


Securities Code: 9919

June 2, 2021

To our shareholders:

Koji Fukutani
President of Representative Director
 **Kansai Super Market Ltd.**
5-3-38 Chuo, Itami-shi, Hyogo

Notice of the 62nd Annual General Meeting of Shareholders

We are pleased to announce the 62nd Annual General Meeting of Shareholders of Kansai Super Market Ltd. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the Internet, etc. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6:00 p.m. on Thursday, June 24, 2021 (JST).

1. **Date and time:** Friday, June 25, 2021, at 10:00 a.m. (Reception desk opens at 9:00 a.m.) (JST)
2. **Venue:** Korin Banquet Hall, 3F, Itami City Hotel
6-2-33 Chuo, Itami-shi, Hyogo

3. Purpose of the meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 62nd fiscal year (from April 1, 2020 to March 31, 2021), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 62nd fiscal year (from April 1, 2020 to March 31, 2021)

Matters to be resolved:

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| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 3 | Election of Four Directors Who Are Audit and Supervisory Committee Members |
| Proposal No. 4 | Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members, and Outside Directors) |

●For shareholders who are planning to attend the meeting in person

Shareholders are requested to check the situation regarding the spread of the novel coronavirus disease (COVID-19) and carefully take note of your own health condition. Please take measures to protect yourself from infection, such as wearing a face mask, when you attend. We also ask that you bring this Notice for reference during the meeting. At the meeting, the Company’s officers, employees and staff members will be dressed lightly and without neckties (“cool-biz” style). We ask that shareholders also come dressed lightly.

●Other matters relating to this Notice

- 1) Of the documents we are required to attach to this Notice, Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements have been posted on the Company’s website under “IR Information/To Our Shareholders/General Meeting of Shareholders/Items Disclosed on Internet Concerning Notice of the 62nd Annual General Meeting of Shareholders” (<http://www.kansaisuper.co.jp/>; in Japanese only) in accordance with the provisions of relevant laws and regulations and Article 13 of the Company’s Articles of Incorporation, and therefore not included in the attached documents to this Notice. Accordingly, the attached documents to this Notice are part of the documents that were audited by the Audit and Supervisory Committee and the Financial Auditor in preparing the audit reports.

- 2) If any circumstances necessitating amendments to the contents of the Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements and the Reference Documents for the General Meeting of Shareholders in this Notice occur by the day immediately preceding the day of the General Meeting of Shareholders, notification of those amendments are provided by posting them on the Company's website mentioned above.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company's basic policy is to continually issue dividends at a stable level over the long term to shareholders while considering the internal reserves necessary to enhance the business foundation.

For the fiscal year under review, the Company proposes to issue year-end dividends as follows including special dividend of ¥2 per share to return profit to its shareholders in view of the business performance trends, and a reserve for interim dividends.

1. Year-end dividends
 - (1) Type of dividend property
Cash
 - (2) Allotment of dividend property to shareholders and their aggregate amount
¥10 per common share of the Company (ordinary dividend of ¥8, special dividend of ¥2)
Total dividends: ¥300,239,150
Accordingly, including the interim dividend (¥8 per share), the annual dividend will be ¥18 per share.
 - (3) Effective date of dividends of surplus
June 28, 2021
2. Other appropriation of surplus
 - (1) Item of surplus to be increased and amount of increase
Reserve for interim dividends: ¥255,527,632
 - (2) Item of surplus to be decreased and amount of decrease
Retained earnings brought forward: ¥255,527,632

Proposal No. 2 Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the conclusion of this meeting, the terms of office of all six currently serving Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) will expire. In that regard, the Company proposes the election of seven Directors, increasing the number of Directors by one, to further energize the Board of Directors meetings and to strengthen the management system.

The candidates for Director are as follows:

Candidate No.	Name	Gender	Positions and responsibility in the Company	Candidate attributes	Attendance at Board of Directors meetings
1	Koji Fukutani	Male	President of Representative Director and General Manager of Sales Management Division	Reelection	100% (18/18)
2	Takashi Tamamura	Male	Chairman of Director	Reelection	100% (18/18)
3	Jun Nakanishi	Male	Managing Director and General Manager of Administrative Planning Office	Reelection	100% (18/18)
4	Yasuo Karatani	Male	Director, Deputy General Manager of Sales Division and General Manager of Sales Promotion Office	Reelection	100% (18/18)
5	Tadakazu Kitayama	Male	Director and General Manager of Administrative Division	Reelection	100% (18/18)
6	Tadatsugu Mori	Male	Corporate Adviser (Full-Time)	New election	—
7	Yuka Okada	Female	—	New election Outside Independent	—

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Koji Fukutani (December 25, 1956)	Mar. 1979	Joined the Company	26,900 shares
		Oct. 2006	Manager of Finance & Accounting Group	
		June 2008	Director	
		Oct. 2008	Manager of General Affairs Group	
		Oct. 2010	General Manager of General Affairs Division	
		Oct. 2011	General Manager of Store Operations Division	
		June 2013	Managing Director	
			General Manager of Sales Division	
		Oct. 2014	President of Representative Director (current position)	
		June 2020	General Manager of Sales Management Division (current position)	
[Reasons for nomination] Koji Fukutani was nominated because he has strong managerial judgment gained through serving as Representative Director since 2014, he has excellent business execution capabilities, he has extensive insight about the retail industry in general, and he is capable of understanding the Company's management philosophy and operating a supermarket.				
2	Takashi Tamamura (September 9, 1951)	Mar. 1974	Joined the Company	36,700 shares
		Feb. 1996	General Manager of Store Planning Department	
		May 2002	Manager of General Affairs Group	
		June 2002	Director	
		Apr. 2004	General Manager of General Affairs Division	
		June 2004	Managing Director	
		June 2007	Executive Director	
		Oct. 2010	General Manager of Operational Reform Office	
		June 2015	Chairman of Director (current position)	
		<Significant concurrent positions outside the Company> Representative Director and President of KSP Inc.		
[Reasons for nomination] Takashi Tamamura was nominated because he has strong managerial judgment gained through serving as Managing Director, and Executive Director, he has in-depth insight about management administration, and he is capable of understanding the Company's management philosophy and operating a supermarket.				
3	Jun Nakanishi (January 26, 1971)	Apr. 1994	Joined the Company	2,600 shares
		July 2014	Manager of Sales Promotion Group	
		Oct. 2016	Manager of Administrative Planning Group	
		Jan. 2017	Executive Officer	
		June 2017	Director	
		June 2017	General Manager of Administrative Planning Office (current position)	
		June 2018	Managing Director (current position)	
[Reasons for nomination] Jun Nakanishi was nominated because he has a wealth of experience in the administrative planning division and sales division, he has broad operational knowledge and extensive insight about the retail industry in general, and he is capable of understanding the Company's management philosophy and operating a supermarket.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
4	Yasuo Karatani (June 1, 1960)	Mar. 1979	Joined the Company	11,000 shares
		Apr. 2004	Manager of 3rd. Store Operations Group	
		Apr. 2006	Manager of 2nd. Merchandise Group	
		June 2009	Director (current position)	
		Oct. 2010	General Manager of Merchandise Division	
		June 2013	General Manager of Store Development Division	
		July 2015	General Manager of Store Operations Division	
		July 2019	Deputy General Manager of Sales Division (current position)	
		July 2019	Manager of Sales Promotion Group	
		Apr. 2021	General Manager of Sales Promotion Office (current position)	
[Reasons for nomination] Yasuo Karatani was nominated because he has a wealth of experience in the sales and development divisions, he has broad operational knowledge and extensive insight about the retail industry in general, and he is capable of understanding the Company's management philosophy and operating a supermarket.				
5	Tadakazu Kitayama (October 28, 1964)	Mar. 1983	Joined the Company	8,600 shares
		Nov. 2012	Manager of Sales Promotion Group	
		Apr. 2015	Manager of General Affairs Group	
		Apr. 2016	Manager of Personnel Group	
		Jan. 2017	Executive Officer	
		June 2018	Director (current position)	
		July 2019	Deputy General Manager of Administrative Division	
		June 2020	General Manager of Administrative Division (current position)	
[Reasons for nomination] Tadakazu Kitayama was nominated because he has a wealth of experience in the administrative divisions and sales divisions, he has broad operational knowledge and insight about the retail industry in general, and he is capable of understanding the Company's management philosophy and operating a supermarket.				
6	Tadatsugu Mori (September 22, 1963)	Apr. 1987	Joined Hankyu Department Stores, Inc.	0 shares
		June 2006	Director and Executive Officer	
		Oct. 2007	Director and Executive Officer, H2O RETAILING CORPORATION	
		Mar. 2012	Director and Managing Executive Officer	
		Nov. 2020	Outside Director of HITO-Communications Holdings, Inc. (current position)	
		Apr. 2021	Joined the Company	
		Apr. 2021	Corporate Adviser (Full-Time) (current position)	
		<Significant concurrent positions outside the Company> Outside Director of HITO-Communications Holdings, Inc.		
[Reasons for nomination] Tadatsugu Mori was nominated because he has experience as a company manager, he has broad operational knowledge and insight about the retail industry in general, and he is capable of understanding the Company's management philosophy and operating a supermarket.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	Yuka Okada (May 7, 1976)	<p>June 2002 Established Allergy Health Care Co., Ltd. Representative Director and President (current position)</p> <p>Apr. 2020 School Counselor of Wakayama Prefectural Board of Education (current position)</p> <p><Significant concurrent positions outside the Company> Representative Director and President of Allergy Health Care Co., Ltd.</p>	0 shares
	<p>[Reasons for nomination as candidate for outside Director, etc.]</p> <p>Yuka Okada was nominated as a candidate for outside Director because she has experience as a company manager, and she has insight about food allergies and education. If she is elected, we expect her to provide suggestions on food allergies and employee education.</p>		

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. Yuka Okada is a candidate for outside Director, and the Company intends to notify her as an independent officer with the Tokyo Stock Exchange.
 3. The Company plans to enter into a contract with Yuka Okada which limits her liability for damages prescribed in Article 423, paragraph 1 of the Companies Act. The amount of the limitation of liability for damages under the said contract shall be the amount stipulated by laws and regulations.
 4. The Company has entered into a directors and officers liability insurance contract with an insurance company pursuant to Article 430-3, paragraph 1 of the Companies Act, which includes Koji Fukutani, Takashi Tamamura, Jun Nakanishi, Yasuo Karatani and Tadakazu Kitayama as insured persons. Under the said insurance contract, if the insured is sued for damages due to an act committed (including omission) based on the position of a director or officer of the Company, damages and legal costs shall be covered. As a policyholder, the Company bears the cost of the insurance. However, the individual shall bear the insurance cost that covers damages and litigation expense in the event of losing a shareholder derivative suit. If each candidate is elected, the Company intends to renew the said insurance contract with the insurance company, including each candidate as an insured person.

Proposal No. 3 Election of Four Directors Who Are Audit and Supervisory Committee Members

The terms of office of all four currently serving Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this meeting. Therefore, the Company proposes the election of four Directors who are Audit and Supervisory Committee Members. In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

Candidates for the role of Director who is an Audit and Supervisory Committee Member are as follows:

Candidate No.	Name	Gender	Positions and responsibility in the Company	Candidate attributes	Attendance at Board of Directors meetings	Attendance at Audit and Supervisory Committee meetings
1	Masaaki Ikuhashi	Male	Director (Full-Time Audit and Supervisory Committee Member)	Reelection	100% (18/18)	100% (15/15)
2	Shigeo Mori	Male	Director (Audit and Supervisory Committee Member)	Reelection Outside Independent	88.8% (16/18)	100% (15/15)
3	Kimiko Fukui	Female	Director (Audit and Supervisory Committee Member)	Reelection Outside Independent	94.4% (17/18)	93.3% (14/15)
4	Emiko Murei	Female	Director (Audit and Supervisory Committee Member)	Reelection Outside Independent	100% (18/18)	100% (15/15)

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Masaaki Ikuhashi (March 31, 1954)	Mar. 1977	Joined the Company	27,500 shares
		May 2002	Manager of Administrative Planning Group	
		Apr. 2004	Deputy General Manager of Store Operations Division	
		June 2004	Director General Manager of Store Operations Division	
		June 2009	Managing Director	
		Oct. 2011	General Manager of General Affairs Division	
		July 2015	General Manager of Administrative Division	
		June 2017	Director (Full-Time Audit and Supervisory Committee Member) (current position)	
[Reasons for nomination] Masaaki Ikuhashi has many years of experience as an Executive Director and has broad operational knowledge and extensive insight about administration in general, and therefore was judged to be suitable for the position of Director who is an Audit and Supervisory Committee Member.				
2	Shigeo Mori (September 26, 1954)	Apr. 1982	Registered as an attorney at law (to the present) Joined Tsujinaka Law Office	8,900 shares
		Jan. 1988	Partner at Tsujinaka and Mori Law Office	
		Apr. 1999	Head of Shigeo Mori Law Office (currently Kouraibashi Chuo Law Office) (current position)	
		June 2007	Audit & Supervisory Board Member	
		June 2015	Outside Director of Sanoyas Holdings Corporation (current position)	
		June 2015	Director (Audit and Supervisory Committee Member) (current position)	
		<Significant concurrent positions outside the Company> Head of Kouraibashi Chuo Law Office Outside Director of Sanoyas Holdings Corporation		
[Reasons for nomination as candidate for outside Director, etc.] Although Shigeo Mori has no direct experience in the execution of business of a company, he has a wealth of experience and achievements as a lawyer, and therefore was nominated as a candidate, as we believe that he can appropriately perform the duties of an outside Director. If he is elected, we expect him to provide suggestions on the Company's legal risks. Shigeo Mori is currently an outside Director who is an Audit and Supervisory Committee Member, and at the conclusion of this meeting, his tenure will have been eight years as an outside Audit & Supervisory Board Member and six years as an outside Director who is an Audit and Supervisory Committee Member.				
3	Kimiko Fukui (June 10, 1952)	Mar. 2009	Acting Undersecretary of Deputy Captain, Community Safety Special Investigation Unit, Community Safety Department, Hyogo Prefectural Police Headquarters	0 shares
		Sept. 2011	Juvenile Investigation Division Investigator	
		Apr. 2013	Juvenile Support Division Deputy and Investigator	
		June 2015	Director (Audit and Supervisory Committee Member) (current position)	
[Reasons for nomination as candidate for outside Director, etc.] Although Kimiko Fukui has no direct experience in the execution of business of a company, she has a wealth of experience and achievements as a public officer, and therefore was nominated as a candidate, as we believe that she can appropriately perform the duties of an outside Director. If she is elected, we expect her to provide suggestions on the management of stores. Kimiko Fukui is currently an outside Director who is an Audit and Supervisory Committee Member, and at the conclusion of this meeting, her tenure will have been six years.				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Emiko Murei (January 11, 1969)	<p>Apr. 1992 Joined Chuo Shinko Audit Corporation</p> <p>Mar. 1995 Registered as a certified public accountant (until May 2005)</p> <p>Feb. 2006 Re-registered as a certified public accountant (to the present)</p> <p>Head of Murei Certified Public Accountant Office (current position)</p> <p>Apr. 2007 Specially Appointed Associate Professor at Graduate School of Accountancy, University of Hyogo</p> <p>Apr. 2009 Associate Professor at Graduate School of Accountancy, University of Hyogo</p> <p>Apr. 2012 Associate Professor at Graduate School of Professional Accountancy, Aoyama Gakuin University (current position)</p> <p>June 2015 Director (Audit and Supervisory Committee Member) (current position)</p> <p><Significant concurrent positions outside the Company></p> <p>Head of Murei Certified Public Accountant Office</p> <p>Associate Professor at Graduate School of Professional Accountancy, Aoyama Gakuin University</p>	0 shares
<p>[Reasons for nomination as candidate for outside Director, etc.]</p> <p>Although Emiko Murei has no direct experience in the execution of business of a company, she has a wealth of experience and achievements as a Certified Public Accountant and a university faculty member, and therefore was nominated as a candidate, as we believe that she can appropriately perform the duties of an outside Director. If she is elected, we expect her to provide suggestions on financial and accounting matters. Emiko Murei is currently an outside Director who is an Audit and Supervisory Committee Member, and at the conclusion of this meeting, her tenure will have been six years.</p>			

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. Shigeo Mori, Kimiko Fukui and Emiko Murei are candidates for outside Director. In addition, the Company has notified all three of them as an independent officer with the Tokyo Stock Exchange. The Company has established a voluntary Nomination and Remuneration Committee consisting of all independent officers and President of Representative Director.
 3. The Company has entered into a contract with Masaaki Ikuhashi, Shigeo Mori, Kimiko Fukui and Emiko Murei which limits their liability for damages prescribed in Article 423, paragraph 1 of the Companies Act. The amount of the limitation of liability for damages under the said contract shall be the amount stipulated by laws and regulations. If each of them is reappointed, the Company intends to continue the said contract.
 4. The Company has entered into a directors and officers liability insurance contract with an insurance company pursuant to Article 430-3, paragraph 1 of the Companies Act, which includes Masaaki Ikuhashi, Shigeo Mori, Kimiko Fukui and Emiko Murei as insured persons. Under the said insurance contract, if the insured is sued for damages due to an act committed (including omission) based on the position of a director or officer of the Company, damages and legal costs shall be covered. As a policyholder, the Company bears the cost of the insurance. However, the individual shall bear the insurance cost that covers damages and litigation expense in the event of losing a shareholder derivative suit. If each candidate is elected, the Company intends to renew the said insurance contract, including each candidate as an insured person.

Proposal No. 4 Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members, and Outside Directors)

The amount of remuneration, etc. for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) was approved at the 56th Annual General Meeting of Shareholders held on June 24, 2015 at an annual amount of ¥300.0 million or less (not including portion of employee salaries of directors concurrently serving as employees).

In addition to the above remuneration, as part of the revision to remuneration package for Directors, the Company hereby proposes new remuneration for granting restricted shares to Directors (excluding Directors who are Audit and Supervisory Committee Members, and outside Directors) of the Company ("Eligible Directors") as an incentive to encourage them to work towards realizing sustainable increase of the Company's corporate value and to further promote shared value between shareholders and the Company.

Based on this proposal, remuneration for granting restricted shares to Eligible Directors shall be monetary claims, and the total amount shall be ¥30.0 million or less per year (not including portion of employee salaries of directors concurrently serving as employees). The specific timing and allocation of payment to each Eligible Director shall be determined by resolution of the Board of Directors.

The number of Eligible Directors is currently six. Subject to the approval and adoption of Proposal No. 2, "Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)" and Proposal No. 3, "Election of Four Directors Who Are Audit and Supervisory Committee Members" as originally proposed, the number of Eligible Directors will be six.

Based on the resolution of the Board of Directors of the Company, Eligible Directors shall pay all monetary claims under this proposal as property contributed in kind, and receive issuances or disposals of common shares of the Company. The total amount of common shares to be issued or disposed of by the Company as a result of the above shall be 40,000 shares or less annually (however, after the date of the approval of this proposal, if common share split (including gratis allotments of the Company's common share) or share consolidation is performed, or if any other reason arises that requires an adjustment to the number of Company's total common shares issued or disposed as other restricted stock, then the number of shares in question may be adjusted within a scope deemed reasonable).

The amount to be paid in per share shall be determined by the Board of Directors based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately before each date of resolution by the Board of Directors (if there is no closing price on such date, the closing price on the closest preceding trading day), and within the extent that the amount will not be particularly advantageous to Eligible Directors. In addition, the issuance or disposal of the Company's common shares and payment of monetary claims as property contributed in kind under this plan are subject to the execution of a restricted share allotment agreement ("Allotment Agreement") between the Company and Eligible Directors that includes the following conditions. Also, the maximum limit on the remuneration amount under this proposal, the total number of the Company's common shares to be issued or disposed of, and other conditions for granting restricted shares to Eligible Directors under this proposal were decided taking into account the above mentioned purposes, the business conditions of the Company, the Company's policies on decisions regarding the details of individual Director's remuneration etc. (note that this policy will be revised as described in "Reference" below if this proposal is approved, to maintain consistency with the approved detail), and various other circumstances, and we consider these decisions to be appropriate.

[Summary of the Allotment Agreement]

1) Restriction period

Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of the common shares of the Company they receive under the Allotment Agreement (the “Allotted Shares”) during the period beginning from the Allotted Shares payment due date to the time immediately after the resignation or retirement from the position specified by the Board of Directors of the Company in advance from among the positions of executives of the Company or its subsidiaries (the “Restriction Period”) (the “Transfer Restrictions”).

2) Treatment upon resignation or retirement

If an Eligible Director resigns or retires from the position specified by the Board of Directors of the Company in advance from among the positions of executives of the Company or its subsidiaries before the expiration of the period specified in advance by the Board of Directors of the Company (the “Service Provision Period”), the Company shall automatically acquire the Allotted Shares by rights without contribution unless the reason of his/her resignation or retirement is the expiration of the term of his/her office, death, or other reason deemed justifiable.

3) Lifting of transfer restrictions

Notwithstanding the provision of 1) above, the Company shall lift the Transfer Restrictions of all of the Allotted Shares upon expiration of the Restriction Period, on the condition that the Eligible Director has continuously remained in the position specified by the Board of Directors of the Company in advance from among the positions of executives of the Company or its subsidiaries throughout the Service Provision Period. However, (1) if the Eligible Director resigns or retires from the position specified by the Board of Directors of the Company in advance from among the positions of executives of the Company or its subsidiaries before the expiration of the Service Provision Period due to the expiration of his/her term of office, death or any other justifiable reason stipulated in 2) above, or (2) if the Eligible Director resigns or retires from the position specified by the Board of Directors of the Company in advance from among the positions of executives of the Company or its subsidiaries before the expiration of the Restriction Period due to any reasons other than justifiable reasons, even if this happened after the expiration of the Service Provision Period, the number of the Allotted Shares whose Transfer Restrictions are to be lifted and the timing of the lifting shall be adjusted as necessary to a reasonable extent. In addition, the Company shall automatically acquire without contribution the Allotted Shares on which the Transfer Restrictions have not yet been lifted as of the time immediately after the Transfer Restrictions are lifted pursuant to the above provisions.

4) Treatment during reorganization, etc.

Notwithstanding the provision of 1) above, if, during the Restriction Period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company’s General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company’s General Meeting of Shareholders is not required in relation to the reorganization, etc.), the Company shall lift the Transfer Restrictions on the Allotted Shares with the number of shares that is reasonably determined considering the period from the start date of the Restriction Period to the date of approval of the reorganization, etc. prior to the date on which the reorganization, etc. becomes effective, by resolution of the Board of Directors of the Company. In cases specified above, the Company shall automatically acquire without contribution the Allotted Shares on which the Transfer Restrictions have not been lifted as of the time immediately after the Transfer Restrictions are lifted.

5) Other matters

Other matters regarding the Allotment Agreement shall be as set forth by the Board of Directors of the Company.

Policy for Determining the Details of Remuneration, etc. for Each Director

1. Basic policy

Remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members, and outside Directors) shall be composed of basic remuneration as fixed remuneration, performance-based remuneration, etc. as incentives to raise awareness of performance improvement, and non-monetary remuneration, among others. The remuneration shall be paid at an appropriate level in light of the duties of each Director. Remuneration for Directors who are Audit and Supervisory Committee Members, and outside Directors, shall be composed of basic remuneration only, in fixed payments, as consideration of their duties. The Board of Directors shall ensure the fairness and transparency of the details of remuneration, etc. for each Director by taking into consideration the opinions of the Nomination and Remuneration Committee upon resolution.

2. Policy for determining the amount of basic remuneration, etc. for each individual

Basic remuneration shall be monthly fixed monetary remuneration and determined by comprehensively considering the distinction between full-time and part-time, the position, the level of employee salaries and the business performance of the Company.

3. Policy for determining the details and the method of calculating the amount or the number of performance-based remuneration, etc.

Performance-based remuneration, etc. shall be monetary remuneration and shall be paid annually within one month from the date of the conclusion of the Annual General Meeting of Shareholders in accordance with the performance and growth standards stated in advance in the Company's Annual Securities Report.

4. Policy for determining the details and the method of calculating the amount or the number of non-monetary remuneration, etc.

In order to further promote shared value with shareholders, the Company shall pay part of the remuneration to its Directors (excluding Directors who are Audit and Supervisory Committee Members, and outside Directors) in a form of share-based remuneration, as an incentive to encourage the Directors to work towards realizing sustainable increase of the corporate value. The said remuneration shall be paid annually within one month from the date of the conclusion of the Annual General Meeting of Shareholders based on the Regulation of Executive Remuneration.

5. Policy for determining the ratio of the amount of basic remuneration, performance-based remuneration, etc. and non-monetary remuneration, etc.

The ratio of basic remuneration (including portion of employee remuneration of directors concurrently serving as employees) to the amount of overall remuneration, etc. for each Director (excluding Directors who are Audit and Supervisory Committee Members, and outside Directors) shall be approximately 70% to 90%. The ratio of performance-based remuneration, etc. shall be approximately 0% to 20%, and the ratio of non-monetary remuneration, etc. shall be approximately 10%. The ratio of performance-based remuneration, etc. shall be higher for individuals who achieved higher performance.

6. Matters for determining the details of remuneration, etc. for each individual

The Board of Directors delegates the determination of the amount of basic remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) to the President of Representative Director. The reason for delegating the determination is that the Company has deemed that the Representative Director can appropriately evaluate the areas of responsibility of each Director while considering the business performance, etc. of the entire Company. The details of such authority shall be determined based on the remuneration table stipulated in the Regulation of Executive Remuneration and Internal Rules for Executive Remuneration. The Board of Directors shall consult with the Nomination and Remuneration Committee and obtain a report to ensure that the said authority is properly exercised by the President of Representative Director. The President of Representative Director who has been entrusted shall make decisions based on the detail of the said report.