scale Purchaser follows the Large-scale Purchase Rules, when the said Large-scale Purchase is judged to significantly damage the Company's corporate value and the common interests of shareholders, the Company's Board of Directors may implement Countermeasures with the purpose of protecting the Company's corporate value and the common interests of shareholders, but the mechanism of these Countermeasures does not assume a situation where shareholders other than the Large-scale Purchaser will incur extraordinary losses in terms of legal rights or economic aspects. If the Company's Board of Directors decides to implement specific Countermeasures, they will be disclosed in a timely and appropriate manner following laws and regulations along with the financial instruments exchange rules, etc.

Consequently, for Large-scale Purchasers who do not follow the Large-scale Purchase Rules and Large-scale Purchasers that attempt Large-scale Purchases that significantly damage the Company's corporate value and the common interests of shareholders, if Countermeasures are implemented, there is the possibility that as a result, they could incur disadvantages in terms of their legal rights or economic aspects. The publication of the Plan is intended to raise awareness in advance so that Large-scale Purchasers do not violate the Large-scale Purchase Rules.

In addition, when the Company's Board of Directors suspends implementation of Countermeasures before finalization of shareholders' rights that occur with implementation of Countermeasures, following the opinion or recommendations of the special committee, dilution of the stock value per share will not occur. As a result, shareholders or investors who trade the Company's shares assuming that dilution will occur in the Company's stock price after the date of the loss of rights related to the implementation of Countermeasures could incur unforeseen losses due to fluctuations in stock prices.

(3) Procedures required of shareholders in conjunction with implementation of Countermeasures

Gratis allotment of stock acquisition rights used as a countermeasure will be carried out for the Company's shareholders recorded in the Company's final shareholder registration on the allocation date determined and publicly disclosed separately by the Company's Board of Directors. In order to acquire shares by exercising new stock acquisition rights, a certain amount of money must be paid within the prescribed period. However, when undertaking the gratis allotment of stock acquisition rights with acquisition conditions, the Company's shareholders will receive the Company's shares as consideration for the acquisition of the said stock acquisition rights by the Company, without having to pay money equivalent to the exercise price, by the Company carrying out procedures for the acquisition.

Furthermore, in this case, shares will be issued as consideration for the acquisition of the said stock acquisition rights by the Company, and as such, the Company's shareholders may be asked to provide information for the book-entry account for recording the book-entry shares. For details of these procedures, separate notification will be made pursuant to laws and regulations and financial instruments exchange rules, etc., when actually performing the gratis allotment of stock acquisition rights.

6. Effective period of the Plan and procedures for its continuation and changes, etc.

The effective period of the Plan expires at the conclusion of the ordinary general meeting of shareholders for the last fiscal year ending within two (2) years after the conclusion of the 90th Ordinary General Meeting of Shareholders scheduled for June 29, 2021. Thereafter, the Company's Board of Directors' meeting held prior to the ordinary general meeting of shareholders every two (2) years will consider whether to continue the Plan, and if continuation is determined, the matter will be left to the year's ordinary general meeting of shareholders as a proposal, based on which the intention of shareholders will be confirmed with regard to whether to continue the Plan or not.

In addition, the Company's Board of Directors will review the Plan as needed from the standpoint of securing and enhancing the Company's corporate value and the common interests of shareholders, taking into account the establishment and/or revisions to relevant laws and regulations such as the Companies Act and Financial Instruments and Exchange Act, etc. In case changes are judged to be necessary for the Plan, the details of these changes will be left to the most recent ordinary general meeting of shareholders as a proposal, based on which the intention of shareholders will be confirmed.

Furthermore, even when prior to the end of the Plan's effective period, the Company's shareholders with shareholder proposal rights can request that the purpose of a general meeting of shareholders be to cancel the Plan, following the provisions of the Companies Act.

7. Cancellation of the Plan

After introducing the Plan, the Plan may be cancelled at that point in time whenever either of the following conditions applies, even if before the end of the effective period.

- (1) In case the proposal on the introduction or continuation of the Plan is not approved at the Company's ordinary general meeting of shareholders or if a proposal to cancel the Plan is approved; or
- (2) In case a resolution is passed for cancelling the Plan by the Company's Board of Directors.

IV. The Plan follows the Basic Policy on Corporate Control and it does not damage the common interests of shareholders, is not intended to maintain the status of the Company's officers, and the reasons thereof

1. The Plan follows the Basic Policy on Corporate Control

The Plan stipulates the details of the Large-scale Purchase Rules, response policy in case of Large-scale Purchase, establishment of special committee, and impacts on shareholders and investors, etc.

The Plan requires that Large-scale Purchasers provide necessary and sufficient information concerning the Large-scale Purchase to the Company's Board of Directors in advance, and that the Large-scale Purchase can only be commenced after the prescribed evaluation period for the Company's Board of Directors elapses. The Plan clearly states the Company's Board of Directors may implement Countermeasures against Large-scale Purchasers who do not follow this.

In addition, even if the Large-scale Purchase Rules are followed, if the Company's Board of Directors judges that the Large-scale Purchase of the Large-scale Purchaser significantly damages the Company's corporate value and the common interests of shareholders, the Plan clearly states that the Company's Board of Directors will implement Countermeasures it believes appropriate to protect the Company's corporate value and the common interests of shareholders against such Large-scale Purchasers.

In this manner, the Plan can be said to have been designed following the philosophy of the Basic Policy on Corporate Control.

2. The Plan does not damage the common interests of shareholders

As described in I. above, the Basic Policy on Corporate Control assumes respect for the common interests of the Company's shareholders. The Plan is designed following the philosophy of this Basic Policy on Corporate Control, and has the purpose of guaranteeing the opportunity for providing necessary information and the Company's Board of Directors' opinion for the Company's shareholders to judge whether or not to accept the Large-scale Purchase, and receiving presentation of alternative proposals. The Company believes that the Plan will make it possible for the Company's shareholders and investors to make an appropriate investment judgement. As a result, the Plan does not damage the common interests of the Company's shareholders, but rather contributes to these interests.

In addition, the Plan fulfills the three principles set forth in the "Guidelines Regarding Takeover Defense for the Purpose of Protection and Enhancement of Corporate Value and Shareholder's Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005; and that the Plan was developed taking into account the report entitled "Takeover Defense Measures in Light of Recent Environmental Changes" issued by the Corporate Value Study Group established in the Ministry of Economy, Trade and Industry on June 30, 2008, "Principle. 1-5. Takeover Defense Measures" of the Corporate Governance Code introduced by the Tokyo Stock Exchange on June 1, 2015, as well as other public guidelines, practices, and discussions concerning takeover defense measures. Also, the continuation of the Plan requires the approval of shareholders at the ordinary general meeting of shareholders. As such, the Plan does not damage the common interests of the Company's shareholders.

3. The Plan is not intended to maintain the status of the Company's officers

The Plan is based on the main principle that whether or not to accept the Large-scale Purchase should be entrusted ultimately to the judgement of the Company's shareholders, and involves the establishment of Large-scale Purchase Rules or implementation of Countermeasures within the

scope necessary for protecting the Company's corporate value and the common interests of shareholders. The Plan discloses in detail and in advance instances where the Company's Board of Directors will implement Countermeasures, and the implementation of Countermeasures by the Company's Board of Directors will be carried out following the provisions of the Plan.

Regarding Large-scale Purchases, the Plan requires the Company's Board of Directors to evaluate, review and provide the Board of Directors' opinion, present alternative proposals, and conduct negotiations with Large-scale Purchasers, or when implementing Countermeasures, obtain the advice of outside experts, etc. along with consulting with the special committee comprised of members independent from executive management that engages in the business execution of the Company, and in principle follow the recommendations of this committee. In this manner, the Plan contains procedures for securing the appropriate operation by the Company's Board of Directors; and therefore, the Plan does not have the purpose of maintaining the status of the Company's officers.

END

- (Note 1) Specific groups of shareholders means (i) holders (holders stipulated in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act; including parties deemed as holders pursuant to Paragraph 3 of the same Article; hereinafter the same shall apply) of the Company's share certificates, etc. (share certificates, etc., stipulated in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act) and joint holders (joint holders stipulated in Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act; including parties deemed as joint holders pursuant to Paragraph 6 of the same Article; hereinafter the same shall apply) or (ii) parties conducting a tender offer (tender offer stipulated in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act; including a tender offer made on a financial instruments market) of the Company's share certificates, etc. (share certificates, etc., stipulated in Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act) and persons in special relationship (persons in special relationship stipulated in Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act; hereinafter the same shall apply).
- (Note 2) The meaning of the ratio of voting rights varies based on the specific tender offer method of the specific group of shareholders. In the case of specific group of shareholders defined in (i) above in Note 1, it means the holding ratio of share certificates, etc. (holding ratio of share certificates, etc. stipulated in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act). In this case, the number of share certificates held by joint holders of the said holder will be included (refers to the number of share certificates, etc. held as stipulated in the same paragraph). In the case of specific group of shareholders defined in (ii) above in Note 1, it means the total holding ratio of share certificates, etc. of the Large-scale Purchaser and persons in special relationship (holding ratio of share certificates, etc. stipulated in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act). In the calculation of each holding ratio of share certificates, etc., the number of total voting rights (stipulated in Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act) and total number of outstanding shares (stipulated in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act) shall refer to the most recently calculated figures from the securities report, quarterly report and share buyback report.
- (Note 3) Share certificates, etc. refers to share certificates, etc. stipulated in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act; hereinafter the same shall apply.

(Appendix 1)

Summary of Instances of Gratis Allotment of Stock Acquisition Rights

1. Determination of matters concerning gratis allotment of stock acquisition rights

(1) Details and number of stock acquisition rights

Details of the stock acquisition rights shall be pursuant to 2. below, and the number of stock acquisition rights shall be the same number as the Company's final total outstanding shares on the allotment date (hereinafter the "Allotment Date") stipulated by the Company's Board of Directors (however, the number of the Company's shares held by the Company will be deducted; hereinafter the same shall apply).

(2) Shareholders subject to the allotment of stock acquisition rights and allotment method

Stock acquisition rights will be allotted according to a ratio of one stock acquisition right to one common share of the Company's stock held by shareholders recorded in the final shareholder registration on the Allotment Date.

(3) Effective date of gratis allotment of stock acquisition rights

The day stipulated separately by the Company's Board of Directors.

2. Details of stock acquisition rights

(1) Type and number of shares for the stock acquisition rights

The type of shares for the stock acquisition rights shall be the Company's common shares and the number of shares per one stock acquisition right (hereinafter the "Number of Target Shares") in principle shall be one share. However, if the Company performs a share split or reverse share split, the necessary adjustments shall be made.

(2) Property and value to be invested for the exercise of the stock acquisition rights

The property to be invested for the exercise of the stock acquisition rights shall be cash and the value per share of the Company's stock will be the amount stipulated by the Company's Board of Directors of at least one (1) yen.

(3) Exercise period of stock acquisition rights

The effective date of the gratis allotment of stock acquisition rights or a day separately prescribed by the Company's Board of Directors shall be the first day, and the period shall be between one (1) month and three (3) months as stipulated separately by the Company's Board of Directors. However, if the stock acquisition rights are acquired, the period shall be up to the business day prior to the acquisition date.

(4) Exercise conditions of stock acquisition rights

The condition that persons belonging to the specific group of shareholders including Large-scale Purchaser cannot exercise may be stipulated as an exercise condition of the stock acquisition rights. Details shall be stipulated by the Company's Board of Directors separately.

(5) Restrictions on transfer of stock acquisition rights

Acquisition of the stock acquisition rights by transfer shall require approval of the Company's Board of Directors.

(6) Acquisition of stock acquisition rights by the Company

The clause that stock acquisition rights of persons other than those belonging to the specific group of shareholders including Large-scale Purchaser can be acquired by the Company and

exchanged for the Company's shares of the Number of Target Shares for one stock acquisition right may be stipulated as an acquisition clause of the stock acquisition rights. Details shall be stipulated by the Company's Board of Directors separately. In addition, it is not assumed that cash will be delivered as consideration for the acquisition of stock acquisition rights held by persons who are not permitted to exercise them.

(7) Other

Other necessary matters shall be stipulated by the Company's Board of Directors separately.

END

(Appendix 2)

Special Committee Regulations (Summary)

1. Establishment of special committee and selection and dismissal of members

- (1) The special committee will be established based on resolution of the Company's Board of Directors.
- (2) The special committee shall comprise three (3) or more members.
- (3) The members of the special committee shall be selected from the Company's Outside Directors, legal counsel, tax accountants, certified public accountants, those with academic experience, those familiar with investment bank operations and those outside the Company with experience as officers (e.g., directors).
- (4) The selection and dismissal of special committee members will be performed based on resolution of the Company's Board of Directors.

2. Term of office as special committee member

The initial term of office as the special committee members shall be from the date of selection to the conclusion of the first ordinary general meeting of shareholders of the Company. If the proposal related to the response policy concerning the large-scale purchase of the Company's shares (the Plan) is approved at the said ordinary general meeting of shareholders, the term of office as the special committee members shall be extended until the conclusion of the ordinary general meeting of shareholders for the last fiscal year ending within two (2) years from the date of the said ordinary general meeting of shareholders; and the same shall apply thereafter; provided, however, that this shall not apply when there are special stipulations by resolution of the Company's Board of Directors.

3. Authority of special committee

- (1) The special committee will make resolutions regarding whether to implement the Plan after a review based on Large-scale Purchase Information provided by the Large-scale Purchaser, the Company's Board of Directors' opinion and alternative proposals as well as the advice of independent third parties, etc., and shall make recommendations to the Company's Board of Directors.
- (2) If the special committee determines that Large-scale Purchase Information provided by the Large-scale Purchaser lacks information necessary for examination, it may request the Company's Board of Directors to request the Large-scale Purchaser to provide supplementary information.
- (3) If the special committee determines that the Company's Board of Directors' opinion and alternative proposal lack information necessary for examination, it may request the Company's Board of Directors to provide supplementary information.
- (4) The special committee can state its opinion or make recommendations to the Company's Board of Directors regarding matters which the Company's Board of Directors consults on the Large-scale Purchase, in addition to those matters (1) to (3) above.

4. Advice from third parties

The special committee can obtain advice from independent third parties (including experts such as financial advisors, certified public accountants, legal counsel, consultants, etc.) at the cost of the Company when necessary.

5. Resolution of the special committee

Resolutions of the special committee shall be made with all members of the special committee in attendance and by a majority of those in attendance.

However, if there are members who cannot attend due to illness or other unavoidable reasons, with the approval of other members, resolutions may be made with all members, excluding the said member, in attendance, and by a majority of those in attendance.

(Reference)**Career Summary of Members of the Special Committee**

Name (Date of birth)	Career Summary
Minoru Hirata (September 26, 1953)	<p>September 1977 Joined Motoshima CPA Joint Auditing Office</p> <p>March 1982 Registered as certified public accountant</p> <p>July 1991 Employee of Asahi Shinwa Accounting Company (currently, KPMG AZSA LLC)</p> <p>June 2002 Senior Partner of Asahi Accounting Company (currently, KPMG AZSA LLC)</p> <p>August 2011 Established CPA Hirata Minoru Accounting Office (present position)</p> <p>June 2012 Outside Corporate Auditor of KAWAMURA CYCLE Co., Ltd.</p> <p>June 2012 Outside Corporate Auditor of KANTO ISUZU MOTOR Co., Ltd. (present position)</p> <p>April 2015 Retired as Outside Corporate Auditor of KAWAMURA CYCLE Co., Ltd.</p> <p>June 2015 Outside Director of the Company</p> <p>June 2016 Member of Special Committee (present position)</p> <p>June 2016 Outside Director (Audit and Supervisory Committee Member) of the Company (present position)</p> <p>June 2017 Outside Auditor of Saitama Prefectural Credit Federation of Agricultural Cooperatives</p>
Asaka Kanda (December 25, 1963)	<p>April 1993 Registered as attorney-at-law (Daini Tokyo Bar Association)</p> <p>April 1999 Attorney-at-law of Ginza Higashi Law Office</p> <p>May 2002 Partner of Lexwell Partners</p> <p>June 2008 Partner of Nishi Shimbashi General Law Office</p> <p>June 2008 Outside Corporate Auditor of WIN INTERNATIONAL CO., LTD.</p> <p>December 2009 Partner of Waseda University Legal Clinic (present position)</p> <p>April 2010 Deputy Chairman of Daini Tokyo Bar Association</p> <p>June 2011 Substitute Outside Corporate Auditor of the Company</p> <p>April 2014 Outside Corporate Auditor of WIN-Partners Co., Ltd.</p> <p>March 2015 Vice President of Japan Federation of Bar Associations</p> <p>June 2015 Outside Director (Audit and Supervisory Committee Member) of WIN Partners Co., Ltd. (present position)</p> <p>June 2016 Substitute Outside Director (Audit and Supervisory Committee Member) of the Company</p> <p>June 2016 Member of Special Committee (present position)</p> <p>June 2018 Outside Director (Audit and Supervisory Committee Member) of the Company (present position)</p> <p>April 2019 Executive Governor of Japan Federation of Bar Associations</p> <p>April 2021 Chairman of Daini Tokyo Bar Association (present position)</p> <p>April 2021 Vice President of Japan Federation of Bar Associations (present position)</p>

Name (Date of birth)	Career Summary	
Shoji Kiuchi (September 8, 1959)	April 1983	Joined Kodaira City Hall
	June 1985	Left Kodaira City Hall
	April 1995	Registered as attorney-at-law (Daini Tokyo Bar Association)
		Partner of Murayama Law Office
	April 2001	Member of the Fixed Asset Evaluation Council, Kodaira City
	July 2004	Established Tsunokamizaka Law Office (present position)
	April 2006	Domestic Affairs Conciliation Commissioner, Tokyo Family Court (present position)
	April 2012	Member of Information Disclosure Review Committee, Kodaira City
	April 2013	Deputy Chairman of Daini Tokyo Bar Association
	May 2013	Legal Advisor, Kodaira City (present position)
	April 2016	Member of the Administrative Complaint Review Committee, Kodaira City (present position)
	June 2018	Substitute Outside Director (Audit and Supervisory Committee Member) of the Company
	April 2019	Member of Special Committee (present position)
		Executive Governor of Japan Federation of Bar Associations
	June 2020	Outside Director (Audit and Supervisory Committee Member) of the Company (present position)

Note: Minoru Hirata, Asaka Kanda, and Shoji Kiuchi are Outside Directors who are Audit and Supervisory Committee Members of the Company.

END