

TRANSLATION - FOR REFERENCE ONLY

Company METAWATER Co., Ltd.  
Representative Kenji Yamaguchi, President and Representative Director  
(Securities code: 9551 First Section of Tokyo Stock Exchange)  
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**Matters Concerning Controlling Shareholders, etc. (Year Ended March 31, 2021)**

Matters related to controlling shareholders, etc. in regard to NGK INSULATORS, LTD. and Fuji Electric Co., Ltd., which are other affiliates of METAWATER Co., Ltd. (the “Company”), for the year ended March 31, 2021 are as follows.

1. Company name, etc. of the parent company, controlling shareholder (excluding parent company), any other affiliates, or the parent company of any other affiliates

(As of March 31, 2021)

Name	Classification	Ownership (%)			Financial instruments exchange, etc. on which share certificates, etc. issued are listed
		Direct ownership	Other holdings	Total	
NGK INSULATORS, LTD.	Other affiliate	24.42	0.00	24.42	Tokyo Stock Exchange, Inc. Nagoya Stock Exchange, Inc.
Fuji Electric Co., Ltd.	Other affiliate	24.35	0.00	24.35	Tokyo Stock Exchange, Inc. Nagoya Stock Exchange, Inc. Securities Membership Corporation Fukuoka Stock Exchange

2. Name of the parent company, etc. recognized as having the greatest influence on the Company, and the reasons therefor

Name	Reasons why influence on the Company is considered to be equal
NGK INSULATORS, LTD. Fuji Electric Co., Ltd.	<ul style="list-style-type: none"> <li>Both companies are major shareholders, with NGK INSULATORS, LTD. holding 24.42% and Fuji Electric Co., Ltd. holding 24.35% of the Company’s voting rights.</li> <li>The Company has business transactions with both companies, but the annual amount of transactions with the Company varies depending on the orders received by the Company.</li> <li>The Company had appointed 1 Outside Director from NGK INSULATORS, LTD. and 1 Outside Director from Fuji Electric Co., Ltd. However, these Outside Directors retired owing to the expiration of their terms of office at the conclusion of the Company’s 48th Ordinary General Meeting of Shareholders held on June 22, 2021.</li> </ul>

3. Positioning of the Company in corporate group of parent company, etc. and other relationships between the Company and parent company, etc.

The Company is an equity-method affiliate of NGK INSULATORS, LTD. and Fuji Electric Co., Ltd., but neither company is involved in the business activities or management decisions of the Company, and the Company makes its own decisions.

The Company engages in transactions such as outsourcing the manufacture of ceramic membranes, etc. to NGK INSULATORS, LTD., outsourcing the manufacture of switchboards, etc. to Fuji Electric Co., Ltd., and ordering electrical work from Fuji Electric Co., Ltd. In doing so, the Company refers to market trends and other factors, and makes decisions after negotiations on a case-by-case basis, based on estimates, in the same manner as for general transactions.

In addition, the Company had appointed as Outside Directors 1 Director and Senior Vice President from NGK INSULATORS, LTD. and 1 Executive Adviser from Fuji Electric Co., Ltd. However, these Outside Directors retired owing to the expiration of their terms of office at the conclusion of the Company's 48th Ordinary General Meeting of Shareholders held on June 22, 2021.

(Concurrent positions held by officers)

(As of March 31, 2021)

Job title	Name	Position at parent company, etc.	Reason for appointment
Outside Director	Susumu Sakabe	NGK INSULATORS, LTD. Director and Senior Vice President	To supervise the execution of the Company's business operations by making use of his wealth of management experience and deep insight in finance and accounting
Outside Director	Motofumi Matsumura	Fuji Electric Co., Ltd. Executive Adviser	To supervise the execution of the Company's business operations by making use of his wealth of management experience and deep insight into a wide range of business fields

(Note) Messrs. Susumu Sakabe and Motofumi Matsumura retired owing to the expiration of their terms of office at the conclusion of the Company's 48th Ordinary General Meeting of Shareholders held on June 22, 2021.

By appointing highly independent Outside Directors and Outside Auditors from the viewpoint of protecting general shareholders, the Company aims to increase the objectivity of management decision-making and improve the soundness and transparency of the Company. The Company has established standards for the independence of outside officers, and 3 Outside Directors (Kaoru Aizawa, Fumiko Kosao, and Tsuneo Tanai) and 3 Outside Auditors (Kimihiro Uemura, Kazuo Takimoto, and Taku Fukui) have been designated as independent officers and registered with the Tokyo Stock Exchange as they fulfill these standards and the requirements for independent officers set by the Tokyo Stock Exchange.

4. Matters concerning transactions with controlling shareholders, etc.

Year ended March 31, 2021 (from April 1, 2020 to March 31, 2021)

Type	Name of company, etc. or individual	Location	Share capital or contributions (millions of yen)	Contents of business or occupation	Ownership of voting rights, etc. (ownership) (%)	Relationship with related parties	Nature of transaction	Transaction amount (millions of yen)	Items	Year-end balance (millions of yen)
Other affiliate	NGK INSULATORS, LTD.	Mizuho-ku, Nagoya	69,849	Development, manufacture, sale, service, etc. of products related to electric power, ceramics, electronics, process technology, etc.	(Ownership) Direct 24.4	Purchase of products, Concurrent officer (Notes 1)	Purchase of products, etc. (Notes 2, 3)	1,053	Accounts payable	832
Other affiliate	Fuji Electric Co., Ltd.	Kawasaki-ku, Kawasaki	47,586	Development, production, sales, services, etc. pertaining to products related to power electronics systems energy, power electronics systems industry, electronic devices, food distribution, power generation plants, etc.	(Ownership) Direct 24.4	Purchase of products	Purchase of products, etc. (Notes 2, 3)	8,533	Accounts payable	2,986

(Notes) 1. The officer retired owing to the expiration of his term of office at the conclusion of the Company's 48th Ordinary General Meeting of Shareholders held on June 22, 2021.

2. The transaction amount does not include consumption tax, etc., while the balance at the end of the period includes consumption tax, etc.

3. Transaction terms and conditions and policy for determining transaction terms and conditions, etc.

Prices and other terms and conditions of transactions are determined after negotiations on a case-by-case basis, with reference to market trends and other factors, and are based on estimates, in the same manner as for general transactions.