

Securities Code: 2220

May 27, 2022

To our shareholders:

Isamu Sato, President & COO

**KAMEDA SEIKA CO., LTD.**

3-1-1 Kameda-kogyodanchi, Konan-ku, Niigata-shi, Niigata

## Notice of the 65th Ordinary General Shareholders' Meeting

We would like to inform you that the 65th Ordinary General Shareholders' Meeting of KAMEDA SEIKA CO., LTD. (the "Company") will be held as follows.

**To prevent the spread of the COVID-19, as for this meeting, we request that you exercise your voting rights in advance in writing or via the Internet, etc., and refrain from attending the meeting in person.** Please review the Reference Documents for the General Shareholders' Meeting below and exercise your voting rights.

**1. Date and Time:** Tuesday, June 14, 2022, at 10:00 a.m. (JST) (Reception opens at 9:00 a.m.)

**2. Venue:** KAMEDA SEIKA CO., LTD. Head Office, 5th Floor Conference Room  
3-1-1 Kameda-kogyodanchi, Konan-ku, Niigata-shi, Niigata

### 3. Agenda:

#### Items to be reported:

1. The Business Report, Consolidated Financial Statements, and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 65th fiscal year (from April 1, 2021, to March 31, 2022)
2. Non-consolidated Financial Statements for the 65th fiscal year (from April 1, 2021, to March 31, 2022)

#### Items to be resolved:

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| <b>Proposal No. 1</b> | Dividends from Surplus   |
| <b>Proposal No. 2</b> | Partial Amendment to the Articles of Incorporation   |
| <b>Proposal No. 3</b> | Election of Eleven (11) Directors  |
| <b>Proposal No. 4</b> | Election of Two (2) Audit & Supervisory Board Members  |
| <b>Proposal No. 5</b> | Election of One (1) Substitute Audit & Supervisory Board Member  |
| <b>Proposal No. 6</b> | Payment of Bonuses to Directors  |
| <b>Proposal No. 7</b> | Continuation of Measures Concerning Large-Scale Purchases of the Company's Shares (Anti-Takeover Measures) |

- Attendance to the meeting is limited to one person, either the shareholder with voting rights in person or a proxy (a shareholder with voting rights). In the case of attendance by a proxy, please note that the proxy must submit a document certifying authority of representation.
- The following items are posted on the Company's website ([www.kamedaseika.co.jp](http://www.kamedaseika.co.jp)), according to laws and regulations and the Articles of Incorporation of the Company, and are therefore not included in the documents attached to this Notice.

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| (i) "System for ensuring the appropriateness of operations and the state of operation of the system" and "Basic policy regarding control of the Company" in the Business Report |
| (ii) "Consolidated Statement of Changes in Shareholders' Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements                      |
| (iii) "Statement of Changes in Shareholders' Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements                          |

The Business Report audited by the Audit & Supervisory Board members and the Consolidated Financial Statements and the Non-consolidated Financial Statements, which were audited by the Audit & Supervisory Board members and the Accounting Auditor, are the documents stated in the documents attached to the notice of the general shareholders' meeting as well as the matters in (i), (ii) and (iii) above that are stated on the Company's website.

- If any revisions are made to the Reference Documents for the General Shareholders' Meeting, the Business Report, the Consolidated Financial Statements or the Non-consolidated Financial Statements, revisions will be posted on the Company's website ([www.kamedaseika.co.jp](http://www.kamedaseika.co.jp)).

## Reference Documents for the General Shareholders' Meeting

### Proposal No. 1 Dividends from Surplus

The Company would like to propose the dividends from surplus as follows:

The Company aims to stably increase the return of profit by implementing the medium-term business plan and expanding earnings while maintaining a balance between investment and return of profit to its shareholders.

In line with the above policy, the Company proposes to pay a year-end dividend of ¥39 per share (¥1 higher than for the previous fiscal year).

(1) Type of dividend property

Cash

(2) Allotment of dividend property and the aggregate amount

¥39 per common share of the Company (¥1 higher than the previous fiscal year)

(Reference) The annual dividend for the fiscal year, including the interim dividend, will be ¥54 per share (¥1 higher than the previous fiscal year).

Total dividends: ¥822,263,481

(3) Effective date of dividends from surplus

June 15, 2022

#### Reference ● Transition in Amount of Dividend per Share

##### <Dividend policy>

The Company aims to stably increase the return of profit by implementing the medium-term business plan and expanding earnings, while maintaining a balance between investments in Japan and abroad to become a “Global Food Company” and the return of profit to its shareholders, and thereby respond to the expectations of shareholders.

## Proposal No. 2 Partial Amendment to the Articles of Incorporation

### 1. Reasons for the proposal

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general shareholders' meeting in electronic format.

- (1) Article 14, paragraph 1 in "Proposed Amendments" below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general shareholders' meeting, etc., in electronic format.
- (2) Article 14, paragraph 2 in "Proposed Amendments" below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure of Reference Documents for the General Shareholders' Meeting, Etc. (Article 14 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

### 2. Details of the amendments

The details of amendments are as follows:

(Amended parts are indicated by underlining.)

Current Articles of Incorporation	Proposed Amendments
<u>(Internet Disclosure of Reference Documents for the General Shareholders' Meeting, Etc.)</u> <u>Article 14 When the Company convenes a general shareholders' meeting, it may disclose information that is to be stated or presented in the reference documents for the general shareholders' meeting, business report, non-consolidated financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order.</u> (Newly established)	(Deleted)  <u>(Measures, Etc. for Providing Information in Electronic Format)</u> <u>Article 14</u> <u>1 When the Company convenes a general shareholders' meeting, it shall take measures for providing information that constitutes the content of reference documents for the general shareholders' meeting, etc., in electronic format.</u>

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<p>2. <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p><u>Supplementary Provisions</u></p> <p>1. <u>The amendment to the Articles of Incorporation pertaining to Article 14 shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Date of Enforcement”).</u></p> <p>2. <u>Notwithstanding the provision of the preceding paragraph, Article 14 of the Articles of Incorporation (Internet Disclosure of Reference Documents for the General Shareholders’ Meeting, Etc.) shall remain effective for any general shareholders’ meeting held on a date within six months from the Date of Enforcement.</u></p> <p>3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general shareholders’ meeting in the preceding paragraph, whichever is later.</u></p>

### Proposal No. 3 Election of Eleven (11) Directors

The terms of office of the thirteen (13) currently serving directors will expire at the conclusion of this Ordinary General Shareholders' Meeting. Therefore, the Company proposes the election of eleven (11) directors.

The basic stance is for highly independent outside directors to comprise a majority of the Board of Directors to enable lively deliberation and swift decision-making. The Company believes that inside directors must comprise members with a sense of balance, accomplishments, decisiveness, and diverse specialties enabling them to understand operations in general and act accordingly.

Meanwhile, the Company believes it is necessary for outside directors to be managers or people with management experience from a variety of industries who are independent and have diverse perspectives, abundant experience, high-level insight and expertise. As a result, the Company believes it can expect an advanced monitoring model by outside directors, and that it can create a sound management system for heightened risks from globalization and other trends.

Furthermore, as a snacks manufacturer, the Company believes that women's values and ideas are important, and that it is necessary for women to be included among the members of the Board of Directors.

The candidates for director are as follows:

Candidate No.	Candidate name	Candidate attributes	Current position and responsibility in the Company
1	Lekh Raj Juneja	Reappointment	Representative Director, Executive Vice President
2	Akira Kobayashi	Reappointment	Director & CFO, General Manager of Administrative Division
3	Naoko Koizumi	Reappointment	Director, in charge of Group Companies and Diversity
4	Michiyasu Tanaka	Reappointment	Representative Director, Chairman & CEO
5	Masanori Takagi	New candidate	Managing Executive Officer, General Manager of Sales Division
6	Mackenzie Clugston	Reappointment Outside Independent Officer	Director
7	Minesaburo Miyake	Reappointment Outside Independent Officer	Director
8	Yoshio Ito	Reappointment Outside Independent Officer	Director
9	Takayuki Kanai	Reappointment Outside Independent Officer	Director
10	Toshimasa Iue	Reappointment Outside Independent Officer	Director
11	Katsuo Shoyama	New candidate Outside Independent Officer	

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	<p>Lekh Raj Juneja (March 3, 1952)</p> <p>Reappointment</p> <p>Attendance at meetings of the Board of Directors 12 / 12 (100%)</p>	<p>Sep. 1989      Joined Taiyo Kagaku Co., Ltd.</p> <p>Jun. 1996      Director and Head of Research Department of Taiyo Kagaku Co., Ltd.</p> <p>Jun. 2000      Managing Director of Taiyo Kagaku Co., Ltd.</p> <p>Jun. 2003      Representative Director, Executive Vice President of Taiyo Kagaku Co., Ltd.</p> <p>Apr. 2014      Joined Rohto Pharmaceutical Co., Ltd.</p> <p>Jun. 2014      Executive Vice President, Global Head of International Business and Research &amp; Development Chief Health Officer of Rohto Pharmaceutical Co., Ltd.</p> <p>Jun. 2020      Representative Director, Executive Vice President of the Company (current position)</p> <p><b>(Significant concurrent positions outside the Company)</b></p> <p>Chairman and Representative Director of Onisi Foods Co., Ltd.</p> <p>Chairman and Representative Director of Maisen Co., Ltd.</p> <p>Chairman and Representative Director of Maisen Fine Foods Co., Ltd.</p> <p>Chairman and Representative Director of TAINAI Co., Ltd.</p>	1,348 shares
<p><b>Reasons for nomination as candidate for director</b></p> <p>Lekh Raj Juneja served as Executive Vice President of Taiyo Kagaku Co., Ltd. and of Rohto Pharmaceutical Co., Ltd., and has abundant experience and extensive knowledge as a corporate executive. Since assuming the position of Executive Vice President of the Company in 2020, he has demonstrated strong leadership in the overseas and food businesses, which are responsible for the growth of the KAMEDA SEIKA Group, contributing significantly to the realization of the medium-term business plan by leading the business expansion. Judging based on the above that Mr. Juneja is indispensable to the Company for enhancing the corporate value of the KAMEDA SEIKA Group, the Company has again nominated him as a candidate for director.</p> <p><b>Special interests between candidate and the Company</b></p> <p>There is no special interest between Lekh Raj Juneja and the Company.</p>			

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
2	Akira Kobayashi (October 17, 1965)  Reappointment  Attendance at meetings of the Board of Directors 12 / 12 (100%)	Mar. 1984	Joined the Company	3,701 shares
		Jul. 2013	Executive Officer, General Manager of Corporate Planning Department of the Company	
		Nov. 2014	Executive Officer, General Manager of Business Promotion Department of the Company	
		Jun. 2016	Managing Executive Officer, General Manager of Production Division of Rice Cracker Business Group of the Company	
		Jun. 2017	Managing Executive Officer, General Manager of Administrative Division of the Company	
		Jun. 2018	Director, General Manager of Administrative Division of the Company	
		Apr. 2021	Director & CFO, General Manager of Administrative Division of the Company (current position)	
		<b>Reasons for nomination as candidate for director</b> Akira Kobayashi is overseeing the formulation and execution of the financial strategy of the KAMEDA SEIKA Group as Director and Chief Financial Officer (CFO). He is contributing significantly to the realization of the medium-term business plan by conducting strategic investments, making use of his abundant experience of having been involved in a wide range of operations of several divisions, such as production, accounting and corporate planning divisions. Judging based on the above that Mr. Kobayashi is indispensable to the Company for enhancing the corporate value of the KAMEDA SEIKA Group, the Company has again nominated him as a candidate for director.		
<b>Special interests between candidate and the Company</b> There is no special interest between Akira Kobayashi and the Company.				

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
3	Naoko Koizumi (June 8, 1970)  Reappointment  Attendance at meetings of the Board of Directors 12 / 12 (100%)	Apr. 1998	Joined the Company	305,988 shares
		Jun. 2003	Director, General Manager of Product Development Division of the Company	
		Jul. 2013	Director, General Manager of Quality Assurance Department, Rice Cracker Business Group of the Company	
		Jun. 2017	Director, in charge of New Business Group of the Company	
		Apr. 2018	Director, Head of Rice Research Center of the Company	
		Jul. 2018	Director, in charge of Group Companies and Diversity of the Company (current position)	
		<b>Reasons for nomination as candidate for director</b> Naoko Koizumi has served various positions, including General Manager of Product Development Division, officer in charge of new businesses, and General Manager of Quality Assurance Department, and pursued product development by leveraging diverse values and ideas, as well as worked to build a structure for delivering safe and secure products to customers. She currently drives the efforts to reinforce group management and diversity management. Judging based on the above that Ms. Koizumi is indispensable to the Company for enhancing the corporate value of the KAMEDA SEIKA Group, the Company has again nominated her as a candidate for director. <b>Special interests between candidate and the Company</b> There is no special interest between Naoko Koizumi and the Company.		
4	Michiyasu Tanaka (August 30, 1945)  Reappointment  Attendance at meetings of the Board of Directors 12 / 12 (100%)	Apr. 1968	Joined The Long-Term Credit Bank of Japan, Limited (currently Shinsei Bank, Limited)	23,352 shares
		Oct. 1998	Joined the Company	
		Jun. 1999	Director, Deputy General Manager of Logistics Division of the Company	
		Jul. 2003	Director, Senior Managing Executive Officer, General Manager of Corporate Management Division of the Company	
		Jun. 2006	Representative Director, President, Executive Officer of the Company	
		Jul. 2013	Representative Director, President of the Company	
		Jun. 2015	Representative Director, Chairman & CEO of the Company (current position)	
<b>Reasons for nomination as candidate for director</b> Michiyasu Tanaka has overseen the Group's overall business management as Chairman & CEO. With a long-term vision of making the Company a global food company, Mr. Tanaka demonstrates strong leadership and carries out the plan based on his deep insight backed by abundant experience and accomplishments. He has also worked to strengthen governance by implementing the Board of Directors composed of members the majority of whom are highly independent outside directors, and taking other steps. Judging based on the above that Mr. Tanaka is indispensable to the Company for enhancing the corporate value of the KAMEDA SEIKA Group, the Company has again nominated him as a candidate for director. <b>Special interests between candidate and the Company</b> There is no special interest between Michiyasu Tanaka and the Company.				



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
5	<p>Masanori Takagi (February 11, 1972)</p> <p>New candidate</p> <p>Attendance at meetings of the Board of Directors -</p>	<p>Apr. 1990      Joined the Company</p> <p>Nov. 2014      Head of Shirone Plant of the Company</p> <p>Jun. 2017      General Manager of General Affairs Department of the Company</p> <p>Jun. 2018      Executive Officer, General Manager of General Affairs Department of the Company</p> <p>Apr. 2020      Executive Officer, General Manager of Business Restructuring Team of the Company</p> <p>Jul. 2021      Managing Executive Officer, General Manager of Sales Division of the Company (current position)</p>		1,412 shares
	<p><b>Reasons for nomination as candidate for director</b></p> <p>Masanori Takagi engages in a broad range of operations, including production, general affairs, and sales, and has abundant experience and accomplishments. Since assuming the position of Executive Officer, he led the initiatives in company-wide business reforms toward carrying out the medium-term business plan and significantly contributed to operational performance. Judging based on the above that Mr. Takagi is indispensable to the Company for enhancing the corporate value of the KAMEDA SEIKA Group, the Company has newly nominated him as a candidate for director.</p> <p><b>Special interests between candidate and the Company</b></p> <p>There is no special interest between Masanori Takagi and the Company.</p>			

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
	<p>Mackenzie Clugston (June 19, 1950)</p> <p>Reappointment</p> <p>Outside Independent officer</p> <p>Attendance at meetings of the Board of Directors 12 / 12 (100%)</p> <p>Number of years in office as outside director 6 years</p>	<p>Jun. 1982      Joined Ministry of Foreign Affairs, Trade and Development of Canada</p> <p>Aug. 2000      Consul General of Canada in Osaka</p> <p>Aug. 2003      Minister, Embassy of Canada in Japan</p> <p>Aug. 2004      Minister and Deputy Head of Mission, Embassy of Canada in Japan</p> <p>Aug. 2009      Ambassador of Canada to the Republic of Indonesia</p> <p>Nov. 2012      Ambassador Extraordinary and Plenipotentiary of Canada to Japan</p> <p>Jun. 2016      Outside Director of the Company (current position)</p> <p><b>(Significant concurrent positions outside the Company)</b></p> <p>Professor under special tenure program of Kwansei Gakuin University</p> <p>Outside Director of Sapporo Holdings Limited</p> <p>Member of the Board (Outside Director) of NGK SPARK PLUG CO., LTD.</p>	-
6	<p><b>Reasons for nomination as candidate for outside director and outline of expected roles</b></p> <p>Mackenzie Clugston was a diplomat at the Ministry of Foreign Affairs, Trade and Development of Canada for many years. Mr. Clugston has never in the past been directly involved in the management of a company. However, he is well versed in business, administration and international affairs, and has accomplishments in a broad range of areas, including his experience as Ambassador of Canada to Japan, along with extensive knowledge. In the Company's Board of Directors meetings, he offers advice and proposals to ensure that decision-making by the Board of Directors is suitable and appropriate based on his abundant experience and knowledge gained as a diplomat of the Canadian government, along with his high-level insight and supervising skills. Judging based on the above that it would be best to ask Mr. Clugston to continue supervising the management of the KAMEDA SEIKA Group as an independent outside director, the Company has again nominated him as a candidate for outside director.</p> <p><b>Special interests between candidate and the Company</b></p> <p>There is no special interest between Mackenzie Clugston and the Company.</p> <p><b>Matters concerning independence</b></p> <p>The Company has submitted notification to the Tokyo Stock Exchange, Inc. that Mackenzie Clugston has been designated as an independent officer. If the reappointment of Mr. Clugston is approved, the Company plans to designate him as an independent officer.</p> <p><b>Limited liability agreement</b></p> <p>The Company has entered into a limited liability agreement with Mackenzie Clugston, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act to limit his liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under such agreement is the amount prescribed by laws and regulations, and if the reappointment of Mr. Clugston is approved, the Company plans to renew this agreement with him.</p>		

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	Minesaburo Miyake (July 22, 1952)  Reappointment  Outside Independent officer  Attendance at meetings of the Board of Directors 12 / 12 (100%)  Number of years in office as outside director 4 years	Apr. 1976      Joined Kewpie Corporation Feb. 2003      Director of Kewpie Corporation Feb. 2010      Executive Managing Director of Kewpie Corporation Feb. 2011      President and Representative Director of Kewpie Corporation (retired in February 2017) Director of Nakashimoto Co., Ltd. Feb. 2017      Chairman and Director of Nakashimoto Co., Ltd. (retired in February 2021) Jun. 2018      Outside Director of the Company (current position)  <b>(Significant concurrent positions outside the Company)</b> Outside Director of Fuji Pharma Co., Ltd. Outside Director (Audit and Supervisory Committee Member) of AUTOBACS SEVEN Co., Ltd. External Director of FOOD & LIFE COMPANIES LTD.	929 shares
	<p><b>Reasons for nomination as candidate for outside director and outline of expected roles</b></p> <p>Minesaburo Miyake served as President and Representative Director of Kewpie Corporation and has abundant experience and extensive knowledge as a corporate executive. In the Company's Board of Directors meetings, he makes comments from the perspective of increasing the quality of products with a customer-oriented view and offers advice and proposals to ensure that decision-making by the Board of Directors is suitable and appropriate. Judging based on the above that it would be best to ask Mr. Miyake to continue supervising the management of the KAMEDA SEIKA Group as an independent outside director, the Company has again nominated him as a candidate for outside director.</p> <p><b>Special interests between candidate and the Company</b></p> <p>There is no special interest between Minesaburo Miyake and the Company.</p> <p><b>Matters concerning independence</b></p> <p>The Company has submitted notification to Tokyo Stock Exchange, Inc. that Minesaburo Miyake has been designated as an independent officer. If the reappointment of Mr. Miyake is approved, the Company plans to designate him as an independent officer.</p> <p>Mr. Miyake was formerly engaged in business execution of Kewpie Corporation, which is a business partner of the Company. However, since his retirement as President and Representative Director of the said firm in February 2017, he has no direct involvement in the business execution of the firm.</p> <p><b>Limited liability agreement</b></p> <p>The Company has entered into a limited liability agreement with Minesaburo Miyake, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act to limit his liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under such agreement is the amount prescribed by laws and regulations, and if the reappointment of Mr. Miyake is approved, the Company plans to renew this agreement with him.</p>		

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
8	<p>Yoshio Ito (March 18, 1953)</p> <p>Reappointment</p> <p>Outside Independent officer</p> <p>Attendance at meetings of the Board of Directors 12 / 12 (100%)</p> <p>Number of years in office as outside director 2 years</p>	<p>Apr. 1973</p> <p>Apr. 2009</p> <p>Apr. 2013</p> <p>Apr. 2014</p> <p>Jun. 2014</p> <p>Apr. 2017</p> <p>Jun. 2017</p> <p>Jun. 2020</p> <p><b>(Significant concurrent positions outside the Company)</b></p>	<p>Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Corporation)</p> <p>Executive Officer of Panasonic Corporation</p> <p>Managing Executive Officer of Panasonic Corporation</p> <p>Senior Managing Executive Officer of Panasonic Corporation</p> <p>Representative Director, Senior Managing Director of Panasonic Corporation</p> <p>Representative Director, Executive Vice President of Panasonic Corporation</p> <p>Representative Director, Executive Vice President and Executive Officer of Panasonic Corporation (retired in June 2019)</p> <p>Outside Director of the Company (current position)</p> <p>Director (Outside) of Nippon Electric Glass Co., Ltd.</p>	-
<p><b>Reasons for nomination as candidate for outside director and outline of expected roles</b></p> <p>Yoshio Ito served as Representative Director and Executive Vice President of Panasonic Corporation and has abundant experience and extensive knowledge as a corporate executive. In the Company's Board of Directors meetings, he makes comments from the perspective of enhancing skills on the manufacturing floor and offers advice and proposals to ensure that decision-making by the Board of Directors is suitable and appropriate. Judging based on the above that it would be best to ask Mr. Ito to continue supervising the management of the KAMEDA SEIKA Group as an independent outside director, the Company has again nominated him as a candidate for outside director.</p> <p><b>Special interests between candidate and the Company</b></p> <p>There is no special interest between Yoshio Ito and the Company.</p> <p><b>Matters concerning independence</b></p> <p>The Company has submitted notification to Tokyo Stock Exchange, Inc. that Yoshio Ito has been designated as an independent officer. If the reappointment of Mr. Ito is approved, the Company plans to designate him as an independent officer.</p> <p><b>Limited liability agreement</b></p> <p>The Company has entered into a limited liability agreement with Yoshio Ito, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act to limit his liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under such agreement is the amount prescribed by laws and regulations, and if the reappointment of Mr. Ito is approved, the Company plans to renew this agreement with him.</p>				

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
9	<p>Takayuki Kanai (April 16, 1959)</p> <p>Reappointment</p> <p>Outside Independent officer</p> <p>Attendance at meetings of the Board of Directors 12 / 12 (100%)</p> <p>Number of years in office as outside director 2 years</p>	<p>Apr. 1982</p> <p>Oct. 2008</p> <p>Oct. 2010</p> <p>Mar. 2012</p> <p>Mar. 2016</p> <p>Mar. 2017</p> <p>Jun. 2020</p>	<p>Joined The Nippon Credit Bank, Ltd. (currently Aozora Bank, Ltd.)</p> <p>Executive Officer of Aozora Bank, Ltd.</p> <p>Joined Nishimoto Trading Co., Ltd. Senior Managing Director</p> <p>President and Representative Director of Nishimoto Trading Co., Ltd.</p> <p>Director, General Manager of Group Business Management Division of Nishimoto Wismettac Holdings Co., Ltd.</p> <p>Representative Director, President &amp; COO of Nishimoto Wismettac Holdings Co., Ltd. (retired in March 2020)</p> <p>Outside Director of the Company (current position)</p>	449 shares
	<p><b>Reasons for nomination as candidate for outside director and outline of expected roles</b></p> <p>Takayuki Kanai served as President of Nishimoto Wismettac Holdings Co., Ltd. and has abundant experience and extensive knowledge as a corporate executive. In the Company's Board of Directors meetings, he offers advice and proposals to ensure the fairness and appropriateness of decision-making by the Board of Directors based on his abundant experience and extensive knowledge concerning development of the food business overseas. Judging based on the above that it would be best to ask Mr. Kanai to continue supervising the management of the KAMEDA SEIKA Group as an independent outside director, the Company has again nominated him as a candidate for outside director.</p> <p><b>Special interests between candidate and the Company</b></p> <p>There is no special interest between Takayuki Kanai and the Company.</p> <p><b>Matters concerning independence</b></p> <p>The Company has submitted notification to Tokyo Stock Exchange, Inc. that Takayuki Kanai has been designated as an independent officer. If the reappointment of Mr. Kanai is approved, the Company plans to designate him as an independent officer.</p> <p>Mr. Kanai was engaged in business execution of Nishimoto Wismettac Holdings Co., Ltd., which is a business partner of the Company. However, since his retirement as President of the said firm in March 2020, he has no direct involvement in the execution of internal operations of the firm.</p> <p>The Company had transactions, including sales and purchases of products, with the firm in FY2021, but the amount of transactions was less than 0.1% of the consolidated net sales of the firm and of the Company.</p> <p><b>Limited liability agreement</b></p> <p>The Company has entered into a limited liability agreement with Takayuki Kanai, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act to limit his liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under such agreement is the amount prescribed by laws and regulations, and if the reappointment of Mr. Kanai is approved, the Company plans to renew this agreement with him.</p>			

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
10	<p>Toshimasa Iue (December 3, 1962)</p> <p>Reappointment</p> <p>Outside Independent officer</p> <p>Attendance at meetings of the Board of Directors 12 / 12 (100%)</p> <p>Number of years in office as outside director 2 years</p>	<p>Apr. 1989      Joined SANYO Electric Co., Ltd.</p> <p>Jun. 2002      Representative Director, Vice President of SANYO Electric Co., Ltd.</p> <p>Jun. 2005      Representative Director, President of SANYO Electric Co., Ltd.</p> <p>Apr. 2011      Director, Vice President and Operating Officer of LIXIL Corporation</p> <p>Jun. 2016      Director of LIXIL Group Corporation (retired in June 2017)</p> <p>Apr. 2019      Member of Advisory Panel to Consider Management of the Company (retired in April 2020)</p> <p>Jun. 2020      Outside Director of the Company (current position)</p> <p><b>(Significant concurrent positions outside the Company)</b></p> <p>Outside Director (Audit Committee Member) of Enplas Corporation</p> <p>Outside Corporate Director of TAKARA &amp; COMPANY LTD.</p> <p>Outside Director (Member of Audit and Supervisory Committee) of Torishima Pump Mfg. Co., Ltd.</p>	-
<p><b>Reasons for nomination as candidate for outside director and outline of expected roles</b></p> <p>Toshimasa Iue has served as President of SANYO Electric Co., Ltd. and Director and Vice President of LIXIL Corporation, and has abundant experience and extensive knowledge as a corporate executive. In the Company's Board of Directors meetings, he makes comments from the perspective of enhancing the management quality originating from manufacturing and offers advice and proposals to ensure that decision-making by the Board of Directors is suitable and appropriate. Judging based on the above that it would be best to ask Mr. Iue to continue supervising the management of the KAMEDA SEIKA Group as an independent outside director, the Company has again nominated him as a candidate for outside director.</p> <p><b>Special interests between candidate and the Company</b></p> <p>There is no special interest between Toshimasa Iue and the Company.</p> <p><b>Matters concerning independence</b></p> <p>The Company has submitted notification to Tokyo Stock Exchange, Inc. that Toshimasa Iue has been designated as an independent officer. If the reappointment of Mr. Iue is approved, the Company plans to designate him as an independent officer.</p> <p><b>Limited liability agreement</b></p> <p>The Company has entered into a limited liability agreement with Toshimasa Iue, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act to limit his liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under such agreement is the amount prescribed by laws and regulations, and if the reappointment of Mr. Iue is approved, the Company plans to renew this agreement with him.</p>			

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
11	<p>Katsuo Shoyama (February 21, 1955)</p> <p>New candidate</p> <p>Outside Independent officer</p> <p>Attendance at meetings of the Board of Directors -</p> <p>Number of years in office as outside director -</p>	<p>Apr. 1978</p> <p>Sep. 2008</p> <p>Jun. 2011</p> <p>Mar. 2013</p> <p>Mar. 2016</p> <p>Mar. 2017</p>	<p>Joined Asahi Brewery Company (currently Asahi Group Holdings, Ltd.)</p> <p>Senior Officer, General Manager of East Kanto Area Management Headquarters of Asahi Group Holdings, Ltd.</p> <p>Executive Officer, General Manager of Chugoku Area Management Headquarters of Asahi Group Holdings, Ltd.</p> <p>President and Representative Director of LB Co., Ltd.</p> <p>Senior Managing Director of Asahi Group Foods, Ltd.</p> <p>President and Representative Director of Asahi Group Foods, Ltd. (retired in March 2021)</p>	-
	<p><b>Reasons for nomination as candidate for outside director and outline of expected roles</b></p> <p>Katsuo Shoyama has served as President and Representative Director of LB Co., Ltd. and of Asahi Group Foods, Ltd., and has abundant experience and extensive knowledge as a corporate executive. The Company has newly nominated him as a candidate for outside director so that his knowledge and experience gained as a manager through engaging particularly in the domestic food business may be utilized in the management of the KAMEDA SEIKA Group.</p> <p><b>Special interests between candidate and the Company</b></p> <p>There is no special interest between Katsuo Shoyama and the Company.</p> <p><b>Matters concerning independence</b></p> <p>Katsuo Shoyama is a candidate for outside director and fulfills the requirements to be designated as an independent officer as provided for by Tokyo Stock Exchange, Inc. If the election of Mr. Shoyama is approved, the Company plans to designate him as an independent officer.</p> <p><b>Limited liability agreement</b></p> <p>The Company has entered into limited liability agreements with outside directors, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act to limit their liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under such agreement is the amount prescribed by laws and regulations, and if the election of Mr. Shoyama is approved, the Company plans to enter into this agreement with him.</p>			

Note: The Company has entered into a directors and officers liability insurance policy, in which it bears the full amount of the insurance premiums, as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. This policy covers losses, including compensation for damage, litigation expenses, etc., incurred in the event of a claim for damages arising from the performance of duties carried out by the insured.

The insured under this policy are key persons who execute business, such as directors, Audit & Supervisory Board members and executive officers of the Company and its subsidiaries excluding Mary's Gone Crackers, Inc. and KAMEDA USA, INC. If each candidate is elected and assumes the office as director, they will be included in the policy as an insured.

In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

## Reference • Directors (As of March 31, 2022)

### Policy and Procedures for the Nomination of Director Candidates

The basic stance is for the Company's Board of Directors to have a maximum of fourteen (14) members to enable lively deliberation and swift decision-making and for highly independent outside directors to comprise the majority.

When nominating director candidates, the Chairman & CEO makes proposals according to the following criteria, and submits these as proposals to the General Shareholders' Meeting.

#### [Criteria for the nomination of director candidates]

The basic qualities of directors are as follows.

##### [All directors]

- Have mental and physical health and vitality, and possess personal magnetism, a network of contacts, dignity, and a sense of morality
- Have advanced and broad management knowledge and the ability to make objective decisions, in addition to having excellent foresight and insight
- Not have any interests or business relations that may affect the execution of duties as a director
- Not subject to any disqualifying grounds specified in laws and regulations, etc.
- Have qualities otherwise required of a director from the perspective of corporate governance for improving the soundness and transparency of management as a listed company

In addition to the above, the respective qualities of inside directors and outside directors are as follows.

##### [Inside directors]

- Have skills, knowledge, experience, and accomplishments that contribute to the enhancement of corporate value, understand business in general, and have a sense of balance and decisiveness enabling action to be taken

##### [Outside directors]

- Have abundant experience and considerable insight as a corporate executive for the realization of the expansion of business from a "snack manufacturer to a food manufacturer," which is what the Company aspires to become
- Have abundant experience and considerable insight from a global perspective
- Have sufficient time to execute duties as a director of the Company
- Have qualities enabling the provision of advice and suggestions for ensuring that the decisions of the Board of Directors are suitable and appropriate from an independent perspective

Based on these criteria, inside directors are determined by the Board of Directors considering the opinions of management executives and outside officers, and assessments such as 360-degree evaluations.

#### (Policy for the dismissal of directors)

When a director loses eligibility under the above nomination criteria, the Board of Directors considers whether they are capable of completing their term of office.

### Appointment and Dismissal Criteria for CEO and COO

The Company sets out the criteria for the appointment and dismissal of the CEO and the COO as follows.

#### (Appointment criteria for CEO and COO)

##### [Ability]

- Must understand and be able to implement the Company's corporate philosophy
- Must have the ability to ascertain medium- to long-term trends in global society, and to devise and execute medium- to long-term plans accordingly

##### [Leadership]

- Must be able to communicate sincerely with officers and employees
- Must be able to lead and take initiatives

##### [Resourcefulness]

- Must have personal appeal, fortitude, depth, and generosity
- Must correctly understand their own capabilities, and have a stance of supplementing their shortcomings by coordinating with others



In addition to this, the Company has formulated a successor development plan for the CEO and the COO, considers the state and results of its operation in each meeting of the Board of Directors, and determines the CEO and the COO by the Board of Directors considering the opinions of management executives and outside officers, and assessments such as 360-degree evaluations with reference to the content considered in the successor development plan and the CEO and COO appointment criteria.

**(Dismissal criteria for CEO and COO)**

The Board of Directors shall discuss and determine the dismissal of the CEO or the COO in the following cases.

- If it is found that the CEO or the COO is not functioning adequately
- If there are serious concerns with corporate governance such as a social scandal
- If the Company's performance deteriorates significantly
- If qualification under the CEO and COO appointment criteria is lost

## Reference • Independent Outside Officers (As of March 31, 2022)

### Criteria for Determining the Independence of Outside Officers

In order to increase objectivity in management decisions and further improve soundness and transparency, the Board of Directors sets out the following criteria on the independence of outside officers in addition to the requirements for independent officers prescribed by Tokyo Stock Exchange, Inc.

#### [Criteria concerning the independence of outside officers]

Outside officers (including candidates therefor; the same applies hereinafter) are deemed not to have sufficient independence if any of the following items apply.

**1. A person originally from the Company or its consolidated subsidiary**

**2. A person for whom the Company or its consolidated subsidiary is a major business partner, or an executive thereof**

\*A person for whom the Company or its subsidiary is a major business partner is:

- (1) When the amount of transactions during the most recent business year is 2% or more of consolidated net sales; or
- (2) A business partner to whom the Company or its consolidated subsidiary has debt, and the total amount of debt at the end of the most recent business year is 2% or more of consolidated total assets.

**3. A major business partner of the Company or its consolidated subsidiary, or an executive thereof**

\*A major business partner of the Company or its consolidated subsidiary is:

- (1) When the amount of transactions during the most recent business year is 2% or more of consolidated net sales; or
- (2) A business partner who has debt to the Company or its consolidated subsidiary, and the total amount of debt at the end of the most recent business year is 2% or more of consolidated total assets.
- (3) A main financing bank or its executive

**4. An executive of a company, etc., for which the Company or its consolidated subsidiary directly or indirectly holds 10% or more of the shares on a voting rights basis**

**5. A major shareholder of the Company (a person who directly or indirectly holds 10% or more of the shares on a voting rights basis) or an executive thereof**

**6. A person who has received a large donation from the Company or its consolidated subsidiary, or an executive thereof**

\*A large amount of donations applies to the following:

When the donation during the most recent business year exceeds ¥10 million per year, or 2% of net sales or gross revenue of said organization, which is higher

**7. An executive of another company which has a relationship of interlocking outside officers with the Company**

**8. A consultant, accountant or legal expert who has received a large amount of monetary consideration or other property from the Company or its consolidated subsidiary besides compensation as an officer**

(if the person who has received the property is a group such as a legal entity or an association, a member of said group)

**9. A person to whom any of 2 to 8 above has been applicable in the past five years**

**10. A relative within two degrees of kinship or a relative living with a person for whom any of 1 to 9 above is applicable**

**11. Any other person found to have special grounds that could cause a conflict of interest with the Company**

Note: An “executive” in 2 to 7 above is a “person who executes significant business,” and a person falling under 8 is a “person who executes significant business” and is limited to a person with specialized qualifications such as a certified public accountant or an attorney if the group is a specialized accounting or legal group such as an auditing firm or a law firm.

**Proposal No. 4** Election of Two (2) Audit & Supervisory Board Members

The terms of office of Audit & Supervisory Board members Kenichi Yazawa and Takao Yuhara will expire at the conclusion of this Ordinary General Shareholders' Meeting. Therefore, the Company proposes the new election of two (2) Audit & Supervisory Board members.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidates for Audit & Supervisory Board member are as follows:

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
1	Kazuyoshi Aoki (December 24, 1955)	Apr. 1979	Joined Kao Soap Co., Ltd. (currently Kao Corporation)	
	New candidate	Mar. 2003	Controller of International Household Division of Kao Corporation	
	Outside Independent officer	Mar. 2005	Vice Chairman of the Board and Vice President of Kao (China) Holding Co., Ltd.	
	Attendance at meetings of the Board of Directors	May 2007	Senior Manager, Accounting and Finance Division of Kao Corporation	
	-	Jun. 2012	Executive Officer in charge of Accounting and Finance of Kao Corporation	-
	Attendance at meetings of the Audit & Supervisory Board	Jan. 2017	Resigned from Kao Corporation	
	-	Jun. 2019	Outside Director of ANRITSU CORPORATION (current position)	
	Number of years in office as Audit & Supervisory Board member			
	-			
<p><b>Reasons for nomination as candidate for outside Audit &amp; Supervisory Board member</b></p> <p>Kazuyoshi Aoki was in charge of the Accounting and Finance Division of Kao Corporation and has expertise and abundant experience concerning finance and accounting. Judging based on the above that Mr. Aoki is qualified to exercise supervision as an outside Audit &amp; Supervisory Board member for ensuring that the decision-making by the Board of Directors is suitable and appropriate, the Company has newly nominated him as a candidate for outside Audit &amp; Supervisory Board member.</p> <p><b>Special interests between candidate and the Company</b></p> <p>There is no special interest between Kazuyoshi Aoki and the Company.</p> <p><b>Matters concerning independence</b></p> <p>Kazuyoshi Aoki is a candidate for outside Audit &amp; Supervisory Board member and fulfills the requirements to be designated as an independent officer as provided for by Tokyo Stock Exchange, Inc. If the election of Mr. Aoki is approved, the Company plans to designate him as an independent officer.</p> <p><b>Limited liability agreement</b></p> <p>The Company has entered into limited liability agreements with outside Audit &amp; Supervisory Board members, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act to limit their liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under such agreement is the amount prescribed by laws and regulations, and if the election of Mr. Aoki is approved, the Company plans to enter into this agreement with him.</p>				

Candidate No.	Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
2	<p>Akihiro Ito (December 19, 1960)</p> <p>New candidate</p> <p>Outside Independent officer</p> <p>Attendance at meetings of the Board of Directors</p> <p>-</p> <p>Attendance at meetings of the Audit &amp; Supervisory Board</p> <p>-</p> <p>Number of years in office as Audit &amp; Supervisory Board member</p> <p>-</p>	<p>Apr. 1983</p> <p>Jan. 2013</p> <p>Mar. 2014</p> <p>Mar. 2015</p> <p>Apr. 2016</p> <p>Mar. 2018</p>	<p>Joined Kirin Brewery Co., Ltd. (currently Kirin Holdings Company, Limited)</p> <p>Executive Officer, Director of Group Finance of Kirin Holdings Company, Limited</p> <p>Director of the Board, CFO of Kirin Holdings Company, Limited</p> <p>Director of the Board, Senior Executive Officer of Kirin Holdings Company, Limited</p> <p>Director of Brasil Kirin Participações e Representações S.A. (retired in May 2017)</p> <p>Standing Audit &amp; Supervisory Board Member of Kirin Holdings Company, Limited (retired in March 2022)</p>	-
	<p><b>Reasons for nomination as candidate for outside Audit &amp; Supervisory Board member</b></p> <p>Akihiro Ito served as Chief Financial Officer (CFO) at Kirin Holdings Company, Limited and has expertise and abundant experience concerning finance and accounting. Judging based on the above that Mr. Ito is qualified to exercise supervision as an outside Audit &amp; Supervisory Board member for ensuring that decision-making by the Board of Directors is suitable and appropriate, the Company has newly nominated him as a candidate for outside Audit &amp; Supervisory Board member.</p> <p><b>Special interests between candidate and the Company</b></p> <p>There is no special interest between Akihiro Ito and the Company.</p> <p><b>Matters concerning independence</b></p> <p>Akihiro Ito is a candidate for outside Audit &amp; Supervisory Board member and fulfills the requirements to be designated as an independent officer as provided for by Tokyo Stock Exchange, Inc. If the election of Mr. Ito is approved, the Company plans to designate him as an independent officer.</p> <p><b>Limited liability agreement</b></p> <p>The Company has entered into limited liability agreements with outside Audit &amp; Supervisory Board members, pursuant to the provisions of Article 427, paragraph (1) of the Companies Act to limit their liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under such agreement is the amount prescribed by laws and regulations, and if the election of Mr. Ito is approved, the Company plans to enter into this agreement with him.</p> <p>Note: In December 2019, KYOWA HAKKO BIO CO., LTD., where Akihiro Ito served as Audit &amp; Supervisory Board member until March, 2022, received an administrative disposition from the Yamaguchi Prefecture in accordance with the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices, for having carried out production following a procedure different from that prescribed in the standard operation procedure. While he was not aware of this fact in advance, he had been drawing attention on the importance of compliance with laws and regulations on a regular basis. After the fact came to light, he took countermeasures such as providing various suggestions and opinions to further strengthen the internal control system in order to carry out thorough investigations of the actual conditions and to prevent recurrence of such facts.</p>			

Note: The Company has entered into a directors and officers liability insurance policy, in which it bears the full amount of the insurance premiums, as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company.

This policy covers losses, including compensation for damage, litigation expenses, etc., incurred in the event of a claim for damages arising from the performance of duties carried out by the insured.

The insured under this policy are key persons who execute business, such as directors, Audit & Supervisory Board members and executive officers of the Company and its subsidiaries excluding Mary's Gone Crackers, Inc. and KAMEDA USA, INC.

If each candidate is elected and assumes the office as Audit & Supervisory Board member, they will be included in the policy as an insured.

In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

## **Reference • Audit & Supervisory Board Members (As of March 31, 2022)**

### **Policy and Procedures for the Nomination of Audit & Supervisory Board Member Candidates**

The basic stance is for the Company's Audit & Supervisory Board to have a maximum of five (5) members to strengthen the functions of Audit & Supervisory Board members, and for highly independent outside Audit & Supervisory Board members to comprise the majority.

When nominating Audit & Supervisory Board member candidates, the Chairman & CEO makes proposals according to the following criteria after consulting with and obtaining approval from the Audit & Supervisory Board, and submits these as proposals to the General Shareholders' Meeting.

#### **[Criteria for the nomination of Audit & Supervisory Board member candidates]**

The basic qualities of Audit & Supervisory Board members are as follows.

##### **[All Audit & Supervisory Board members]**

- Have mental and physical health and vitality, and possess personal magnetism, a network of contacts, dignity, and a sense of morality
- Be able to constantly maintain a stance of being fair and unbiased, and act based on their own beliefs
- Be able to constantly endeavor to make self-improvements to improve the quality of auditing and supervision
- Have management knowledge and the ability to make objective decisions, and be able to recognize management issues from the viewpoint of management in general
- Not have any interests or business relations that may affect the execution of duties as an Audit & Supervisory Board member
- Have considerable knowledge related to finance and accounting, or skills, knowledge in their special areas of expertise
- Have qualities otherwise required of an Audit & Supervisory Board member from the perspective of corporate governance for improving the soundness and transparency of management as a listed company

In addition to the above, the qualities of full-time Audit & Supervisory Board members and outside Audit & Supervisory Board members are as follows.

##### **[Full-time Audit & Supervisory Board members]**

- Have the ability to collect information necessary for sufficiently fulfilling the roles and responsibilities of the Audit & Supervisory Board

##### **[Outside Audit & Supervisory Board members]**

- Have abundant experience and considerable insight in each of their background fields
- Have sufficient time to execute duties as an Audit & Supervisory Board member of the Company
- Have qualities enabling the provision of advice and suggestions for ensuring that the decisions of the Board of Directors are suitable and appropriate from an independent perspective

#### **(Policy on the dismissal of Audit & Supervisory Board members)**

When an Audit & Supervisory Board member loses eligibility under the above nomination criteria, the Board of Directors considers whether they are capable of completing their term of office.

<Reference>

**Skill Matrix for Directors and Audit & Supervisory Board Members (Expertise and Experience)**

The expertise and experience of the Directors and Auditors in the event that Proposal No. 3 and Proposal No. 4 are approved and adopted as proposed are as follows.

		Corporate management Note 1	Global	Diversity	Sales/ Marketing	Production/ Development/ R&D/Quality	Accounting/ Finance	Legal Affairs/ Compliance/ Risk Management	Sustainability/ ESG
Director	Lekh Raj Juneja		●	●		●			
	Akira Kobayashi					●	●	●	
	Naoko Koizumi			●		●			●
	Michiyasu Tanaka	●	●				●		
	Masanori Takagi			●	●	●			
	Mackenzie Clugston Outside		●	●					●
	Minesaburo Miyake Outside	●		●	●				
	Yoshio Ito Outside		●			●			●
	Takayuki Kanai Outside	●	●				●		
	Toshimasa Iue Outside	●	●		●				
	Katsuo Shoyama Outside	●		●	●				
Audit & Supervisory Board Member	Michiya Kondo		●				●	●	
	Jun Sasaki				●		●	●	
	Kazuyoshi Aoki Outside		●				●		●
	Akihiro Ito Outside		●				●	●	

Note 1 Experience as president of a publicly listed company (including equivalent experience).

Note 2 The above matrix shows areas where individuals can demonstrate expertise based on experience and other factors. It does not cover all their knowledge.

**Proposal No. 5** Election of One (1) Substitute Audit & Supervisory Board Member

To prepare for a contingency in which the Company becomes short of the number of Audit & Supervisory Board members stipulated in laws and regulations, the Company proposes the election of one (1) substitute Audit & Supervisory Board member. The consent of the Audit & Supervisory Board has been obtained for this proposal.

The validity of the election of a substitute Audit & Supervisory Board member can be nullified by resolution of the Board of Directors with the consent of the Audit & Supervisory Board, provided that it is prior to the assumption of office.

The candidate for substitute Audit & Supervisory Board member is as follows:

Name (Date of birth)	Career summary and significant concurrent positions outside the Company	Number of the Company's shares owned
Ryo Tsuchida (July 4, 1968)	Jan. 2010 Registered as attorney at law Member of Frontier Law (current position)	
	Apr. 2011 Professor at OMIYA LAW SCHOOL	
	Apr. 2014 Professor at School of Law, Senshu University	
Reappointment	Apr. 2020 Professor at Sophia Law School, Sophia University (current position)	-
Outside Independent officer	<b>(Significant concurrent positions outside the Company)</b> Outside Director of UPR Co., Ltd. Outside Director of Noevir Holdings Co., Ltd.	

**Reasons for nomination as candidate for substitute outside Audit & Supervisory Board member**

Ryo Tsuchida is a lawyer and has abundant experience and extensive knowledge as a researcher of corporate law. Although he has never been directly involved in corporate management, he is well versed in corporate law and has the necessary expertise. Therefore, the Company has determined that he is capable of appropriately carrying out the duties as an outside Audit & Supervisory Board member and has newly nominated him as a candidate for substitute outside Audit & Supervisory Board member.

**Special interests between candidate and the Company**

There is no special interest between Ryo Tsuchida and the Company.

**Matters concerning independence**

Ryo Tsuchida is a candidate for substitute outside Audit & Supervisory Board member and fulfills the requirements to be designated as an independent officer as provided for by Tokyo Stock Exchange, Inc. If the election of Mr. Tsuchida is approved, the Company plans to designate him as an independent officer.

**Limited liability agreement**

The Company has entered into limited liability agreements with outside Audit & Supervisory Board members, pursuant to the provisions of Article 427, paragraph (1) to limit their liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under such agreement is the amount prescribed by laws and regulations, and if Mr. Tsuchida assumes the post of outside Audit & Supervisory Board member, the Company plans to enter into this agreement with him.

Note: Ryo Tsuchida's name on the family register is Ryo Teranishi.

Note: The Company has entered into a directors and officers liability insurance policy, in which it bears the full amount of the insurance premiums, as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company.

This policy covers losses, including compensation for damage, litigation expenses, etc., incurred in the event of a claim for damages arising from the performance of duties carried out by the insured.

The insured under this policy are key persons who execute business, such as directors, Audit & Supervisory Board members and executive officers of the Company and its subsidiaries excluding Mary's Gone Crackers, Inc. and KAMEDA USA, INC.

If Ryo Tsuchida is elected and assumes the office as Audit & Supervisory Board member, he will be included in the policy as an insured.

## Proposal No. 6 Payment of Bonuses to Directors

The Company proposes to pay a total of ¥109 million in directors' bonuses to six (6) of thirteen (13) directors, excluding seven (7) outside directors, as of the end of FY2021, in consideration of the consolidated operating results for FY2021 among other factors.

The Company's Board of Directors set forth, at its meeting held on February 18, 2021, the policy, which stated in 1) below, for determination of the content of the individual remunerations, etc., of executives. This proposal is in line with said policy and is hence judged to be suitable.

### Matters Regarding Remuneration, etc., of Directors and Audit & Supervisory Board Members

#### 1) Contents and Method of Determination of Policy Regarding Determination of Amount and Calculation Method of Executive Remuneration, etc.

The Board of Directors has confirmed that individual remunerations, etc. for directors for the fiscal year under review conforms with the determination policy decided by the Board of Directors in terms of the method of determining the content of the remunerations, etc., and the determined content of the remunerations, etc., and judges that it is in line with the determination policy.

The policy for determination of the content of the individual remunerations, etc. of executives are as described below.

#### (Basic Views)

The basic policies on the Company's executive remuneration are as described below, and the details thereof are being deliberated and resolved by the Board of Directors that is composed of a majority of independent outside directors.

- To raise awareness among management of the emphasis on shareholders benefits through improvement of corporate value and sustainable growth.
- To ensure high links with business performance that motivates achievements of company performance goals.
- To ensure that the procedures used to determine remuneration are very transparent and objective.

#### (Remuneration Levels)

Remuneration levels for directors other than outside directors are based on consideration of levels in the industry and other companies of the same size, in reference to data from surveys on executive pay conducted by external research organizations.

#### (Breakdown of Remuneration)

Remuneration for directors other than outside directors is made up of base remuneration, which is fixed remuneration, and bonuses, which are linked to the Company's performance.

##### [Base Remuneration]

The amount of base remuneration of each director is determined by the position that links to his or her roles and responsibilities, and is paid out as a fixed monthly remuneration, within the limits prescribed at the General Shareholders' Meeting.

Outside directors and Audit & Supervisory Board members (both inside and outside members) occupy non-executive, independent positions, and as such they only receive fixed remuneration.

##### [Bonuses]

Bonuses are assessed on indicators that include consolidated net sales, consolidated operating income, consolidated return on equity (ROE) and consolidated net income, emphasizing the link with the performance of Group companies, as well as corporate value and shareholder value.

Under the bonus system, the amount to be paid is calculated based on the degree to which the targets are achieved, varying between 0% and 150% with 100% being paid if targets are achieved, and the total amount of bonuses is proposed at the Ordinary General Shareholders' Meeting for the applicable business year, and paid promptly after the resolution of the proposal.

#### [Performance Indicators for Bonus and Actual Results]

Net sales	Operating income	Net income	ROE
¥85,163 million	¥4,863 million	¥4,428 million	7.3%



(Remuneration Ratios)

The ratio of performance-linked remuneration to total remuneration is designed to increase for higher-ranked positions, in accordance with each position's responsibilities, etc., and is generally around 30-50% if performance targets are achieved.

(Procedures Used to Determine Remuneration)

In order to ensure transparency and objectivity, remuneration levels and the suitability of remuneration amounts are determined by deliberation and resolution of the Board of Directors, which is composed of a majority of independent outside directors.

2) Total Amounts of Remunerations, etc. of Directors and Audit & Supervisory Board Members

		Number of recipients (persons)	Remuneration (million yen)	Bonus (million yen)	Total payment (million yen)
Directors	Other than outside directors	6	182	109	291
	Outside directors	7	84	-	84
	Subtotal	13	266	109	375
Audit & Supervisory Board members	Other than outside Audit & Supervisory Board members	2	33	-	33
	Outside Audit & Supervisory Board members	2	24	-	24
	Subtotal	4	57	-	57
	Total	17	324	109	433

(Notes)

1. As of the end of the fiscal year under review the Company has thirteen (13) directors (including seven (7) outside directors) and four (4) Audit & Supervisory Board members (including two (2) outside Audit & Supervisory Board members).
2. The 63rd Ordinary General Shareholders' Meeting, held on June 17, 2020, resolved that remuneration for directors may be up to ¥26 million per month. The number of directors as of the end of that Ordinary General Shareholders' Meeting was thirteen (13) (including seven (7) outside directors).
3. The 53rd Ordinary General Shareholders' Meeting, held on June 23, 2010, resolved that the amount of remuneration for Audit & Supervisory Board members may be up to ¥6 million per month. The number of Audit & Supervisory Board members as of the end of that Ordinary General Shareholders' Meeting was four (4) (including two (2) outside Audit & Supervisory Board members).
4. The bonuses stated above are the amounts that the Company plans to pay to six (6) directors excluding outside directors as of the end of FY2021, giving consideration to business performance for FY2021, with the approval of Proposal No. 6 "Payment of Bonuses to Directors" for this Ordinary General Shareholders' Meeting.

## **Proposal No. 7      Continuation of Measures Concerning Large-Scale Purchases of the Company's Shares (Anti-Takeover Measures)**

The Company initially implemented “Measures Concerning Large-Scale Purchases of the Company's Shares (Anti-Takeover Measures)” by resolution of the Board of Directors meeting on April 21, 2007, and most recently obtained approval to continue these Measures (“the Current Plan”) at its 62nd Ordinary General Shareholders' Meeting held on June 21, 2019. The Current Plan will expire as of the conclusion of this Ordinary General Shareholders' Meeting (“this General Shareholders' Meeting”). The Company has decided to continue the Current Plan as one of the initiatives for securing and enhancing the corporate value of the Company, as well as the common interests of shareholders in light of the changes in social and economic conditions, various trends related to anti-takeover measures, and the progress of numerous discussions, provided that approval is obtained from the shareholders at this General Shareholders' Meeting (the renewed Measures Concerning Large-Scale Purchases of the Company's Shares (Anti-Takeover Measures) referred to as “the Plan”). The Company therefore seeks the shareholders' approval on the continuation of the Plan.

There is no material change to the content of the Current Plan for the continuation of the Plan.

### **I. Basic Policy Regarding Persons Who Control Decisions on Financial and Business Policies of the Company**

The Company believes that in the event of a large-scale purchase of the Company's shares, the decision on whether to accept or reject the offer should ultimately rest with the shareholders.

Nonetheless, the Company recognizes that among those large-scale purchases or offers for purchase of shares are cases that are unlikely to contribute to the corporate value of a company or the common interests of its shareholders, such as a purchase or offer for purchase with a purpose containing the risk of clearly harming corporate value, as well as the common interests of shareholders, or the risk of virtually forcing shareholders to sell shares, a purchase or offer for purchase that does not provide a reasonable time period or information necessary for the board of directors and shareholders of the subject company to examine and judge the contents of the purchase, or for the board of directors of the subject company to present an alternative proposal, a purchase or offer for purchase in which the purchase price, method, and other terms are inappropriate for the corporate value of the subject company and its shareholders, and a purchase or offer for purchase with the risk of harming the relationships between the subject company and its stakeholders.

The Company believes any party who pursues such large-scale purchase or offer for purchase that has the risk of harming not only the corporate value of the Company but also the common interests of shareholders is inappropriate as a party who controls the decisions on financial and business policies of the Company.

### **II. Source of the Company's Corporate Value and Initiatives that Contribute to the Achievement of the Basic Policy**

The Company works to secure and enhance the corporate value of the Company as well as the common interests of shareholders in order to have many shareholders and investors continue to invest in the Company over the medium to long term, and pursues the following measures as initiatives that contribute to achieving the basic policy described in I. above.

These initiatives are formulated based on adequate understanding of the source of the Company's corporate value and have been adequately examined so that they contribute to enhancing the corporate value of the Company as well as the common interests of shareholders over the medium to long term. Therefore, these do not damage the common interests of shareholders of the Company nor are they intended to maintain the position of officers of the Company.

#### **1. Source of Corporate Value**

Ever since its founding in 1957, the Company has strived based on its corporate philosophy to contribute to society by pursuing rice cracker manufacturing technologies and providing customers with high-quality products. During this time, the Company continued to gain high trust and support from its shareholders and stakeholders.

#### **● Corporate Philosophy**

##### **[Founding Philosophy]**

During the food shortages in Japan immediately after World War II, our founder felt that “Men can find pleasure in drinking, but there is no enjoyment for women and children. I want to give them something that can bring enjoyment and delight to their

lives.” With no experience, he began making *mizuame* - a thick, clear and sticky starch syrup. This became our founding philosophy, and KAMEDA SEIKA was born.

[Mission Statement] 製菓展道立己 (*Seika-Tendo-Rikki*)

As a manufacturer and seller of rice crackers and snacks, we will explore the path to find our identity by seeking to grow through refining management and operation widely, including manufacturing technology, product development, and market development. Our identity refers to the Company itself and each individual employee making up the Company. We will work together to improve our social and economic standing.

[Management Philosophy] - Respond to the needs of all those involved with the Company  
- Ensure the Company flourishes forever

[Basic Management Policy] - Manage the Company democratically  
- Refrain from using the Company for personal gain  
- Be dedicated to planned management

Furthermore, as we work toward realizing global expansion, the Company sets out the mission and vision it aims at in “KAMEDA SEIKA Group Mission and Vision” as the bedrock to be shared within the Group.

### ● Aiming to Become a “Global Food Company”

[Revolutionary Change of Customer Value] From a rice cracker and snack manufacturer into a “Better For You” food company

In light of the changes in the environment surrounding the food industry, in the medium-term business plan, the Company has been working to provide customer value from the perspective of “Better For You,” which means “contribution to a healthy lifestyle through the selection, eating and enjoyment of things that are delicious and good for the body,” and to achieve sustainable growth as well as to enhance corporate value through the realization of its long-term vision of becoming a “Global Food Company.” The Company aims to evolve from a “rice cracker and snack manufacturer” into a “Better For You” food company by FY2030.

### ● KAMEDA SEIKA Group “Mission and Vision”

[Mission to be achieved as a Global Food Company]

Making the most of nature’s blessings, we will create health, deliciousness, and excitement

We will contribute to the greater enrichment of society by delivering enjoyment and delight to people’s lives

[Vision of a Global Food Company]

We aim to become a brand loved by people all over the world by promoting innovation in traditional techniques we have developed in rice cracker production to date and harmonizing our products with regional food cultures

Rice crackers are snacks unique to Japan that have continued to develop and be passed on along with rice culture. The Company took the lead in implementing mass production technology for rice crackers and establishing a sales network, as well as worked to expand the rice cracker market in Japan by releasing a variety of brands, such as KAMEDA Kaki-no-Tane and Happy Turn, on top of the traditional rice crackers, and has maintained a high market share as a top manufacturer over many years.

The Company believes that its core strengths are as follows: (i) High rice processing technologies and product development capabilities underpinned by those technologies; (ii) Production know-how attained by establishing mass-production technology in rice cracker manufacturing, which was formerly a cottage industry, and continuing to stably provide high-quality products; (iii) Widely recognized as the number one manufacturer of rice crackers, KAMEDA SEIKA, with strong, long-selling brands such as KAMEDA Kaki-no-Tane and Happy Turn; (iv) Quality assurance system and framework for delivering safe and reliable products; and (v) Workers who adequately understand and embody the Company’s corporate philosophy, Mission and Vision.

Also, overseas, the Company began producing and selling rice crackers in North America in 1989. In recent years, we have been accelerating our overseas expansion in the Better For You market for organic, gluten-free, and other types of health-conscious foods, which have been growing in North America. At the same time, we are pursuing business development in each of the Asian countries in addition to production sites for our cross-border business as we look ahead to the potential expansion of demand for rice crackers in the future.

In addition, the Company is strengthening initiatives in the food business to resolve social issues, while fully leveraging the expertise in rice to expand into plant-based foods (meat analogues) that utilize our rice cracker

processing technologies and increase the lineup of 28-allergen-free rice flour bread and brown-rice bread, etc., to address the rise in food allergies.

We believe that pursuing management on a long-term perspective by leveraging these strengths built on the source of corporate value will contribute to enhancing the corporate value of the Company as well as the common interests of shareholders.

## **2. Initiatives to Improve Corporate Value Under the Medium-term Business Plan**

In pursuing the medium-term business plan up to FY2023, we will firmly stand on our three pillars, which are the domestic rice cracker business, the overseas business, and the food business, and aim to realize our goal of becoming a distinctive global company. We are also working toward achieving sustainable growth and enhanced corporate value by carrying out structural reforms from a mid-to-long-term perspective in response to changes in the environment, such as changes in behavioral patterns of customers triggered by the COVID-19 pandemic.

To further strengthen its position as a leading company in the rice cracker industry, the domestic rice cracker business is concentrating on cultivating new customers and nurturing new products. We are also structuring an efficient sales system that emphasizes linkages among respective initiatives and strengthening cost competitiveness through new capital investments and other means. In addition, we will make efforts to grow the business through resolving social issues with more environmentally friendly products that address social change.

Our overseas business is aiming for further growth in North America by developing the sales channels of Mary's Gone Crackers, Inc. to increase sales and by stabilizing production operations. We have also made THIEN HA KAMEDA, JSC. in Vietnam, a consolidated subsidiary, in anticipation for the expansion of cross-border transactions, and we are taking other steps in an effort to reorganize our overseas sites.

In the food business, as companies are stockpiling long-life preserved foods and with a stable demand among consumers amid growing awareness for disaster prevention, we are strengthening our focus on plant-based foods, whose market is developing rapidly, and on rice flour bread as hypoallergenic food.

## **3. Initiatives Toward Strengthening Corporate Governance**

In order to build a sound management system for heightened risks associated with globalization and other trends, and to realize an advanced monitoring model using outside directors, the Company has made its own decision to have a Board of Directors highly independent outside directors comprising a majority of directors in addition to clarifying the division of roles of management supervision and execution functions, and has introduced an Executive Officer system to expedite the speed of business execution. In addition, as a company with an Audit & Supervisory Board, the Company is strengthening functions for auditing and monitoring management while effectively utilizing the functions of Audit & Supervisory Board members.

Furthermore, Advisory Board meetings are periodically held by outside experts who provide evaluation and advice to the representative directors on business strategies and Group management in general.

By carrying out these initiatives, the Company strives to secure and enhance the corporate value of the Company as well as the common interests of shareholders.

## **III. Contents of the Plan (Measures to Prevent Decisions on Financial and Business Policies of the Company from Being Controlled by Inappropriate Parties in the Context of Its Basic Policy)**

### **1. Purpose for Continuing the Plan**

In recent years, there have been moves on the capital market where massive purchases of shares are made without adequate disclosure of investment purpose and other relevant information to shareholders, investors, and other stakeholders. The Company views that there is not a low possibility of such purchases to result in harming the corporate value and the common interests of shareholders (abusive takeovers).

The Financial Instruments and Exchange Act includes certain restrictions on abusive takeovers, but it may not be effective in various ways as it neither legally ensures the provision of information and time to review such information before the launch of a large-scale purchase, nor legally restricts acts of buying up shares in the market.

The Company believes that in the event that a large-scale purchase of the Company's shares is intended, securing the necessary information and time for shareholders to make an appropriate judgment on whether to agree to such large-scale purchase, or for the Company's Board of Directors to propose an alternative plan to shareholders and negotiate with the purchaser, etc., based on a certain set of reasonable rules, would conform to corporate value as well as the common interests of shareholders.

For this reason, the Company has set a certain set of rules regarding the provision of information and time to give consideration in the event of a large-scale purchase (“Large-scale Purchase Rules”), and decided to continue the Plan as part of the efforts to prevent the Company’s decisions on financial and business policies from being controlled by an inappropriate party in light of the basic policy, provided that approval is obtained from shareholders at this General Shareholders’ Meeting.

Refer to Attachment 1 for a flow diagram of the Plan.

## **2. Purchases of the Company’s Shares to Which the Plan Applies**

Purchases of the Company’s shares that the Plan applies to are purchases whose purpose is for a specified shareholder group (Note 1) to obtain 20% or more in the ratio of voting rights (Note 2) through the purchases of the Company’s share certificates, etc. (Note 3), or those purchases of the Company’s share certificates, etc., that ultimately result in the specified shareholder group obtaining 20% or more of the voting rights (excluding, in either case, any purchases for which the Company’s Board of Directors has given consent in advance, and regardless of the specific method of purchase, such as market trading or tender purchase. Such purchases are referred to as “Large-scale Purchases” and the party taking such action is referred to as “Large-scale Purchaser”).

Note 1: “Specified shareholder group” refers to:

- (i) A holder (including parties deemed as holders pursuant to Article 27-23, paragraph (3) of the Financial Instruments and Exchange Act; the same applies hereinafter) and joint holders (as stipulated in Article 27-23, paragraph (5) of the Financial Instruments and Exchange Act, including parties deemed as a joint holder pursuant to paragraph (6) thereof; the same applies hereinafter) of the Company’s share certificates, etc., (as stipulated in Article 27-23, paragraph (1) of the Financial Instruments and Exchange Act); or
- (ii) any party conducting purchase, etc. (as stipulated in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act, including any purchase, etc. made on a market operated by a financial instruments exchange) of the Company’s share certificates, etc. (as stipulated in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act), and its specially related party (as stipulated in Article 27-2, paragraph (7) of the Financial Instruments and Exchange Act).

Note 2: “Ratio of voting rights” refers to:

- (i) In the case where the specified shareholder group is as given in Note 1 (i), the holding ratio of share certificates, etc., of the said holder (as stipulated in Article 27-23, paragraph (4) of the Financial Instruments and Exchange Act. In this case, the number of share certificates, etc., held (the number of share certificates, etc., held provided for in the said paragraph; the same shall apply hereinafter) by a joint holder of the said holder shall be aggregated); or
- (ii) in the case a specified shareholder group is as given in Note 1 (ii), the total of the holding ratio of share certificates, etc., and that of the Large-scale Purchaser and its specially related party (the holding ratio of share certificates, etc., as stipulated in Article 27-2, paragraph (8) of the Financial Instruments and Exchange Act). When calculating each ratio of voting rights, whichever of the Company’s annual securities report, quarterly report, or share repurchase report that has been most recently submitted to the authorities may be used to determine the total number of voting rights (as stipulated in Article 27-2, paragraph (8) of the Financial Instruments and Exchange Act) and the total number of issued shares (as stipulated in Article 27-23, paragraph (4) of the Financial Instruments and Exchange Act).

Note 3: “Share certificates, etc.” refer to share certificates, etc., stipulated in Article 27-23, paragraph (1) or in Article 27-2, paragraph (1) of the Financial Instruments and Exchange Act.

## **3. Establishment of the Independent Committee**

The Company’s Board of Directors shall make the final determination on whether the Large-scale Purchase Rules have been adhered to, or, even when the Large-scale Purchase Rules have been adhered to, whether to take countermeasures on the grounds that the respective Large-scale Purchase could significantly harm the corporate value of the Company as well as the common interests of shareholders. To ensure that the Plan is appropriately operated and to prevent arbitrary decisions to be made by the Company’s Board of Directors and secure the objectiveness and reasonableness of such decisions, the Company establishes the Independent Committee similarly as the Plan (see Attachment 2 for an outline of the Independent Committee). The Independent Committee shall consist of three or more members who are to be appointed from among outside directors and outside Audit & Supervisory Board members of the Company who are independent from the management carrying out business execution of the Company and outside specialists (Note) so as to enable fair and neutral decision-making. The Independent Committee is composed of five members: Minesaburo Miyake, Takayuki Kanai, Toshimasa Iue, Kazuyoshi Aoki, and Akihiro Ito (see Attachment 3 for the career summary of each member).

The Independent Committee shall provide advice to the consultation sought from the Company’s Board of Directors with regard to the decision on whether the Large-scale Purchaser adhered to the Large-scale Purchase Rules, the decision on whether to execute countermeasures, the decision on suspension, etc., of

countermeasures once executed, and the like, and the Company's Board of Directors shall give the utmost respect possible to the advice provided by the Independent Committee. A summary of the advice by the Independent Committee shall be made public when appropriate.

To ensure that the decisions of the Independent Committee contribute to the corporate value of the Company as well as the common interests of shareholders, the Independent Committee may, at the cost of the Company, obtain advice from outside experts who are independent third parties (including financial advisors, certified public accountants, attorneys at law, consultants, and other experts) and others as necessary.

Note: Outside specialists refer to corporate managers with extensive experience with management, former bureaucrats, persons well versed in investment banking operations, attorneys at law, certified public accountants, academic experts whose key research areas include the Companies Act, and other equivalent persons.

#### **4. Summary of Large-Scale Purchase Rules**

##### **(1) Prior submission of Letter of Intent by the Large-scale Purchaser to the Company**

A Large-scale Purchaser planning to make a Large-scale Purchase shall submit to the Company's Representative Director a Letter of Intent written in Japanese that provides the information set forth below, including a legally binding pledge to adhere to the Large-scale Purchase Rules, before making a Large-scale Purchase or proposing a Large-scale Purchase.

- (i) Name and address of Large-scale Purchaser
- (ii) Law governing the incorporation
- (iii) Name of representative
- (iv) Contact address in Japan
- (v) Outline, etc., of the proposed Large-scale Purchase
- (vi) Pledge to adhere to the Large-scale Purchase Rules set out in the Plan

When the Company's Board of Directors receives the Letter of Intent from a Large-scale Purchaser, the Company shall promptly make public that it has received such Letter of Intent, and when necessary, the details of that Letter.

##### **(2) Provision of necessary information**

Within ten business days from the date following the day when receiving the Letter of Intent given in (1) above, the Company's Board of Directors shall send the Large-scale Purchaser a document that provides a list of necessary and sufficient information ("Necessary Information"; and such list as the "Necessary Information List") that the Large-scale Purchaser should initially submit so that the Company's shareholders can make a decision and the Company's Board of Directors can form an opinion, and the Large-scale Purchaser shall submit in writing the Necessary Information according to the Necessary Information List to the Company's Board of Directors. While the specific information will depend on the attributes of the Large-scale Purchaser and the details of the Large-scale Purchase, it shall be limited, in all cases, to information necessary and sufficient for shareholders to make a decision and for the Company's Board of Directors to form an opinion.

The following are general items included in the Necessary Information.

- (i) Details (including the name, business description, career summary or history, capital structure, and description of financial conditions) of the Large-scale Purchaser and its group (including joint holder(s), specially related parties and, in the case of a fund, partners and other members)
- (ii) Purpose, method and details of the Large-scale Purchase (including the amount and type of compensation for the Large-scale Purchase, timing of the Large-scale Purchase, scheme of related transactions; legality of the method for the Large-scale Purchase, probability of being successful in the Large-scale Purchase and related transactions, etc.)
- (iii) Basis of calculation of the purchase price of the Large-scale Purchase (including the facts forming the assumptions, the method of calculation; numerical information used in the calculation; and the details of the synergy expected to occur from a series of transactions related to the Large-scale Purchase)
- (iv) Explanation on the source of funds for the Large-scale Purchase (including the specific name of the provider of the funds (including substantial providers of funds), funding methods and the details of any related transactions)
- (v) Candidates for corporate officers of the Company and Group companies after completion of the Large-scale Purchase (including information concerning experience, etc., in the business of the Company and its Group), management policy, business plan, capital strategies, dividend policy, etc.

- (vi) Any changes related to the relationship between the Company (including Group companies) and its business partners, customers, employees and other stakeholders of the Company and Group companies after completing the Large-scale Purchase and the details of any such changes

The Company's Board of Directors may set a deadline for the Large-scale Purchaser to provide information when necessary from the perspective of quickly applying the Large-scale Purchase Rules. However, if the Large-scale Purchaser requests an extension for a rational reason, the deadline can be extended. If as a result of carefully examining the information initially provided by the Large-scale Purchaser based on the above, the Company's Board of Directors determines that the Necessary Information is insufficient for evaluating and reviewing the Large-scale Purchase, the Company's Board of Directors may request that the Large-scale Purchaser provide additional information so that the Necessary Information is fully available after setting a suitable deadline for submitting that information (the deadline shall be no more than 60 days from the date the Necessary Information was initially received).

If the Company's Board of Directors determines that the Large-scale Purchaser has provided the necessary and sufficient information to evaluate and review the Large-scale Purchase, the Company's Board of Directors shall send the Large-scale Purchaser notification to that effect and disclose the fact publicly. If even though the Company's Board of Directors had requested provision of information in addition to the Necessary Information, the Large-scale Purchaser does not submit some information but has a reasonable explanation for not doing so, there may be situations where activities such as negotiations with the Large-scale Purchaser regarding the provision of information, etc., will be concluded even when the Necessary Information requested by the Company's Board of Directors has not been provided in full, the public will be notified to that effect, and the Company's Board of Directors may begin its evaluation and review given in (3) below. The Necessary Information provided to the Company's Board of Directors shall be promptly submitted to the Independent Committee, and if the information is deemed necessary for shareholders to make a decision, all or some of the information shall be made public when determined appropriate by the Company's Board of Directors.

**(3) Evaluation, review, etc., by the Company's Board of Directors**

After the Large-scale Purchaser finishes providing the Necessary Information to the Company's Board of Directors, the Board of Directors shall set a length of time to conduct an evaluation, review, undertake negotiations, form an opinion, and formulate an alternative plan ("Board of Directors Evaluation Period") that is appropriate for the magnitude of difficulty of conducting those activities, but that period shall not exceed 60 days if the proposed purchase is a tender offer bid for all shares of the Company using only cash (yen), and shall not exceed 90 days for other Large-scale Purchases. During the Board of Directors Evaluation Period, while receiving advice from outside experts who are independent third parties (financial advisors, certified public accountants, attorneys at law, consultants and other experts) as necessary, the Company's Board of Directors shall fully examine and evaluate the submitted Necessary Information and, upon giving the utmost respect possible to the advice from the Independent Committee, carefully compile and make public its opinion. In addition, the Company's Board of Directors may conduct negotiations with the Large-scale Purchaser regarding improvements to the terms concerning the Large-scale Purchase when necessary and provide the Company's shareholders with an alternative proposal.

**5. Countermeasure in the case of a Large-Scale Purchases**

**(1) If the Large-scale Purchaser adheres to the Large-scale Purchase Rules**

If the Large-scale Purchaser adheres to the Large-scale Purchase Rules, the Company's Board of Directors shall, even if it is opposed to the Large-scale Purchase, limit its actions to convincing shareholders by expressing its opinion against the proposed Large-scale Purchase and indicating an alternate plan but, as a general rule, shall not execute countermeasures against the Large-scale Purchase. Shareholders shall decide whether to agree to the Large-scale Purchaser's purchase plan, taking into consideration the proposed Large-scale Purchase and the Company's opinion regarding such proposed Large-scale Purchase, the alternate plan, etc.

Even if the Large-scale Purchaser adheres to the Large-scale Purchase Rules, if the Company's Board of Directors determines that the purchase will significantly damage the corporate value of the Company, as well as the common interests of its shareholders, which includes situations such as the Large-scale Purchase being one of the following (i)-(viii), and as a result will cause the Company damage that would be difficult to recover from, the Company's Board of Directors may, as an exception and in accordance with its duty of due care of a prudent manager, execute countermeasures, including gratis allotment of stock acquisition rights, as permitted by the Companies Act, other laws, and the Company's Articles of Incorporation.

- (i) Cases where the Large-scale Purchaser is found to be a party who does not have any true intention to participate in management of the Group and is purchasing the shares of the Company only for the

purpose of selling the shares of the Company to a related party of the Company at a high price after driving the share price higher (so-called greenmailer)

- (ii) Cases where the Large-scale Purchaser is found to be purchasing the shares the Company for the purpose of pursuing so-called scorched earth management, as in transferring such assets of the Company as intellectual property rights, know-how, corporate secrets, major business partners or customers that are necessary for the business operation of the Company to the Large-scale Purchaser or its group companies, etc., by temporarily acquiring control over the corporate management of the Group
- (iii) Cases where the Large-scale Purchaser is found to be purchasing shares of the Company for the purpose of using the assets of the Group as collateral for, or the source of funds to repay, debts of the Large-scale Purchaser or its group companies, etc., after acquiring control over the corporate management of the Group
- (iv) Cases where the Large-scale Purchaser is found to be purchasing the shares of the Company for the purpose of temporarily acquiring control over the corporate management of the Group and disposing high-value assets, etc., such as real estate and securities, that are not currently related to the business of the Group by selling, etc., and temporarily paying higher dividends from the disposition proceeds, or deliberately selling the shares of the Company at a high price as the share price surges during the period of the said temporarily higher dividends
- (v) Cases where the method of purchase of the shares of the Company proposed by the Large-scale Purchaser is found to impose restrictions on the opportunity or freedom of shareholders to make a decision by way of so-called coercive two-tier tender offer (the method of carrying out a tender offer in two steps where the Large-scale Purchaser does not solicit the sale of all shares of the Company in the first stage while specifying unfavorable terms and conditions for purchase in the second stage or not clarifying the terms and conditions for purchase in the second stage) and shareholders could be effectively forced to sell the shares of the Company
- (vi) Cases where it is determined that the acquisition terms proposed by the Large-scale Purchaser (including but not limited to the type and amount of compensation for the share, basis for calculating the amount, and other specific contents, legality and feasibility of other terms) are markedly insufficient or inappropriate considering the Company's corporate value
- (vii) Cases where it is determined that the Large-scale Purchaser obtaining control will conspicuously harm the corporate value of the Company as well as the common interests of its shareholders by activities such as destroying the relationships with not only the Company's shareholders but also customers, employees, local communities and other stakeholders
- (viii) Cases where it is determined that because aspects such as the Large-scale Purchaser's post-purchase management policy, etc., are insufficient or inappropriate, it may undermine the growth potential and stability of the Company's business and dramatically hinder efforts to protect and enhance the Company's corporate value as well as the common interests of its shareholders

## **(2) If the Large-scale Purchaser does not adhere to Large-scale Purchase Rules**

If the Large-scale Purchaser does not adhere to the Large-scale Purchase Rules, the Company's Board of Directors may oppose the Large-scale Purchase regardless of the specific method of purchase and execute countermeasures permitted by the Companies Act, other laws, and the Company's Articles of Incorporation, including the gratis allotment of stock acquisition rights, to protect the Company's corporate value as well as the common interests of its shareholders. In determining whether or not the Large-scale Purchase Rules have been adhered to, the circumstances of the Large-scale Purchaser shall be adequately considered to the extent reasonable, and, at least, it shall not be determined that Large-scale Purchase Rules have not been adhered to solely on the grounds that part of the Necessary Information has not been submitted.

## **(3) Board of Directors' resolution and convening a General Shareholders' Meeting**

When deciding whether to execute countermeasures discussed in (1) or (2) above, the Company's Board of Directors shall pass a resolution as a body stipulated by the Companies Act regarding issues, such as whether to execute countermeasures, after seeking advice of the Independent Committee and giving the utmost respect possible to the advice thereof and fully reviewing issues such as the necessity and reasonableness of the countermeasures.

The specific measures taken shall be those that the Company's Board of Directors determine to be the most appropriate at that time.

An outline of the case when the Company's Board of Directors conducts a gratis allotment of stock acquisition rights as one example of a specific countermeasure is given in Attachment 4, as a general rule. In an event where the Company actually implements gratis allotment of stock acquisition rights, the exercise period and other conditions for exercise may be stipulated that take into consideration the effectiveness of



countermeasures, and these could include one of the conditions for exercising stock acquisition rights as being a shareholder who is not part of a specified shareholder group that holds a certain percentage or more of voting rights. However, in that case, it is not envisioned that the Company would provide cash to acquire the stock acquisition rights held by the Large-scale Purchaser.

If the Independent Committee advises on the execution of countermeasures and requests that a General Shareholders' Meeting regarding a resolution to execute the countermeasures be held to confirm the intent of the shareholders (the "Shareholders' Intent Confirmation Meeting") the Company's Board of Directors may set a period of time, not to exceed 60 days, for shareholders to fully review whether to execute the countermeasures in the Plan (the "Shareholder Review Period") and convene the Shareholders' Intent Confirmation Meeting within the Shareholder Review Period.

If the Company's Board of Directors passes a resolution on convening a Shareholders' Intent Confirmation Meeting and determining a record date, the Board of Directors Evaluation Period shall end on that day, and the Shareholder Review Period shall begin immediately.

When convening the Shareholders' Intent Confirmation Meeting, the Company's Board of Directors shall provide shareholders with written material that includes necessary information provided by the Large-scale Purchaser and the opinion of the Company's Board of Directors regarding the necessary information, and the alternative plan of the Company's Board of Directors and any other information that the Company's Board of Directors judges appropriate, along with the notice of convocation of the general shareholders' meeting, and shall disclose that it will do so in a timely and appropriate manner.

The Company's Board of Directors shall adhere to the resolution regarding whether to execute countermeasures passed at the Shareholders' Intent Confirmation Meeting. If a resolution to execute the countermeasures is not adopted at the Shareholders' Intent Confirmation Meeting, the Company's Board of Directors shall not execute countermeasures.

The Shareholder Review Period shall end at the close of the Shareholders' Intent Confirmation Meeting, and the results of the meeting shall be disclosed in a timely and appropriate manner after the resolutions are passed.

#### **(4) Large-scale Purchase waiting period**

The Large-scale Purchase waiting period shall be from the date on which the Letter of Intent described in III 4. (1) "Prior submission of Letter of Intent by the Large-scale Purchaser to the Company" above was submitted to the Company's Board of Directors to the end of the Board of Directors Evaluation Period if a Shareholder Review Period is not set, or to the end of the combined period of the Board of Directors Evaluation Period and the Shareholder Review Period if a Shareholder Review Period is set. Large-scale Purchases cannot be conducted during the Large-scale Purchase waiting period. Therefore, Large-scale Purchases can only be launched after the Large-scale Purchase waiting period is over.

#### **(5) Suspension of the execution of countermeasures, etc.**

If, after it is resolved at a Company's Board of Directors meeting or a General Shareholders' Meeting to execute specific countermeasures as discussed in (3) above, the Company's Board of Directors determines it is inappropriate to execute the countermeasures for any of various reasons, such as the Large-scale Purchaser withdrawing or changing the Large-scale Purchase plan, the Board of Directors may suspend execution or change the countermeasures after giving adequate respect to the opinion or advice of the Independent Committee.

In an event where, for example, gratis allotment of stock acquisition rights is conducted as a countermeasure, if, after the shareholders who should receive the allotment of rights have been determined, the Board of Directors determines that it is inappropriate to execute the countermeasures for any of various reasons, such as the Large-scale Purchaser withdrawing or changing the Large-scale Purchase plan, the Board of Directors can take such steps as suspending the execution of the countermeasures by discontinuing the gratis allotment of stock acquisition rights up to the day preceding the date when the said rights come into effect, or having the Company acquire the said stock acquisition rights without contribution (the stock acquisition rights of shareholders will lapse as a result of the Company acquiring the stock acquisition rights without contribution) after the allotment of stock acquisition rights, but before the day preceding the start date of the exercise period, or by means of another method after giving the utmost respect possible to the advice of the Independent Committee.

If the execution of countermeasures is suspended in this way or there is a similar development, such decision shall be disclosed in a timely and appropriate manner in line with laws and regulations, listing rules of the financial instrument exchange the Company is listed on, etc., along with the matters recognized as necessary by the Independent Committee.

#### **IV. Commencement of Application, Effective Period, Continuation and Abolishment of the Plan**

Given the approval at this General Shareholders' Meeting, the Plan shall go into effect as of the same date, and its effective period shall be until the conclusion of the 68th Ordinary General Shareholders' Meeting scheduled to be held in June 2025.

Even after approval for continuation is given at this General Shareholders' Meeting, the Plan will be abolished at the time a resolution to abolish the Plan is passed at the Company's General Shareholders' Meeting or Board of Directors meeting. Furthermore, even if the Plan has yet to expire, the Company's Board of Directors may review the Plan as needed from the perspective of improving the corporate value as well as the common interests of shareholders and revise the Plan upon receiving approval at a General Shareholders' Meeting of the Company. When the Company's Board of Directors reaches a decision on continuation, revision, abolition, etc., of the Plan in this way, the Company shall promptly disclose the details of such decision.

Even if the Plan has yet to expire, in an event where it is appropriate to reflect newly established, revised, or repealed laws and regulations, listing rules of the financial instruments exchange, etc., related to the Plan, to make corrections to words or phrases due to reasons including typographical errors, or to take similar steps and such steps do not cause disadvantage to shareholders, the Company's Board of Directors may make corrections or revisions to the Plan upon receiving concurrence of the Independent Committee as necessary.

## Supplementary Explanations

Details of the Plan are as previously described. The following explains 1. the impact, etc., of the Plan on shareholders and 2. the rationality of the Plan.

### **1. Impact, etc., of the Plan on Shareholders and Investors**

#### **(1) Impact, etc., of the Large-scale Purchase Rules on shareholders and investors**

The Large-scale Purchase Rules in the Plan are set to provide the necessary information for shareholders to decide whether or not to agree to a Large-scale Purchase and the opinion of the Company's Board of Directors, who are currently responsible for managing the Company, and to ensure an opportunity for shareholders to receive an alternative plan. By having the Large-scale Purchase Rules, shareholders will be able to obtain sufficient information and the proposal to make an appropriate decision regarding whether or not to agree to a Large-scale Purchase. Hence, the Company believes that this will protect the corporate value of the Company as well as the common interests of shareholders. Therefore, the Company believes that the establishment of Large-scale Purchase Rules is a precondition for shareholders and investors to make an appropriate decision and will contribute to the interests of shareholders and investors.

As described in III 5. "Countermeasures in the Event of a Large-scale Purchase" above, because the Company's measures to address a Large-scale Purchase depend on whether the Large-scale Purchaser adheres to the Large-scale Purchase Rules, it is advisable for the shareholders and investors to pay close attention to what Large-scale Purchasers do.

#### **(2) Impact on shareholders and investors if countermeasures are executed**

The Company's Board of Directors may take countermeasures stated above in III. 5. "Countermeasures in the Event of a Large-scale Purchase" to protect the corporate value of the Company as well as the common interests of shareholders, and if the Company's Board of Directors decides to execute specific countermeasures, the Company shall disclose the decision in a timely and appropriate manner in line with laws and regulations, listing rules of the financial instrument exchange the Company is listed on, etc.

Based on the mechanism of these countermeasures, when executing countermeasures, the Company does not assume situations where shareholders (excluding Large-scale Purchasers who do not adhere to the Large-scale Purchase Rules and any Large-scale Purchasers who pursue Large-scale Purchases that are recognized to harm the Company that would be difficult to recover from) will incur particular losses to their legal rights and economic interests. If gratis allotment of stock acquisition rights is undertaken, for example, as a countermeasure, shareholders recorded on the shareholder register as of the record date for the allotment of stock acquisition rights are allotted stock acquisition rights without contribution proportional to the number of shares they hold. Furthermore, in the case where the Company decides to proceed with the procedure for acquiring these stock acquisition rights, shareholders (excluding Large-scale Purchasers who do not adhere to the Large-scale Purchase Rules and any Large-scale Purchasers who pursue Large-scale Purchases that are recognized to harm the Company that would be difficult to recover from) will receive the shares of the Company in exchange for the acquisition of the stock acquisition rights by the Company and hence will not incur particular losses to their legal rights and economic interests.

If the Company discontinues the allotment of stock acquisition rights or acquires the allotted stock acquisition rights without contribution (the stock acquisition rights of shareholders will lapse as a result of the Company acquiring the stock acquisition rights without contribution) in line with a decision by the Company's Board of Directors, shareholders and investors, who have traded or taken other actions assuming the Company's per share value would be diluted, may incur unforeseen losses due to changes in the share price.

If the Large-scale Purchaser, etc., does not adhere to the Large-scale Purchase Rules, or, even when adhering to the Large-scale Purchase Rules, the Large-scale Purchase is determined to conspicuously harm the corporate value of the Company and the common interests of shareholders, countermeasures will be executed, which may result in losses to arise in terms of legal rights or economic interests. The Plan is made public to call for attention in advance so that Large-scale Purchasers do not violate the Large-scale Purchase Rules.

### **2. Rationality of The Plan (Plan is in accord with the basic policy regarding control of the Company and the corporate value of the Company, in turn, the common interests of its shareholders, and its purpose is not to maintain the status of the Company's officers)**

The Company's Board of Directors has determined that the Plan is in accord with the basic policy and is not intended to harm either the corporate value of the Company or the common interests of shareholders, and its purpose is not to maintain the status of the Company's officers.

**(1) Plan fully satisfies the requirements of the guidelines on anti-takeover measures**

The Plan fully satisfies the three principles stipulated by the “Guidelines Regarding Takeover Defense for the Purpose of Protection and Enhancement of Corporate Value and Shareholder’s Common Interests” released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005. The Plan was also developed taking into consideration the report titled “Takeover Defense Measures in Light of Recent Environmental Changes,” released on June 30, 2008, by the Corporate Value Study Group established in the Ministry of Economy, Trade and Industry, and “Principle 1.5 Anti-Takeover Measures” of Japan’s Corporate Governance Code (revised on June 11, 2021) initially released by the Tokyo Stock Exchange on June 1, 2015.

**(2) Continuation of the Plan to protect and enhance the common interests of shareholders**

As noted previously in III. 1. “Purpose for Continuing the Plan,” the continuation of this Plan is proposed for the purpose of securing and enhancing the corporate value of the Company as well as the common interests of shareholders in the case where a Large-scale Purchase of shares of the Company is proposed by securing information and time necessary for the shareholders to decide whether to accept the proposal for the Large-scale Purchase, or for the Board of Directors of the Company to present an alternative proposal, as well as by enabling the Company to negotiate with the Purchaser, etc., on behalf of its shareholders or to take similar actions.

**(3) Plan respects shareholders’ intent**

The Plan shall go into effect subject to approval of shareholders at this General Shareholders’ Meeting and, since the intent of shareholders regarding the Plan will be questioned at this General Shareholders’ Meeting, the continuation of the Plan reflects the intent of shareholders. Further, even after continuing the Plan is approved and in effect, in an event where a resolution to abolish the Plan is reached at the Company’s General Meeting of Shareholders, the Plan will be abolished at that time to reflect the intent of shareholders.

**(4) Respecting the judgment of highly independent outside parties**

When determining the execution, etc., of countermeasures under the Plan, the Independent Committee comprised of members independent from business execution of the Company shall be consulted, and the advice of the committee shall be given the utmost respect possible. As such, a mechanism is in place for carrying out transparent operation of the Plan to contribute to the enhancement of corporate value of the Company as well as the common interests of shareholders.

**(5) Establishment of rational and objective requirements**

The Plan has been designed so that countermeasures are not executed unless rational, objective conditions, which have been set in advance, are satisfied, and a mechanism is in place to prevent an arbitrary execution of countermeasures by the Company’s Board of Directors.

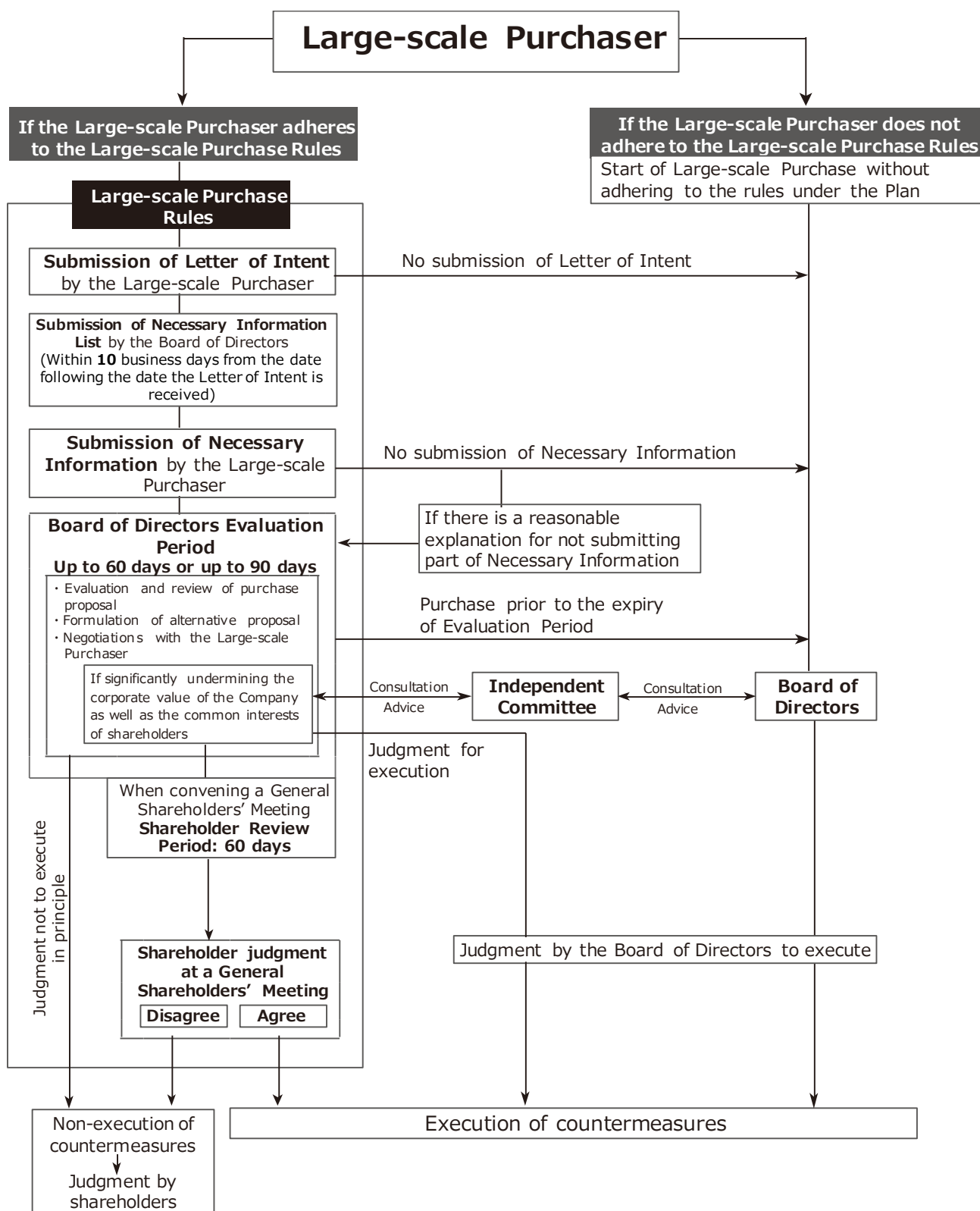
**(6) Obtaining the comments of independent outside experts**

The Independent Committee may, at the cost of the Company, obtain advice of outside experts who are independent third parties (including financial advisors, certified public accountants, attorneys at law, consultants, and other experts). This makes the mechanism viable to secure the fairness and objectivity of judgment more strongly by the Independent Committee.

**(7) The Plan is not a dead-hand type or slow-hand type anti-takeover measure**

The Plan may be abolished at any time by the Board of Directors consisting of directors who are appointed at a General Shareholders’ Meeting of the Company, and it is possible that a party intending on pursuing Large-scale Purchase of the Company’s shares elects director(s) it nominates at a General Shareholders’ Meeting of the Company, and the Plan is abolished by the Board of Directors comprised of members including the said director(s). Therefore, the Plan is not a dead-hand type anti-takeover measure (an anti-takeover measure whose exercise cannot be prevented even after replacing a majority of the members of the Board of Directors). The term of office of directors of the Company is two years and the Company does not use a staggered terms system for the said term. Consequently, the Plan is also not a slow-hand type anti-takeover measure (an anti-takeover measure that requires time to prevent exercise of the Plan because the members of the Board of Directors cannot be replaced at once).

### Outline of the Plan Flow of Start of a Large-scale Purchase



Note: The diagram provides the flow of typical procedures to help understand the Plan, and not necessarily all of the procedures are presented. Refer to the main text for details.

### **Outline of the Independent Committee Regulations**

1. The Independent Committee shall be established by resolution of the Board of Directors.
2. The Committee shall consist of at least three members who are elected by the Board of Directors from among outside directors and outside Audit & Supervisory Board members who are independent from the management team responsible for business execution of the Company, and outside experts (corporate managers with extensive experience with management, former bureaucrats, persons well versed in investment banking operations, attorneys at law, certified public accountants, academic experts whose key research areas include the Companies Act, and other equivalent persons).
3. The term of office of Independent Committee members shall be up to the expiry of the Plan. However, the term of office of outside directors and outside Audit & Supervisory Board members who are members of the committee shall be the same as the term of office of outside officers if the term of office as outside officer arrives before the expiry of the Plan.  
If a resolution to abolish the Plan is reached at the Company's Board of Directors meeting or General Shareholders' Meeting, the term of members shall expire concurrently with the abolishment of the Plan.
4. The Independent Committee shall give advice, in principle, on the details of its decision regarding the matters consulted from the Board of Directors along with the reason and basis underlying the decision to the Board of Directors. Each member of the Independent Committee shall make such decision from the perspective of whether it contributes to the corporate value of the Company as well as the common interests of its shareholders.
5. The Independent Committee may, at the cost of the Company, obtain advice of outside experts who are independent third parties (including financial advisors, certified public accountants, attorneys at law, consultants, and other experts) and others as necessary.
6. Independent Committee resolutions shall pass with a majority vote at meetings where the majority of members are in attendance.

(Attachment 3)

### Career Summary of the Candidates for Independent Committee Members

Name	Career summary	
Minesaburo Miyake (July 22, 1952)  Outside Director  Independent Officer	Apr. 1976	Joined Kewpie Corporation
	Feb. 2003	Director of Kewpie Corporation
	Feb. 2010	Executive Managing Director of Kewpie Corporation
	Feb. 2011	President and Representative Director of Kewpie Corporation Director of Nakashimoto Co., Ltd.
	Feb. 2017	Chairman and Director of Nakashimoto Co., Ltd.
	Jun. 2018	Outside Director of the Company (current position)
Takayuki Kanai (April 16, 1959)  Outside Director Independent Officer	Apr. 1982	Joined The Nippon Credit Bank, Ltd. (currently Aozora Bank, Ltd.)
	Oct. 2008	Executive Officer of Aozora Bank, Ltd.
	Oct. 2010	Joined Nishimoto Trading Co., Ltd. Senior Managing Director
	Mar. 2012	President and Representative Director of Nishimoto Trading Co., Ltd.
	Mar. 2016	Director, General Manager of Group Business Management Division of Nishimoto Wismettac Holdings Co., Ltd.
	Mar. 2017	Representative Director, President & COO of Nishimoto Wismettac Holdings Co., Ltd.
	Jun. 2020	Outside Director of the Company (current position)
Toshimasa Iue (December 3, 1962)  Outside Director Independent Officer	Apr. 1989	Joined SANYO Electric Co., Ltd.
	Jun. 2002	Representative Director, Vice President of SANYO Electric Co., Ltd.
	Jun. 2005	Representative Director, President of SANYO Electric Co., Ltd.
	Apr. 2011	Director, Vice President and Operating Officer of LIXIL Corporation
	Jun. 2016	Director of LIXIL Group Corporation
	Apr. 2019	Member of Advisory Panel to Consider Management of the Company
	Jun. 2020	Outside Director of the Company (current position)
Kazuyoshi Aoki (December 24, 1955)	Apr. 1979	Joined Kao Soap Co., Ltd. (currently Kao Corporation)
	Mar. 2003	Controller of International Household Division of Kao Corporation
	Mar. 2005	Vice Chairman of the Board and Vice President of Kao (China) Holding Co., Ltd.
	May 2007	Senior Manager, Accounting and Finance Division of Kao Corporation
	Jun. 2012	Executive Officer in charge of Accounting and Finance of Kao Corporation
	Jan. 2017	Resigned from Kao Corporation
	Jun. 2019	Outside Director of ANRITSU CORPORATION (current position)
Akihiro Ito (December 19, 1960)	Apr. 1983	Joined Kirin Brewery Co., Ltd. (currently Kirin Holdings Company, Limited)
	Jan. 2013	Executive Officer, Director of Group Finance of Kirin Holdings Company, Limited
	Mar. 2014	Director, CFO of Kirin Holdings Company, Limited
	Mar. 2015	Director, Senior Executive Officer of Kirin Holdings Company, Limited
	Apr. 2016	Director of Brasil Kirin Participações e Representações S.A.
	Mar. 2018	Standing Audit & Supervisory Board Member of Kirin Holdings Company, Limited

## **Outline of Gratis Allotment of Stock Acquisition Rights**

### **1. Shareholders eligible for gratis allotment of stock acquisition rights and the allotment method**

The Company shall allot one stock acquisition right for one share of common stock held by shareholders who are recorded in the latest shareholder register on a certain date (“Allotment Date”) stipulated by the Company’s Board of Directors (this does not apply to the shares of common stock held by the Company), and the stock acquisition rights shall be allotted gratis.

### **2. Class and number of shares for stock acquisition rights**

The class of shares for stock acquisition rights shall be the common stock of the Company, and the number of shares for each stock acquisition right shall be one. In addition, necessary adjustments shall be made in the case of a stock split or reverse split.

### **3. Total number of stock acquisition rights to be allotted to shareholders**

The total number shall not exceed the total number of authorized shares on the Allotment Date stipulated by the Company’s Board of Directors minus the total number of issued shares of common stock of the Company (excluding common shares held by the Company). The Company’s Board of Directors may allot stock acquisition rights multiple times.

### **4. Assets to be contributed upon exercise of stock acquisition rights and the value thereof**

The assets to be contributed when exercising one stock acquisition right shall be cash, and the value shall be ¥1 or more as stipulated by the Board of Directors. If the Company’s Board of Directors decides to acquire stock acquisition rights, the Company may issue new shares to shareholders as the consideration for the acquisition without paying the amount equivalent to the exercise price.

### **5. Restrictions on transfer of stock acquisition rights**

The approval of the Company’s Board of Directors is required to transfer stock acquisition rights.

### **6. Conditions for exercising stock acquisition rights**

Conditions for exercising stock acquisition rights include not belonging to a specified shareholder group that holds 20% or more of voting rights (this does not apply to parties approved by the Board of Directors in advance). Details of conditions for exercising stock acquisition rights are stipulated separately by the Company’s Board of Directors. In addition, it is not envisioned that cash will be paid to acquire the stock acquisition rights held by parties not permitted to exercise the rights.

### **7. Stock acquisition rights exercise period, etc.**

The date the allotment of stock acquisition rights becomes effective, exercise period, special provisions for acquisition, and other necessary items shall be stipulated separately by the Company’s Board of Directors. Special provisions for acquisition may be set to make it possible for the Company to acquire stock acquisition rights held by parties other than those not permitted to exercise stock acquisition rights because of conditions for exercising rights in 6. above and to issue the Company’s common stock, the number of shares of which is stipulated by the Company’s Board of Directors, for each stock acquisition right, and for the Company to not issue the Company’s shares for stock acquisition rights and acquire the stock acquisition rights without contribution.