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(Stock Exchange Code 2288)  
3rd June 2021

**To Shareholders with Voting Rights:**

Toshiharu Inoue  
President and Representative Director  
MARUDAI FOOD CO., LTD.  
21-3 Midori-cho, Takatsuki-shi, Osaka, Japan

**NOTICE OF THE 73RD ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

Please be informed that the 73rd Ordinary General Meeting of Shareholders of MARUDAI FOOD CO., LTD. (the “Company”) will be held for the purposes as described below.

In light of the infection status of the novel coronavirus disease (COVID-19), shareholders are requested to focus on the infection status on the day of the meeting as well as your physical condition, and to call off your attendance if suffering from any cold-like symptoms or feeling unwell. Those who are elderly, have underlying medical conditions, or expecting, are particularly suggested to consider not attending the meeting.

Shareholders are recommended to exercise their voting rights in writing or by electromagnetic means (via the Internet, etc.). Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Thursday, 24th June 2021, Japan standard time.

- 1. Date and Time:** Friday, 25th June 2021 at 10:00 a.m., Japan standard time
- 2. Place:** Medium-sized Hall (B2, Cultural Hall Building), Takatsuki Gendai Gekijo  
(Takatsuki Modern Theatre)  
2-33 Nomi-cho, Takatsuki-shi, Osaka, Japan

In the event that the meeting venue becomes unusable due to the impact of COVID-19, an alternative venue (a new starting time in the event that the starting time is changed) and other details will be announced on the Company’s website (<http://www.marudai.jp/>). Shareholders who plan to come to the venue on the day of the meeting should make sure to check for any changes in advance.

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 73rd Fiscal Year (1st April 2020 – 31st March 2021) and results of audits by the Accounting Auditor and the Board of Statutory Auditors of the Consolidated Financial Statements
  2. Nonconsolidated Financial Statements for the Company’s 73rd Fiscal Year (1st April 2020 – 31st March 2021)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of Eight (8) Directors  
**Proposal 3:** Election of One (1) Statutory Auditor  
**Proposal 4:** Election of One (1) Substitute Statutory Auditor

[Exercise of voting rights in writing (by submitting the enclosed Voting Rights Exercise Form)]

Please indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form and return it to us by the deadline indicated above.

[Exercise of voting rights by smartphone]

By scanning the “Login QR Code for Smartphone Voting Rights Exercise Website” shown on the enclosed Voting Rights Exercise Form, you can exercise your voting rights on the smartphone voting rights exercise website, which does not require entering the “Voting Rights Exercise Code” or the “Password.”

If you wish to change the content of your vote after you have exercised your voting rights once, you need to scan the QR code again, then enter the “Voting Rights Exercise Code” and the “Password” indicated on the Voting Rights Exercise Form.

[Exercise of voting rights by electromagnetic means (via the Internet, etc.)]

Please access the website for the exercise of voting rights designated by the Company (<https://www.web54.net>) using the “Voting Rights Exercise Code” and the “Password” indicated on the enclosed Voting Rights Exercise Form, follow the on-screen instructions, and enter your vote for or against each proposal.

If voting rights are exercised both in writing by submitting the Voting Rights Exercise Form and via the Internet, etc. and the vote for the same proposal differs, the exercise of voting rights via the Internet, etc. shall be deemed valid.

- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- ◎ Should the content of the Reference Documents for the General Meeting of Shareholders, the Business Report, the Nonconsolidated Financial Statements, or the Consolidated Financial Statements require revisions, the revisions will be posted on the Company’s website (<http://www.marudai.jp/>).
- ◎ Of the documents required to be appended to this Notice of Convocation, the Consolidated Statements of Changes in Net Assets and the Notes to the Consolidated Financial Statements which are part of the Consolidated Financial Statements, and the Non-consolidated Statements of Changes in Net Assets and Notes to the Non-consolidated Financial Statements which are part of the Non-consolidated Financial Statements, have been posted on the Company’s website (<http://www.marudai.jp/>) in accordance with laws and regulations and Article 15 of the Articles of Incorporation of the Company, and are therefore not included in the attached documents. The Consolidated Statements of Changes in Net Assets, the Notes to the Consolidated Financial Statements, the Non-consolidated Statements of Changes in Net Assets, and the Notes to the Non-consolidated Financial Statements were audited by the Accounting Auditor and the Board of Statutory Auditors as part of the Consolidated Financial Statements and the Non-consolidated Financial Statements in preparing their audit reports.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### **Proposal 1:** Appropriation of Surplus

The Company views the return of profits to shareholders as a key management issue. The Company will make it a basic policy to maintain stable dividends, while taking into consideration consolidated earnings performance and financial conditions.

With respect to appropriation of surplus (year-end dividend) for the fiscal year ended 31st March 2021, in accordance with the above-stated policy and taking into consideration consolidated earnings performance, it is proposed that a dividend of 30 yen per share, a 5 yen decrease from the previous fiscal year, be paid as below.

#### Items related to year-end dividends

1. Type of dividend property  
Cash
2. Allotment of dividend property to shareholders and the total amount  
30 yen per share of common stock of the Company  
Total amount: 762,077,430 yen
3. Effective date of distribution of surplus  
28th June 2021

**Proposal 2:** Election of Eight (8) Directors

The terms of office of all nine (9) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes to decrease the number of Directors by one (1) and elect eight (8) Directors, in order to enable the Board of Directors to make decisions in a strategic and flexible manner.

The candidates for Director are as follows.

| Candidate No. |                          | Name               | Current position in the Company      | Attendance at meetings of the Board of Directors |
|---------------|--------------------------|--------------------|--------------------------------------|--|
| 1             | [Reappointment]          | Tokuo Kudara       | Chairman and Representative Director | 100%<br>(14 out of 14 meetings)                  |
| 2             | [Reappointment]          | Shigeki Fukushima  | Managing Director                    | 100%<br>(14 out of 14 meetings)                  |
| 3             | [Reappointment]          | Nobuyoshi Katoh    | Director                             | 100%<br>(14 out of 14 meetings)                  |
| 4             | [Reappointment]          | Kouji Mishima      | Director                             | 100%<br>(14 out of 14 meetings)                  |
| 5             | [New]<br>[Reappointment] | Yuji Sato          | Managing Executive Officer           | —  |
| 6             | [New]<br>[Reappointment] | Toshio Tanaka      | Executive Officer                    | —  |
| 7             | [Reappointment]          | Keiko Kaneko       | [Outside]<br>[Independent] Director  | 93%<br>(13 out of 14 meetings)                   |
| 8             | [New]<br>[Reappointment] | Masahiro Fuchizaki | [Outside]<br>[Independent] —         | —  |

[New] New candidate for Director

[Reappointment] Reappointed candidate for Director

[Outside] Candidate for Outside Director

[Independent] Independent Directors under the provisions of the Exchange

| No.   | Name<br>(Date of birth)  | Career summary, positions and responsibilities  |  | Number of<br>shares of the<br>Company held |
|---|--|---|--|--|
| 1   | Tokuo Kudara<br>(2nd February 1939)<br><br>[Reappointment]<br><br>Attendance at meetings of the<br>Board of Directors:<br>100% (14 out of 14 meetings)     | February 1960<br>March 1970<br>April 1973<br>October 1981<br>April 2001<br>June 2019  | Joined the Company<br>General Manager, Purchasing Dept.<br>Director<br>Managing Director<br>President and Representative Director<br>Chairman and Representative Director (to<br>present)  | 42,400                                     |
| Significant concurrent positions                      |  | Chairman and Representative Director, Pioneer Foods Co., Ltd.   |  |  |
| Reasons for nomination as a<br>candidate for Director |  | Mr. Tokuo Kudara has a wealth of experience and extensive knowledge in the Company's overall management. Reflecting his excellent capabilities and insight as a Director, his track record since becoming Representative Director includes numerous achievements. He has contributed to sustainable growth of the Company and medium- to long-term enhancement of corporate value. For these reasons, the Company judges that he is indispensable for the Company's management and has nominated him as a candidate for Director. |  |  |
| 2   | Shigeki Fukushima<br>(9th October 1963)<br><br>[Reappointment]<br><br>Attendance at meetings of the<br>Board of Directors:<br>100% (14 out of 14 meetings) | April 1987<br>April 2011<br>April 2017<br>June 2017<br>April 2021   | Joined the Company<br>Executive Officer<br>Senior Executive Officer<br>Director<br>Managing Director (to present)<br>(Responsibilities)<br>In charge of Meat Business Dept., Food Supply Sales Dept.,<br>General Manager of Ham & Sausage Products Dept. | 3,200                                      |
| Significant concurrent positions                      |  | President and Representative Director, Hornmeier Co., Ltd.  |  |  |
| Reasons for nomination as a<br>candidate for Director |  | Mr. Shigeki Fukushima has a wealth of experience and extensive knowledge in the Company's meat products business and the overseas business, etc. With his excellent capabilities and insight as a Director, he has contributed to sustainable growth of the Company and medium- to long-term enhancement of corporate value. For these reasons, the Company judges that he is indispensable for the Company's management and has nominated him as a candidate for Director.   |  |  |

| No.   | Name<br>(Date of birth)   | Career summary, positions and responsibilities  |   | Number of<br>shares of the<br>Company held |
|---|---|---|---|--|
| 3   | Nobuyoshi Katoh<br>(14th January 1960)<br><br>[Reappointment]<br><br>Attendance at meetings of the<br>Board of Directors:<br>100% (14 out of 14 meetings) | April 2010<br><br>May 2012<br>May 2012<br><br>June 2013<br><br>(Responsibilities)   | General Manager of Tennoji-ekimae<br>Corporate Sales Dept.,<br>Sumitomo Mitsui Banking Corporation<br><br>Joined the Company<br><br>Executive Officer, General Manager of<br>Accounting Dept.<br><br>Director, General Manager of Accounting<br>Dept. (to present)<br><br>General Manager of Accounting Dept.   | 5,200                                      |
| Reasons for nomination as a<br>candidate for Director |   | Mr. Nobuyoshi Katoh has a wealth of experience and extensive knowledge in the Company's accounting and finance operations. With his excellent capabilities and insight as a Director, he has contributed to sustainable growth of the Company and medium- to long-term enhancement of corporate value. For these reasons, the Company judges that he is indispensable for the Company's management and has nominated him as a candidate for Director. |   |  |
| 4   | Kouji Mishima<br>(1st April 1966)<br><br>[Reappointment]<br><br>Attendance at meetings of the<br>Board of Directors:<br>100% (14 out of 14 meetings)      | April 1988<br>April 2016<br>April 2017<br><br>April 2018<br><br>June 2019<br><br>October 2019<br><br>April 2021<br><br>(Responsibilities)   | Joined the Company<br><br>General Manager of Kanto Plant<br><br>Executive Officer, General Manager of<br>Kanto Plant<br><br>Executive Officer, General Manager of<br>Ham & Sausage Production Dept.,<br>General Manager of Ham & Sausage<br>Products Planning Dept.<br><br>Director in charge of Procurement Div.,<br>Logistics Div., and Central Research<br>Institute,<br>General Manager of Ham & Sausage<br>Products Div., General Manager of Ham &<br>Sausage Production Dept., General<br>Manager of Ham & Sausage Products<br>Planning Dept.<br><br>Director in charge of Procurement Div.,<br>Logistics Div., and Central Research<br>Institute<br>General Manager of Ham & Sausage<br>Products Div., General Manager of Ham &<br>Sausage Production Dept.<br><br>Director in charge of Procurement Div.,<br>General Manager of Ham & Sausage<br>Production Dept. (to present)<br><br>In charge of Procurement Div., General Manager of Ham &<br>Sausage Production Dept. | 600  |
| Reasons for nomination as a<br>candidate for Director |   | Mr. Kouji Mishima has a wealth of experience and extensive knowledge in the Company's production operations. With his excellent capabilities and insight as a Director, he has contributed to sustainable growth of the Company and medium- to long-term enhancement of corporate value. For these reasons, the Company judges that he is indispensable for the Company's management and has nominated him as a candidate for Director.               |   |  |

| No.   | Name<br>(Date of birth)                          | Career summary, positions and responsibilities  |  | Number of<br>shares of the<br>Company held |
|---|--|---|--|--|
| 5   | Yuji Sato<br>(25th December 1964)<br><br>[New]   | March 1983<br>April 2005<br><br>March 2009<br>April 2012<br>April 2013<br>April 2018<br>April 2021  | Joined the Company<br>General Manager of Regional Sales Dept.,<br>Kanto Sales Dept.<br>General Manager of Sales Dept., Sales<br>Div.<br>General Manager of Chugoku and Shikoku<br>Sales Dept.<br>Executive Officer, General Manager of<br>Sales Dept.<br>President and Representative Director,<br>Azumino Food Co., Ltd.<br>Managing Executive Officer (to present) | 2,000                                      |
| Reasons for nomination as a<br>candidate for Director |  | Mr. Yuji Satoh has a wealth of experience and extensive knowledge in the Company's sales and marketing operations and Group company management. The Company judges he is capable of contributing to the sustainable growth of the Company and medium- to long-term enhancement of corporate value. For these reasons, the Company judges that he is indispensable for the Company's management and has nominated him as a candidate for Director.                 |  |  |
| 6   | Toshio Tanaka<br>(9th January 1963)<br><br>[New] | April 1985<br>April 2019<br><br>(Responsibilities)<br>General Manager of General Affairs and Human Resources<br>Dept. and General Manager of Environmental Protection<br>Office   | Joined the Company<br>Executive Officer, General Manager of<br>General Affairs and Human Resources<br>Dept. and General Manager of<br>Environmental Protection Office (to<br>present)  | 1,000                                      |
| Reasons for nomination as a<br>candidate for Director |  | Mr. Toshio Tanaka has a wealth of experience and extensive knowledge in the Company's general affairs and human resources operations and production operations. The Company judges he is capable of contributing to the sustainable growth of the Company and medium- to long-term enhancement of corporate value. For these reasons, the Company judges that he is indispensable for the Company's management and has nominated him as a candidate for Director. |  |  |

| No.  | Name<br>(Date of birth)  | Career summary, positions and responsibilities  |  | Number of<br>shares of the<br>Company held |
|--|--|---|--|--|
| 7  | <p>Keiko Kaneko<br/>(27th November 1958)</p> <p>[Reappointment]<br/>[Outside]<br/>[Independent]</p> <p>Attendance at meetings of the<br/>Board of Directors:<br/>93% (13 out of 14 meetings)</p> | <p>April 1981      Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Corporation)</p> <p>April 2007      Director, Corporate Information Security Division</p> <p>April 2014      Assistant to Director, Senior Counsel for Personal Information Protection, Legal Division</p> <p>October 2014   General Manager, Security Compliance Division, Benesse Holdings, Inc.</p> <p>June 2016      General Manager, Information Security Division</p> <p>April 2018      Associate Professor, Department of Business Law, Faculty of Business Administration, Osaka University of Economics (to present)</p> <p>June 2019      Director of the Company (to present)</p> |  | 0  |
| Significant concurrent positions   |  | Associate Professor, Department of Business Law, Faculty of Business Administration, Osaka University of Economics  |  |  |
| Reasons for nomination as a candidate for Outside Director and expected role |  | <p>Ms. Keiko Kaneko has professional knowledge in the legal and information security operations as well as a wealth of experience and profound insight. She is providing advice concerning overall management of the Company and is fulfilling her duties as an Outside Director of the Company. For these reasons, the Company believes that she is a suitable person to oversee business execution of the Company in its pursuit of sustainable growth and medium- to long-term enhancement of corporate value and has nominated her as a candidate for Outside Director.</p>   |  |  |



| No.  | Name<br>(Date of birth)   | Career summary, positions and responsibilities   |   | Number of<br>shares of the<br>Company held |
|--|---|--|---|--|
| 8  | Masahiro Fuchizaki<br>(8th April 1956)<br><br>[New]<br>[Outside]<br>[Independent] | April 1979   | Joined The Sumitomo Bank, Limited<br>(currently Sumitomo Mitsui Banking Corporation)                          | 0  |
|  |   | April 2007   | Executive Officer, General Manager of<br>Operations Planning Dept., Sumitomo<br>Mitsui Banking Corporation    |  |
|  |   | April 2008   | Executive Officer, Deputy Officer in<br>charge of Operations Planning Dept. and<br>Operations Promotion Dept. |  |
|  |   | May 2009   | Advisor, JSOL Corporation   |  |
|  |   | June 2009  | Director, Senior Managing Director  |  |
|  |   | April 2010   | Managing Executive Officer, Sumitomo<br>Mitsui Banking Corporation  |  |
|  |   | April 2011   | Managing Executive Officer, Sumitomo<br>Mitsui Financial Group, Inc.  |  |
|  |   |  | Director, The Japan Research Institute,<br>Limited  |  |
|  |   | June 2011  | Director, Sumitomo Mitsui Financial<br>Group, Inc.  |  |
|  |   | April 2012   | Director and Senior Managing Executive<br>Officer, Sumitomo Mitsui Banking<br>Corporation                     |  |
|  |   | May 2015   | Representative Director, President and<br>CEO, The Japan Research Institute,<br>Limited                       |  |
|  |   | June 2019  | Director and Chairman   |  |
|  |   | June 2020  | Special Advisor (to present)  |  |
| Significant concurrent positions   |   | Special Advisor, The Japan Research Institute, Limited   |   |  |
| Reasons for nomination as a<br>candidate for Outside Director<br>and expected role |   | Mr. Masahiro Fuchizaki has a wealth of experience and profound insight through his involvement in corporate management over the years. The Company judges that he is capable of providing advice concerning overall management of the Company and to fulfill his duties as an Outside Director of the Company. For these reasons, the Company believes that he is a suitable person to oversee business execution of the Company in its pursuit of sustainable growth and medium- to long-term enhancement of corporate value and has nominated him as a candidate for Outside Director. |   |  |

(Notes) 1. There are no special interests between the candidates for Director and the Company.

- Ms. Keiko Kaneko and Mr. Masahiro Fuchizaki are candidates for Outside Director and satisfy the requirements for Independent Directors as prescribed by Tokyo Stock Exchange, Inc. If the election of Ms. Keiko Kaneko and Mr. Masahiro Fuchizaki is approved and they assume office, the Company intends to continue Ms. Keiko Kaneko's appointment to be an Independent Director and the notification to the said Exchange, and newly appoint Mr. Masahiro Fuchizaki to be an Independent Director and notify the said Exchange of his appointment. While Mr. Masahiro Fuchizaki was an executive of Sumitomo Mitsui Banking Corporation, a specified associated service provider (a major lender) to the Company for a period of ten years in the past, six years have elapsed since he left the said bank. Please refer to Page 13 for the Company's "Independence Standards for Outside Directors/Statutory Auditors."
- Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreement with Ms. Keiko Kaneko to limit her liability pursuant to Article 423, Paragraph 1 of the Companies Act. If the election of Ms. Keiko Kaneko as Outside Director is approved and she assumes office, the Company intends to continue the said agreement. The maximum amount of liability pursuant to the agreement shall be the amount stipulated by laws and regulations. In addition, if the election of Mr. Masahiro Fuchizaki as Outside Director is approved and he assumes office, the Company intends to enter into the same agreement with him.

4. The Company has entered into a directors and officers (D&O) liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with its Directors as the insured. The insurance covers the damages that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. If this proposal is approved, each candidate for Director shall be insured under the insurance agreement, which is scheduled to be renewed during their term of office as Director.
5. Ms. Keiko Kaneko will have served as an Outside Director of the Company for two years at the conclusion of this Ordinary General Meeting of Shareholders.

**Proposal 3:** Election of One (1) Statutory Auditor

The term of office of Statutory Auditor Mr. Yoshikazu Sawanaka will expire at the conclusion of this year's Ordinary General Meeting of Shareholders. Accordingly, the election of one (1) Statutory Auditor is proposed. The Board of Statutory Auditors has previously given its approval to this proposal. The candidate for Statutory Auditor is as follows.

| Name<br>(Date of birth)                                     | Career summary and positions  |  | Number of<br>shares of the<br>Company held |
|---|---|--|--|
| Toru Miyachi<br>(1st September 1959)<br><br>[New]           | April 1983  | Joined the Company   | 300  |
|   | June 2008   | Statutory Auditor, Marudai Service Co., Ltd.                                     |  |
|   | June 2018   | Retired from the position of Statutory Auditor of Marudai Service Co., Ltd.      |  |
|   | April 2020  | General Manager of General Affairs and Accounting Dept., Pioneer Foods Co., Ltd. |  |
|   | June 2020   | Director, Pioneer Foods Co., Ltd. (to present)                                   |  |
| Reasons for nomination as a candidate for Statutory Auditor | Mr. Toru Miyachi has a wealth of experience and extensive knowledge as a statutory auditor at group companies and in the Company’s general affairs and human resources operations. The Company judges that he is capable of contributing to the enhancement of the Company’s audit systems, and has nominated him as a candidate for Statutory Auditor. |  |  |

- (Notes)
1. There are no special interests between the candidate and the Company.
  2. The Company has entered into a directors and officers (D&O) liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with its Statutory Auditors as the insured. The insurance covers the damages that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. If this proposal is approved, Mr. Toru Miyachi shall be insured under the insurance agreement, which is scheduled to be renewed during his term of office as Statutory Auditor.

**Proposal 4:** Election of One (1) Substitute Statutory Auditor

The term of the election of Mr. Kenji Tabuchi as Substitute Statutory Auditor will expire at the conclusion of this year's Ordinary General Meeting of Shareholders. In order to ensure that the number of incumbent Outside Statutory Auditors does not fall short of that required by laws and regulations, the election of one (1) substitute Statutory Auditor is proposed.

The Board of Statutory Auditors has previously given its approval to this proposal.

The candidate for substitute Statutory Auditor is as follows.

| Name<br>(Date of birth)  | Career summary   | Number of<br>shares of the<br>Company held |
|--|--|--|
| Kenji Tabuchi<br>(18th May 1959)<br><br>[Outside]<br>[Independent]             | <div> <div>April 1990</div> <div>Registered as attorney-at-law (Osaka Bar Association)</div> </div> <div> <div>April 1995</div> <div>Joined Tsukaguchi Law Office</div> </div> <div> <div>June 2001</div> <div>Opened Tabuchi Law Office</div> </div> <div> <div>June 2001</div> <div>Opened Tabuchi Nishino Law Office (to present)</div> </div>  | 0  |
| Significant concurrent positions   | Attorney-at-law  |  |
| Reasons for nomination as a candidate for substitute Outside Statutory Auditor | Although Mr. Kenji Tabuchi has never been directly involved in corporate management, the Company judges that he is capable of auditing the Directors' performance of duties from an objective and fair position based on his wealth of knowledge and experience as an attorney-at-law. For these reasons, the Company has nominated him as a candidate for substitute Outside Statutory Auditor. |  |

- (Notes)
1. There are no transaction relationship and special interests between the candidate and the Company.
  2. Mr. Kenji Tabuchi is a candidate for substitute Outside Statutory Auditor.
  3. If Mr. Kenji Tabuchi assumes office as an Outside Statutory Auditor, the Company will notify the Tokyo Stock Exchange, Inc. of his appointment as an Independent Auditor. Please refer to Page 13 for the Company's "Independence Standards for Outside Directors/Statutory Auditors."
  4. If Mr. Kenji Tabuchi assumes office as an Outside Statutory Auditor, pursuant to Article 427, Paragraph 1 of the Companies Act, the Company intends to enter into an agreement with him to limit his liability under Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability pursuant to the agreement shall be the amount stipulated by laws and regulations.
  5. The Company has entered into a directors and officers (D&O) liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, with its Statutory Auditors as the insured. The insurance covers the damages that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. If this proposal is approved, and Mr. Kenji Tabuchi assumes office as an Outside Statutory Auditor, he shall be insured under the insurance agreement.

**(Reference)**

**Independence Standards for Outside Directors/Statutory Auditors**

If any of the following attributes applies to an Outside Director/Statutory Auditor of the Company, the Company judges that such Outside Director/Statutory Auditor is not fully independent from the Company.

- (1) An executive person\*1 of the Company or consolidated subsidiaries of the Company (hereinafter referred to as the “Marudai Food Group”)
- (2) A party to whom any of 1) to 9) below applied in the past three years
  - 1) A party whose principal business partner is the Marudai Food Group\*2 or its executive person
  - 2) A principal business partner of the Marudai Food Group\*3 or its executive person
  - 3) A principal lender to the Marudai Food Group\*4 or its executive person
  - 4) A major shareholder (directly or indirectly holding 10% or more of the total voting rights) of the Company or its executive person
  - 5) A party of which the Company is a major shareholder (directly or indirectly holding 10% or more of the total voting rights) or the executive person
  - 6) A party affiliated with an audit firm that is the accounting auditor of the Marudai Food Group
  - 7) A party who received remuneration exceeding 10 million yen a year excluding the Directors’ or Auditors’ remuneration
  - 8) A party who received donations exceeding a certain limit\*5 from the Marudai Food Group or its executive person
  - 9) An executive person of an entity for which an executive person of the Marudai Food Group serves as a Director/Statutory Auditor
- (3) The spouse or relative in the second degree of kinship of a party to whom (1) or (2) above applies and who holds an important position\*6

**(Notes)**

1. An “executive person” means an executive director, an executive officer, a general manager, a party in a similar position, and an employee of an organization such as a corporation.
2. A “party whose principal business partner is the Marudai Food Group” means a party who received payment from the Company equal to 2% or more of the party’s consolidated annual sales in the most recent fiscal year.
3. A “principal business partner of the Marudai Food Group” means a party whose payment to the Company was equal to 2% or more of the Company’s consolidated annual sales in the most recent fiscal year.
4. A “principal lender to the Marudai Food Group” is a lender from which the Marudai Food Group borrows an amount equal to 2% or more of consolidated total assets.
5. “Donations exceeding a certain limit” means donations to an organization such as a corporation that amount to 10 million yen a year or more or that are equal to 2% or more of net sales or total revenues of such organization, whichever the larger.
6. A “party who holds an important position” means a director, an executive, an executive officer, or a party who executes important business and holds the position of general manager or higher.