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Securities Code: 6317

June 3, 2021

To Shareholders with Voting Rights:

Yuji Kitagawa
Representative Director & Chairman
and President
Kitagawa Corporation
77-1, Motomachi, Fuchu-shi, Hiroshima,
Japan

Notice of the 111th Annual General Meeting of Shareholders

We cordially announce that the 111th Annual General Meeting of Shareholders of Kitagawa Corporation (the “Company”) will be held as described below.

In lieu of attending the meeting in person, you may otherwise exercise your voting rights in writing. Please review the attached Reference Documents for the General Meeting of Shareholders, indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form, and return it so that it is received no later than 4:50 p.m. on Thursday, June 17, 2021, Japan time.

1. Date and Time: Friday, June 18, 2021 at 10:00 a.m. Japan time

2. Place: 445-1, Motomachi, Fuchu-shi, Hiroshima, Japan
Hall of Fuchu Chamber of Commerce and Industry

3. Meeting Agenda:

- Matters to be reported:**
1. Business Report, Consolidated Financial Statements and Accounting Auditors’ and Board of Corporate Auditors’ Reports on Consolidated Financial Statements for the 111th term (from April 1, 2020 until March 31, 2021)
 2. Non-consolidated Financial Statements for the 111th term (from April 1, 2020 until March 31, 2021)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Election of Twelve (12) Directors

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- When you attend the meeting, please submit the enclosed **Voting Rights Exercise Form** at the reception desk. Also, please bring this Notice with you as a reference for the meeting.
 - In accordance with the applicable laws and regulations and the provisions of Article 16 of the Company's Articles of Incorporation, the following matters are posted on the Company’s website on the Internet, and therefore are not provided in this Notice.
 - (i) Notes to the Consolidated Financial Statements, (ii) Notes to the Non-consolidated Financial StatementsAccordingly, the Consolidated Financial Statements and the Non-consolidated Financial Statements included in this Notice are part of the Consolidated Financial Statements and Non-consolidated Financial Statements that have been audited by the Accounting Auditor and the Corporate Auditors in preparing their respective audit reports.

- If any changes are made to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements or the Non-consolidated Financial Statements, it will be posted on the Company's website on the Internet.

The Company's website: <https://www.kiw.co.jp>

<Response to the coronavirus disease (COVID-19)>

We would like to announce the following matters in response to COVID-19 during this General Meeting of Shareholders. We would appreciate your understanding and cooperation.

Request to our shareholders

- In an effort to prevent the spread of infection, we ask our shareholders to exercise their voting rights in advance in writing when possible and refrain from attending this General Meeting of Shareholders.
- All the shareholders attending in person are kindly requested to check their health conditions carefully up until the date of the General Meeting of Shareholders and are expected not to strain themselves.
- Shareholders attending the meeting are expected to give careful consideration to other shareholders including bringing and wearing masks as well as practicing proper cough etiquette. In the venue, please use alcohol disinfectant available near the reception.
- We will check their body temperature using a non-contact thermometer or other medical device around the entrance of the venue. As part of our measures, we may limit the entry of shareholders who are found to have a fever and not in good physical condition, as well as those who are refused to cooperate with our measures to prevent infection including wearing masks.
- If there are any additional changes to matters related to the meeting, depending on the COVID-19 situation up until the date of the meeting, such changes will be announced on the Company's website (<https://www.kiw.co.jp/>). Please check our website for information updates before the date of the meeting.

The Company's response at the day of the General Meeting of Shareholders

- Our operating staff will take appropriate measures to check their health conditions including taking body temperature and wear masks at the venue.
- The number of seats at the venue may be limited in order to provide sufficient space between attendees. Because of this, please note that some of those attending on the day of the meeting may be refused entry to the venue. We would like to ask for your kind understanding in advance.

Reference Documents for the General Meeting of Shareholders

Proposal and Reference Matters:

Proposal 1: Appropriation of Surplus

The Company regards returning profits to shareholders as one of its business priorities, with a basic policy of continuing to pay stable dividends with a target consolidated dividend payout ratio of 30% while increasing retained earnings for future business expansion and enriched financial strength.

As a result of the examination based on this policy, after comprehensively considering the financial results for the fiscal year under review and the severe business environment, the Company proposes a dividend of 20 Japanese yen per share as below.

Matters regarding year-end dividend

(1) Type of dividend property

Cash

(2) Matters regarding the assignment of the dividend property and the total amount

20 Japanese yen per common share of the Company

Total amount: 187,243,540 Japanese yen

(3) Date on which appropriation of surplus takes effect

June 21, 2021

(Reference) Dividend history

	108th term (April 2017 to March 2018)	109th term (April 2018 to March 2019)	110th term (April 2019 to March 2020)	111th term (April 2020 to March 2021)
Annual dividends per share	77 Japanese yen	90 Japanese yen	100 Japanese yen	20 Japanese yen
Dividend payout ratio (consolidated)	20.7%	21.9%	56.9%	76.5%

Note: Annual dividends per share for the 111th term (fiscal year under review) is the amount assuming that this proposal is approved as originally proposed.

Proposal 2: Election of Twelve (12) Directors

Among the ten (10) Directors appointed at the 110th Annual General Meeting of Shareholders, Mr. Ikuzo Uda resigned from the office of Director on March 31, 2021 and the terms of office of all the nine (9) incumbent Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, in order to further strengthen the management structure by adding two (2) Directors, the election of twelve (12) Directors including two (2) Outside Directors is proposed.

The candidates for Director are as follows:

No.	Name			Current positions and responsibilities at the Company
1	Yuji Kitagawa	Reappointment	Male	Representative Director & Chairman and President
2	Hiroshi Kitagawa	Reappointment	Male	Representative Director & Vice Chairman, General Manager of Business Management Division
3	Hideo Kitagawa	Reappointment	Male	Director & Managing Executive Officer, President of Kitagawa Material Technology Company
4	Toshikatsu Hatashima	Reappointment	Male	Director & Managing Executive Officer, General Manager of Development Division and General Manager of New Business Promotion Division
5	Kazumasa Kurimoto	Reappointment	Male	Director & Managing Executive Officer, President of Kitagawa Sun Tech Company
6	Yasushi Sato	Reappointment	Male	Director & Executive Officer, General Manager of DX Strategy Division
7	Masaki Kondo	Reappointment	Male	Director & Executive Officer, Vice President and General Manager of Sales Department of Kitagawa Global hand Company
8	Hisashi Fujimoto	New appointment	Male	Managing Executive Officer, Branch Manager of Tokyo Branch
9	Hiroo Monden	New appointment	Male	Executive Officer, General Manager of Accounting Department, Business Management Division
10	Kazunori Kitagawa	New appointment	Male	Executive Officer, President of Kitagawa Global hand Company
11	Masatoshi Uchida	Reappointment Outside Independent	Male	Director
12	Misako Nishikawa	New appointment Outside Independent	Female	-

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions	Number of shares of the Company held
1	<p>Yuji Kitagawa (April 1, 1957)</p> <p><u>Reappointment</u> <u>Male</u></p> <p>Attendance at Board of Directors meeting: 14/14 meetings (100%)</p>	<p>Sep. 1983 Joined the Company</p> <p>Jun. 1991 Director</p> <p>Apr. 1995 Managing Director</p> <p>Apr. 1997 Senior Managing Director</p> <p>Apr. 1999 Representative Senior Managing Director</p> <p>Apr. 2001 Representative Director & President</p> <p>Apr. 2016 Representative Director & President, General Manager of Machine Tool Accessories Division</p> <p>Apr. 2018 Representative Director & Chairman and President (to present)</p> <p>(Significant concurrent positions)</p> <p>Representative Director & President of KITAGAWA REIKI CO., LTD.</p> <p>Representative Director & Chairman of KITAGAWA MACHINERY CORPORATION</p> <p>Representative Director & Chairman of KISA IRON WORKS CO., LTD.</p> <p>Representative Director & Chairman of Cable Joy CO., LTD.</p> <p>Chairman of the Fuchu Chamber of Commerce and Industry</p>	132,110
<p>[Reason for nomination as a candidate for Director] Since joining the Company, Mr. Yuji Kitagawa has held important positions at the Company. He is currently serving as Representative Director & Chairman and President and has led the Group with his strong leadership, and has abundant experience at the Company, expertise in overall management in the manufacturing industry, and knowledge about global business management and operation. The Company therefore renominates him as a candidate for Director.</p>			
2	<p>Hiroshi Kitagawa (December 12, 1958)</p> <p><u>Reappointment</u> <u>Male</u></p> <p>Attendance at Board of Directors meeting: 14/14 meetings (100%)</p>	<p>Apr. 1981 Joined the Company</p> <p>Jun. 1993 Director</p> <p>Apr. 1997 Managing Director</p> <p>Apr. 2001 Representative Senior Managing Director</p> <p>Apr. 2009 Representative Director, Vice President & Executive Officer, General Manager of Tokyo Sales Division</p> <p>Apr. 2010 Representative Director & Vice President</p> <p>Jun. 2012 Representative Director & Vice President</p> <p> Seconded as Representative Director & President of KITAGAWA MEXICO, S.A. DE C.V.</p> <p>Apr. 2015 Representative Director & Vice President, General Manager of Synthetic Materials Division</p> <p> Seconded as Representative Director & President of KITAGAWA MEXICO, S.A. DE C.V.</p> <p>Apr. 2017 Representative Director & Vice President, General Manager of Synthetic Materials Division</p> <p>Apr. 2018 Representative Director & Vice Chairman, President of Kitagawa Material Technology Company</p> <p>Apr. 2021 Representative Director & Vice Chairman, General Manager of Business Management Division (to present)</p> <p>(Significant concurrent positions)</p> <p>None</p>	15,356
<p>[Reason for nomination as a candidate for Director] Since joining the Company, Mr. Hiroshi Kitagawa has held important positions as President of Kitagawa Material Technology Company and President of the Thai and Mexican subsidiaries. He is currently serving as Representative Director & Vice Chairman, General Manager of Business Management Division and has abundant experience at the Company, expertise in overall management in the manufacturing industry, and knowledge about global business management and operation. The Company therefore renominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions	Number of shares of the Company held
3	<p>Hideo Kitagawa (March 3, 1963)</p> <p><u>Reappointment</u> <u>Male</u></p> <p>Attendance at Board of Directors meeting: 13/14 meetings (93%)</p>	<p>Apr. 1985 Joined the Company</p> <p>Apr. 2001 General Manager of Housing Environment Division</p> <p>Oct. 2004 General Manager of Machine Tool Accessories Division</p> <p>Jun. 2005 Director, General Manager of Machine Tool Accessories Division</p> <p>Apr. 2009 Director & Executive Officer, General Manager of Sales Promotion Department and General Manager of Overseas Sales Department of Sales Division</p> <p>Apr. 2010 Director & Executive Officer, General Manager of Chinese Business Project Office</p> <p>Apr. 2011 Director & Executive Officer, General Manager of Machine Tool Accessories Division</p> <p>Apr. 2014 Director & Managing Executive Officer, General Manager of Business Management Division</p> <p>Sep. 2016 Director & Managing Executive Officer Seconded as Representative Director & Chairman of KITAGAWA (THAILAND) CO., LTD.</p> <p>Apr. 2017 Director & Managing Executive Officer Seconded as Representative Director & Chairman and President of KITAGAWA (THAILAND) CO., LTD.</p> <p>Apr. 2018 Director & Managing Executive Officer Seconded as Representative Director & President of KITAGAWA (THAILAND) CO., LTD.</p> <p>Jan. 2021 Director & Managing Executive Officer, President of Kitagawa Material Technology Company (to present)</p> <p>(Significant concurrent positions) Representative Director & Chairman of KITAGAWA (THAILAND) CO., LTD. Director & Chairman of KITAGAWA MEXICO, S.A. DE C.V.</p>	7,288
<p>[Reason for nomination as a candidate for Director] Since joining the Company, Mr. Hideo Kitagawa had served as General Manager of Machine Tool Accessories Division, General Manager of Overseas Sales Department and General Manager of Chinese Business Project Office. He is currently serving as President of Kitagawa Material Technology Company and has abundant experience at the Company, expertise in overall management in the manufacturing industry, and knowledge about global business management and operation. The Company therefore renominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions		Number of shares of the Company held
4	<p>Toshikatsu Hatashima (September 25, 1954)</p> <p>Reappointment Male</p> <p>Attendance at Board of Directors meeting: 14/14 meetings (100%)</p>	<p>Apr. 1979 Apr. 2006 Oct. 2006 Apr. 2008 Apr. 2009 Apr. 2010 Apr. 2011 Jun. 2015 Apr. 2016 Apr. 2018 Apr. 2019</p> <p>(Significant concurrent positions) None</p>	<p>Joined the Company General Manager of Development Department, Industrial Machinery Division General Manager of Development Division General Manager of Engineering Department, Machine Tool Accessories Division Executive Officer, General Manager of Development Division Executive Officer, General Manager of Machine Tool Accessories Division and General Manager of Development Division Executive Officer, General Manager of Development Division Director & Executive Officer, General Manager of Development Division Director & Executive Officer, General Manager of Development Division and Deputy General Manager of Machine Tool Accessories Division Director & Executive Officer, General Manager of Development Division Director & Managing Executive Officer, General Manager of Development Division and General Manager of New Business Promotion Division (to present)</p>	2,297
<p>[Reason for nomination as a candidate for Director] Since joining the Company, Mr. Toshikatsu Hatashima had served as General Manager of Engineering Department, General Manager of Development Division and General Manager of Machine Tool Accessories Division. He is currently serving as General Manager of Development Division and General Manager of New Business Promotion Division and has abundant experience at the Company, expertise in overall management in the manufacturing industry, and knowledge about business management and operation. The Company therefore renominates him as a candidate for Director.</p>				
5	<p>Kazumasa Kurimoto (September 21, 1958)</p> <p>Reappointment Male</p> <p>Attendance at Board of Directors meeting: 14/14 meetings (100%)</p>	<p>Apr. 1981 Apr. 2009 Apr. 2010 Apr. 2011 Apr. 2012 Apr. 2013 Apr. 2014 Apr. 2015 Jun. 2016 Apr. 2018 Apr. 2019</p> <p>(Significant concurrent positions) None</p>	<p>Joined the Company General Manager of Environmental Marketing Department, Sales Division Executive Officer, General Manager of Multistory Parking Division Executive Officer, General Manager of Multistory Parking Division and General Manager of Sales Department Executive Officer, General Manager of Corporate Planning Office, Business Management Division Executive Officer, Deputy General Manager of Development Division Executive Officer, Deputy Branch Manager of Tokyo Branch Executive Officer, Branch Manager of Tokyo Branch Director & Executive Officer, Branch Manager of Tokyo Branch Director & Executive Officer, President of Kitagawa Sun Tech Company Director & Managing Executive Officer, President of Kitagawa Sun Tech Company (to present)</p>	3,800
<p>[Reason for nomination as a candidate for Director] Since joining the Company, Mr. Kazumasa Kurimoto had served as General Manager of Multistory Parking Division, General Manager of Corporate Planning Office, Deputy General Manager of Development Division and Branch Manager of Tokyo Branch. He is currently serving as President of Kitagawa Sun Tech Company and has abundant experience at the Company, expertise in overall management in the manufacturing industry, and knowledge about business management and operation. The Company therefore renominates him as a candidate for Director.</p>				

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions	Number of shares of the Company held
6	<p>Yasushi Sato (April 17, 1956)</p> <p><u>Reappointment</u> <u>Male</u></p> <p>Attendance at Board of Directors meeting: 14/14 meetings (100%)</p>	<p>Apr. 1980 Joined the Company</p> <p>Oct. 2003 General Manager of General Affairs Department</p> <p>Oct. 2004 General Manager of Housing Environment Division</p> <p>Jun. 2005 Director, General Manager of Housing Environment Division</p> <p>Jan. 2009 Director, General Manager of Multistory Parking Division</p> <p>Apr. 2009 Director & Executive Officer, General Manager of Multistory Parking Division</p> <p>Apr. 2010 Director & Executive Officer, General Manager of Synthetic Materials Division</p> <p>Oct. 2011 Director & Executive Officer Seconded as Representative Director & President of KITAGAWA (THAILAND) CO., LTD.</p> <p>Apr. 2015 Director & Executive Officer, Head of Eastern Japan Region and Plant Manager of Tokyo Plant, Synthetic Materials Division</p> <p>Sep. 2016 Director & Executive Officer, General Manager of Business Management Division</p> <p>Apr. 2018 Director & Executive Officer, Branch Manager of Tokyo Branch</p> <p>Jan. 2021 Director & Executive Officer, General Manager of DX Strategy Division (to present)</p> <p>(Significant concurrent positions) None</p>	5,088
<p>[Reason for nomination as a candidate for Director] Since joining the Company, Mr. Yasushi Sato had served as General Manager of Multistory Parking Division, General Manager of Synthetic Materials Division, President of the Thai subsidiary, and General Manager of Business Management Division. He is currently serving as General Manager of DX Strategy Division and has abundant experience at the Company, expertise in overall management in the manufacturing industry, and knowledge about global business management and operation. The Company therefore renominates him as a candidate for Director.</p>			
7	<p>Masaki Kondo (November 16, 1960)</p> <p><u>Reappointment</u> <u>Male</u></p> <p>Attendance at Board of Directors meeting: 11/11 meetings (100%)</p>	<p>Apr. 1983 Joined The Hiroshima Bank, Ltd.</p> <p>Apr. 2013 Branch Manager of Fukuyama Minami Branch</p> <p>Apr. 2015 Joined the Company as Deputy General Manager of Machine Tool Accessories Division</p> <p>Apr. 2016 General Manager of Sales Department, Machine Tool Accessories Division</p> <p>Apr. 2018 Executive Officer, Branch Manager of Nagoya Branch</p> <p>Jun. 2020 Director & Executive Officer, Branch Manager of Nagoya Branch</p> <p>Apr. 2021 Director & Executive Officer, Vice President and General Manager of Sales Department of Kitagawa Global hand Company (to present)</p> <p>(Significant concurrent positions) None</p>	1,000
<p>[Reason for nomination as a candidate for Director] Leveraging the abundant experience and broad knowledge gained at a financial institution, Mr. Masaki Kondo had served as General Manager of Sales Department, Machine Tool Accessories Division and Branch Manager of Nagoya Branch since he joined the Company. He is currently serving as Vice President and General Manager of Sales Department of Kitagawa Global hand Company and has abundant experience at the Company, expertise in overall management in the manufacturing industry, and knowledge about business management and operation. The Company therefore renominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions	Number of shares of the Company held
8	<p>Hisashi Fujimoto (March 5, 1967)</p> <p><u>New appointment</u> Male</p>	<p>Apr. 1989 Joined the Company Jan. 2009 (Deputy) General Manager of Sales Department, Multistory Parking Division Apr. 2011 Deputy General Manager of Sales Department, Machine Tool Accessories Division Apr. 2014 Branch Manager of Nagoya Branch Apr. 2018 Executive Officer, President of Kitagawa Global hand Company Apr. 2019 Managing Executive Officer, President of Kitagawa Global hand Company Jan. 2021 Managing Executive Officer, Branch Manager of Tokyo Branch (to present) (Significant concurrent positions) Chairman of Kitagawa Corporation (Shanghai) Chairman of KITAGAWA MACHINERY MANUFACTURING (SHENYANG) CO., LTD.</p>	167
<p>[Reason for nomination as a candidate for Director] Since joining the Company, Mr. Hisashi Fujimoto had served as Branch Manager of Nagoya Branch and President of Kitagawa Global hand Company. He is currently serving as Branch Manager of Tokyo Branch and has abundant experience at the Company, expertise in overall management in the manufacturing industry, and knowledge about business management and operation. The Company therefore nominates him as a new candidate for Director.</p>			
9	<p>Hiroo Monden (July 4, 1955)</p> <p><u>New appointment</u> Male</p>	<p>Apr. 1978 Joined The Daiei, Inc. Apr. 1997 General Manager of Financial Planning Department, Financial Division Apr. 2006 General Manager of Administrative Division Apr. 2008 Joined the Company as Deputy General Manager of Business Management Division Apr. 2009 General Manager of General Affairs Department, Business Management Division Apr. 2012 Executive Officer, General Manager of Accounting Department, Business Management Division Apr. 2018 Executive Officer, Vice President of Kitagawa Material Technology Company Apr. 2020 Executive Officer, General Manager of Accounting Department, Business Management Division (to present) (Significant concurrent positions) None</p>	3,898
<p>[Reason for nomination as a candidate for Director] Leveraging the abundant experience and broad knowledge gained in the retail finance sector, Mr. Hiroo Monden had served as General Manager of General Affairs Department, General Manager of Accounting Department and Vice President of Kitagawa Material Technology Company since he joined the Company. He is currently serving as General Manager of Accounting Department and has abundant experience at the Company, expertise in overall management in the manufacturing industry, and knowledge about business management and operation. The Company therefore nominates him as a new candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions	Number of shares of the Company held
10	Kazunori Kitagawa (January 16, 1984) <div style="border: 1px solid black; padding: 2px; display: inline-block;">New appointment</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Male</div>	Apr. 2010 Joined the Company Apr. 2011 Business Promotion Office, Machine Tool Accessories Division Nov. 2014 Seconded to KITAGAWA MEXICO, S.A. DE C.V. Apr. 2017 General Manager of Business Planning Office, Global Strategy Department, Synthetic Materials Division Apr. 2018 Executive Officer, Vice President of Kitagawa Global hand Company Jan. 2021 Executive Officer, President of Kitagawa Global hand Company (to present) (Significant concurrent positions) None	4,400
<p>[Reason for nomination as a candidate for Director] Since joining the Company, Mr. Kazunori Kitagawa had cultivated overseas business experience at the Mexican subsidiary while serving in the synthetic materials department and engaged in the business planning department. After assuming the office of Vice President of Kitagawa Global hand Company, he is currently serving as President of Kitagawa Global hand Company, and has abundant experience at the Company, expertise in overall management in the manufacturing industry, and knowledge about global business management and operation. The Company therefore nominates him as a new candidate for Director.</p>			
11	Masatoshi Uchida (October 27, 1963) <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Male</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> Attendance at Board of Directors meeting: 14/14 meetings (100%) Term of office as Outside Director: 2 years (at the conclusion of this General Meeting of Shareholders) (Note)	Apr. 1989 Joined Mazda Motor Corporation Apr. 1997 Joined KITAGAWA SEIKI CO., LTD. Jul. 1999 Representative Senior Managing Director Sep. 2007 Tentative Corporate Auditor of the Company Jun. 2008 Corporate Auditor (resigned in June 2019) Jul. 2016 Representative Director & President of KITAGAWA SEIKI CO., LTD. (to present) Jun. 2019 Director of the Company (to present) (Significant concurrent positions) Representative Director & President of KITAGAWA SEIKI CO., LTD.	985
<p>[Reason for nomination as a candidate for Outside Director and outline of expected roles] Mr. Masatoshi Uchida has abundant experience and knowledge gained through corporate management. He has presented advice and suggestions to the management team from an objective and neutral point of view, and the Company expects that he will contribute to the enhancement of the Company's corporate value. He is judged to be capable of contributing to strengthening the efficiency of the Board of Directors' decision-making and supervisory functions from a standpoint independent from the management team. The Company therefore renominates him as a candidate for Outside Director.</p> <p>[Matters regarding independence] Since he satisfies the Company's independence criteria, the Company believes that he has independence. He serves as Representative Director & President of KITAGAWA SEIKI CO., LTD. Although the Company purchases products, etc. from said company, the transaction amount is less than 2% of the annual average net sales of the most recent three business years of said company. Therefore, the Company judges that the amount does not affect the Company's independence criteria.</p>			

No.	Name (Date of birth)	Past experience, positions and responsibilities at the Company and significant concurrent positions	Number of shares of the Company held
12	Misako Nishikawa (October 11, 1967) <input type="checkbox"/> New appointment <input type="checkbox"/> Female <input type="checkbox"/> Outside <input type="checkbox"/> Independent	Jun. 1994 Joined Chugoku Productivity Center Feb. 2016 General Manager (to present) (Significant concurrent positions) None	-
	<p>[Reason for nomination as a candidate for Outside Director and outline of expected roles] Ms. Misako Nishikawa has conducted thorough research on human resource development and organizational revitalization at Chugoku Productivity Center and is currently engaged as an expert advisor of organizational revitalization in the human resource development and quality management field. For this reason, the Company expects that she will present advice and suggestions to the management team from an objective and neutral viewpoint and contribute to the enhancement of the Company's management quality even though she does not have prior experience of direct involvement in corporate management. She is judged to be capable of contributing to strengthening the efficiency of the Board of Directors' decision-making and supervisory functions from a standpoint independent from the management team. The Company therefore nominates her as a new candidate for Outside Director.</p> <p>[Matters regarding independence] Since she satisfies the Company's independence criteria, the Company believes that she has independence. She executes business at Chugoku Productivity Center. Although the Company is a member of the Chugoku Management Quality Council at the Center, where newly appointed managers of the Company attend management quality programs about once a year, the transaction amount is less than 2% of the annual average net sales of the most recent three business years of the Center. Therefore, the Company judges that the amount does not affect the Company's independence criteria.</p>		

- Notes:
1. There are no special interests between each candidate for Director and the Company.
 2. The numbers of shares in the Company held by each candidate for Director are as of March 31, 2021. They include shares indirectly held through the Directors' shareholding association and the employee shareholding association (any fraction less than one share has been rounded down).
 3. Messrs. Hisashi Fujimoto, Hiroo Monden and Kazunori Kitagawa, and Ms. Misako Nishikawa are candidates for new Directors.
 4. Mr. Masatoshi Uchida and Ms. Misako Nishikawa are candidates for Outside Directors.
 The Company has registered Mr. Masatoshi Uchida as an Independent Director with the Tokyo Stock Exchange in accordance with the rules of said Exchange. If the reelection of Mr. Masatoshi Uchida is approved, the Company plans to continue to appoint him as an Independent Director. Ms. Misako Nishikawa satisfies the requirements for being an Independent Director in accordance with the rules of the Tokyo Stock Exchange and the Company plans to register her as an Independent Director with said Exchange.
 5. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has concluded an agreement with Mr. Masatoshi Uchida to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to said agreement is the amount provided for in Article 425, Paragraph 1 of the Companies Act. If the reelection of Mr. Masatoshi Uchida is approved, the Company plans to continue said agreement with him. If the election of Ms. Misako Nishikawa is approved, the Company plans to conclude the same agreement with her.
 6. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company to cover damages to be borne by the insured that may arise from the insured directors and officers assuming liability in connection with the execution of their duties or through receiving claims pertaining to the pursuit of such liability; provided, however, there are certain exemptions. For example, any damage caused as a result of knowingly engaging in conduct that is in violation of laws and regulations shall not be covered. Candidates that are elected to assume the office of Director will be insured under said agreement. The Company plans to renew said agreement under the same terms and conditions at the time of the next renewal.

(References)

[Independence criteria for Outside Officers]

The Company deems Outside Officers (Outside Directors and Outside Corporate Auditors) lack independence if they fall under any of the items below.

1. An executive of the Company and the affiliates of the Company (hereinafter collectively referred to as “the Group”) (Note 1)
2. A party who deems the Group as its major transaction partner, or its executive (Note 2)
3. A party who is the major transaction partner of the Group, or its executive (Note 3)
4. A major shareholder of the Company (a party that directly or indirectly owns 10% or more of total voting rights), or its executive
5. A party that is directly or indirectly owned by the Group for 10% or more of its total voting rights, or its executive
6. An employee of the auditing firm which is the Accounting Auditor of the Group
7. A consultant, accounting expert or legal expert who receives 10 million Japanese yen or more of cash or other property other than the officer remuneration from the Group for the past three business years
8. A spouse or close relative within the second degree of relationship, or a family member living together with the significant person (Note 4) who falls under any of items 1 through 7

Note 1: “Executive” refers to executives as provided in Article 2, Paragraph 3, Item 6 of the Regulation for Enforcement of the Companies Act, which includes not only executive directors but also employees, but excludes Corporate Auditors.

Note 2: “A party who deems the Group as its major transaction partner” refers to a party who received payment from the Group for the amount of 2% or more of annual average net sales of the most recent three business years of such party.

Note 3: “A party who is the major transaction partner of the Group” refers to a party who paid the Group for the amount of 2% or more of annual average net sales of the most recent three business years of the Group.

Note 4: “Significant person” refers to director (excluding outside director), executive officer, managing director of each company and transaction partner, certified public accountant belonging to an auditing firm, and attorney belonging to a law firm.