

This document is an unofficial translation and summary of the Notice of the 75th General Meeting of Shareholders and is provided for your convenience only, without any warranty as to its accuracy or as to the completeness of the information. The Japanese original version of the document is the sole official version.

Securities code: 9987

June 1, 2021

To our shareholders:

Hiromi Miyata
President and CEO
SUZUKEN CO., LTD.
8 Higashikataha-machi Higashi-ku, Nagoya

NOTICE OF THE 75th GENERAL MEETING OF SHAREHOLDERS

You are hereby notified that the 75th General Meeting of Shareholders of SUZUKEN CO., LTD. (the “Company”) on June 25, 2021, will be held as described hereunder.

Meeting Details

1. Date and Time: Friday, June 25, 2021 at 10:00 a.m. (Japan Standard Time)

2. Venue: 8 Higashikataha-machi Higashi-ku, Nagoya
SUZUKEN Head Office, 2F Hall

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 75th Fiscal Year (from April 1, 2020 to March 31, 2021) and Reports of Audit on the Consolidated Financial Statements by Financial Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 75th Fiscal Year (from April 1, 2020 to March 31, 2021)

Items to be resolved:

- Proposal 1:** Amendment to the Articles of Incorporation
- Proposal 2:** Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 3:** Election of Three (3) Directors Who Are Audit and Supervisory Committee Members
- Proposal 4:** Election of One (1) Alternate Director Who Is an Audit and Supervisory Committee Member
- Proposal 5:** Determination of Amount of Remuneration, Etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal 6:** Determination of Amount of Remuneration, Etc. for Directors Who Are Audit and Supervisory Committee Members
- Proposal 7:** Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Not Serving Concurrently as Executive Officers, Directors Who Are Audit and Supervisory Committee Members and Outside Directors)

- If any changes have been made to items in the Reference Document for the General Meeting of Shareholders, such changes will be posted on the Company's website.
SUZUKEN website: <https://www.suzuken.co.jp>

Reference Document for the General Meeting of Shareholders Proposals and Reference Information

Proposal 1: Amendment to the Articles of Incorporation

1. Reason for amendment

- (i) The Company will transition from the current system of a company with a Board of Company Auditors to the system of a company with an Audit and Supervisory Committee, in order to strengthen the supervisory and check functions of the Board of Directors by allowing the Audit and Supervisory Committee members, who audit the execution of duties by Directors, to have voting rights in the Board of Directors, and to further enhance the Company's corporate governance and the sustainable improvement of the Suzuken Group's corporate value. In order to make the transition, the Company proposes to make necessary amendments to the Articles of Incorporation, including establishing new provisions concerning the Audit and Supervisory Committee and Directors who are Audit and Supervisory Committee Members, and deleting the provisions concerning the Audit & Supervisory Board and Audit & Supervisory Board Members.
- (ii) For the purpose of realizing the rapid decision-making and the flexible execution of operations, the Company proposes to newly establish a provision to the effect that decisions of execution of important operations may be delegated to Directors.
- (iii) In line with the above amendments, the Company proposes to make necessary amendments to the Articles of Incorporation, such as adjustment of the number of articles.

2. Details of amendment

The details of the amendment are as set forth below:

The amendment to the Articles of Incorporation shall take effect at the conclusion of this meeting.

(Amended portions are underlined.)

Current Articles of Incorporation	Proposed Amendment
Chapter 1 General Provisions	Chapter 1 General Provisions
Article 1 to 3 (Omit)	Article 1 to 3 (Same as current)
Article 4 (Organs) The Company shall have, in addition to the General Meeting of Shareholders and Directors, the following organs:	Article 4 (Organs) The Company shall have, in addition to the General Meeting of Shareholders and Directors, the following organs:
1. Board of Directors	1. Board of Directors
2. <u>Audit & Supervisory Board Members</u>	2. <u>Audit and Supervisory Committee</u>
3. <u>Audit & Supervisory Board</u>	(Delete)
4. Financial Auditor	3. Financial Auditor
Article 5 (Omit)	Article 5 (Same as current)
Chapter 2 Shares	Chapter 2 Shares
Article 6 to 11 (Omit)	Article 6 to 11 (Same as current)
Chapter 3 General Meeting of Shareholders	Chapter 3 General Meeting of Shareholders
Article 12 to 18 (Omit)	Article 12 to 18 (Same as current)

Current Articles of Incorporation	Proposed Amendment
<p style="text-align: center;">Chapter 4 Directors and Board of Directors</p>	<p style="text-align: center;">Chapter 4 Directors and Board of Directors</p>
<p>Article 19 (Number of Directors) The Company shall have <u>not more than ten (10)</u> Directors. (Newly established)</p>	<p>Article 19 (Number of Directors) 1. The Company shall have <u>not more than nine (9) Directors (excluding Directors who are Audit and Supervisory Committee Members).</u> 2. <u>The Company shall have not more than five (5) Directors who are Audit and Supervisory Committee Members.</u></p>
<p>Article 20 (Election Method of Director) 1. Directors shall be elected at a General Meeting of Shareholders of the Company. 2. (Omit) 3. (Omit)</p>	<p>Article 20 (Election Method of Director) 1. Directors shall be elected at a General Meeting of Shareholders of the Company, <u>with distinction made between Directors who are Audit and Supervisory Committee Members and other Directors.</u> 2. (Same as current) 3. (Same as current)</p>
<p>Article 21 (The Term of Office of Director) The term of office of Director shall be until the conclusion of the General Meeting of Shareholders for the last business year which ends within one (1) year after the election of the Director. (Newly established) (Newly established) (Newly established)</p>	<p>Article 21 (The Term of Office of Director) 1. The term of office of Director <u>(excluding Director who is an Audit and Supervisory Committee Member)</u> shall be until the conclusion of the General Meeting of Shareholders for the last business year which ends within one (1) year after the election of the Director. 2. <u>The term of office of Director who is an Audit and Supervisory Committee Member shall be until the conclusion of the General Meeting of Shareholders for the last business year which ends within two (2) years after the election of the Director.</u> 3. <u>The term of office of Director who is an Audit and Supervisory Committee Member who is elected as an alternate of a Director who is an Audit and Supervisory Committee Member who retired from office prior to the expiration of term shall be until the expiration of term of the retired Director who is an Audit and Supervisory Committee Member.</u> 4. <u>The effective term of the resolution pertaining to the election of an Alternate Director who is an Audit and Supervisory Committee Member, who is elected pursuant to the Article 329, paragraph 3 of the Companies Act, shall expire at the commencement of the General Meeting of Shareholders for the last business year which ends within two (2) years from the time of his/her election.</u></p>
<p>Article 22 (Representative Director) The Board of Directors shall appoint Representative Director(s) by its resolution.</p>	<p>Article 22 (Representative Director) The Board of Directors shall, by its resolution, appoint Representative Director(s) <u>from among Directors (excluding Directors who are Audit and Supervisory Committee Members).</u></p>
<p>Article 23 (Convocation and Chairmanship of Meeting of the Board of Directors) 1. A Representative Director, who is predetermined by the Board of Directors, shall convene and chair the meetings of the Board of Directors. In cases where said Representative Director is unable to so act, one of the other Directors, in the order predetermined by the Board of Directors, shall act on his/her behalf.</p>	<p>Article 23 (Convocation and Chairmanship of Meeting of the Board of Directors) 1. (Same as current)</p>

Current Articles of Incorporation	Proposed Amendment
<p>2. A convocation notice of the meeting of the Board of Directors shall be dispatched to each Director and <u>each Audit & Supervisory Board Member</u> at least three (3) days prior to the date set for the meeting; provided, however, that in case of emergency, such period may be shortened.</p>	<p>2. A convocation notice of the meeting of the Board of Directors shall be dispatched to each Director at least three (3) days prior to the date set for the meeting; provided, however, that in case of emergency, such period may be shortened.</p>
<p>Article 24 to 25 (Omit) (Newly established)</p>	<p>Article 24 to 25 (Same as current)</p>
<p>Article 26 (Omit)</p>	<p><u>Article 26 (Delegation of Decisions on the Execution of Important Operations)</u> <u>Under the provisions of Article 399-13, paragraph 6 of the Companies Act, the Board of Directors may delegate all or part of decisions of execution of important operations (excluding matters listed in items of paragraph 5 of said Article) to Directors by the resolution of the Board of Directors.</u></p>
<p>Article 27 (Remuneration, etc. of Directors)</p>	<p>Article 27 (Article is renumbered accordingly with no change to the text)</p>
<p>Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties to Directors shall be determined by resolution of a General Meeting of Shareholders.</p>	<p>Article 28 (Remuneration, etc. of Directors) Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties to Directors shall be determined by resolution of a General Meeting of Shareholders, <u>with distinction made between Directors who are Audit and Supervisory Committee Members and other Directors.</u></p>
<p>Article 28 (Omit)</p>	<p>Article 29 (Article is renumbered accordingly with no change to the text)</p>
<p style="text-align: center;"><u>Chapter 5</u> <u>Audit & Supervisory Board Members and Audit & Supervisory Board</u></p>	<p style="text-align: center;">(Delete)</p>
<p><u>Article 29 (Number of Audit & Supervisory Board Members)</u> <u>The Company shall have not more than six (6) Audit & Supervisory Board Members.</u></p>	<p style="text-align: center;">(Delete)</p>
<p><u>Article 30 (Election Method of Audit & Supervisory Board Member)</u> 1. <u>Audit & Supervisory Board Members shall be elected at a General Meeting of Shareholders of the Company.</u> 2. <u>A resolution for election of Audit & Supervisory Board Member shall be adopted by a majority of the voting rights of the shareholders present at the meeting where the shareholders holding in aggregate one-third (1/3) or more of the voting rights of shareholders entitled to exercise their voting rights are present.</u> 3. <u>In accordance with the provision of Article 329, paragraph 3 of the Companies Act, an Alternate Audit & Supervisory Board Member may be elected at a General Meeting of Shareholders to prepare for a shortfall in the number of Audit & Supervisory Board members prescribed by laws and regulations.</u> 4. <u>The effective term of the resolution pertaining to the election of an Alternative Audit & Supervisory Board Member in the preceding paragraph shall expire at the commencement of the General Meeting of Shareholders for the last business year which ends within four (4) years after such resolution.</u></p>	<p style="text-align: center;">(Delete)</p>

Current Articles of Incorporation	Proposed Amendment
<p><u>Article 31 (The Term of Office of Audit & Supervisory Board Member)</u></p> <p><u>1. The term of office of an Audit & Supervisory Board Member shall be until the conclusion of the General Meeting of Shareholders for the last business year which ends within four (4) years after the election of the Audit & Supervisory Board Member.</u></p> <p><u>2. The term of office of an Audit & Supervisory Board Member who is elected as an alternate of an Audit & Supervisory Board Member who retired from office prior to the expiration of the term shall be until the expiration of term of the retired Audit & Supervisory Board Member. However, if an Alternate Audit & Supervisory Board Member, who is elected in accordance with paragraph 3 of the preceding Article, assumes office as Audit & Supervisory Board Member, the term of said Audit & Supervisory Board Member may not continue after the conclusion of the General Meeting of Shareholders for the last business year which ends within four (4) years from the time of his/her election as Alternate Audit & Supervisory Board Member.</u></p>	<p>(Delete)</p>
<p><u>Article 32 (Full-Time Audit & Supervisory Board Members)</u></p> <p><u>The Audit & Supervisory Board shall appoint full-time Audit & Supervisory Board Member(s) by its resolution.</u></p>	<p>(Delete)</p>
<p><u>Article 33 (Convocation of Meeting of the Audit & Supervisory Board)</u></p> <p><u>1. Each Audit & Supervisory Board Member shall convene the meetings of the Audit & Supervisory Board.</u></p> <p><u>2. A convocation notice of the meeting of the Audit & Supervisory Board shall be dispatched to each Audit & Supervisory Board Member at least three (3) days prior to the date set for the meeting; provided, however, that in case of emergency, such period may be shortened.</u></p>	<p>(Delete)</p>
<p><u>Article 34 (Authority of the Audit & Supervisory Board)</u></p> <p><u>The Audit & Supervisory Board shall decide on matters prescribed by applicable laws and regulations and these Articles of Incorporation, as well as auditing policy, methods for investigating the status of the operation and financial status of the Company, and other important matters regarding the execution of duties of Audit & Supervisory Board Members.</u></p>	<p>(Delete)</p>
<p><u>Article 35 (Remuneration, etc. of Audit & Supervisory Board Members)</u></p> <p><u>Remuneration, bonuses and other economic benefits given by the Company in consideration for the execution of duties to Audit & Supervisory Board Members shall be determined by resolution of a General Meeting of Shareholders.</u></p>	<p>(Delete)</p>
<p><u>Article 36 (Agreement Limiting Liability with Audit & Supervisory Board Members)</u></p> <p><u>In accordance with the provision of Article 427, paragraph 1 of the Companies Act, the Company may enter into an agreement with an Audit & Supervisory Board Member to limit the liability for conduct set forth in Article 423, paragraph 1 of said Act. However, the maximum amount of liability under such agreement shall be the amount provided for in laws and regulations.</u></p>	<p>(Delete)</p>

Current Articles of Incorporation	Proposed Amendment
(Newly established)	<u>Chapter 5</u> <u>Audit and Supervisory Committee</u>
(Newly established)	<u>Article 30 (Full-Time Audit and Supervisory Committee Members)</u> <u>The Audit and Supervisory Committee may appoint full-time Audit and Supervisory Committee Member(s) by its resolution.</u>
(Newly established)	<u>Article 31 (Convocation of Meeting of the Audit and Supervisory Committee)</u> <u>A convocation notice of the meeting of the Audit and Supervisory Committee shall be dispatched to each Audit and Supervisory Committee Member at least three (3) days prior to the date set for the meeting; provided, however, that in case of emergency, such period may be shortened.</u>
(Newly established)	<u>Article 32 (Authority of the Audit and Supervisory Committee)</u> <u>The Audit and Supervisory Committee shall decide on matters prescribed by applicable laws and regulations and these Articles of Incorporation, as well as auditing policy, methods for investigating the status of the operation and financial status of the Company, and other important matters regarding the execution of duties of Audit and Supervisory Committee.</u>
Article <u>37</u> to <u>39</u> Chapter 6 Financial Auditor (Omit)	Chapter 6 Financial Auditor Article <u>33</u> to <u>35</u> (Articles are renumbered accordingly with no change to the text)
Article <u>40</u> to <u>43</u> Chapter 7 Accounting (Omit)	Chapter 7 Accounting Article <u>36</u> to <u>39</u> (Articles are renumbered accordingly with no change to the text)
(Newly established)	<u>Supplementary Provisions</u> <u>(Transitional Measures Concerning the Agreement Limiting Liability with Audit & Supervisory Board Members)</u> <u>With respect to agreements to limit the liabilities for conduct set forth in Article 423, paragraph 1 of the Companies Act, pertaining to acts of Audit & Supervisory Board Members (including those who were Audit & Supervisory Board Members) prior to the conclusion of the 75th General Meeting of Shareholders, these shall be governed by Article 36 of the Articles of Incorporation before amendment by the resolution of this General Meeting of Shareholders.</u>

Proposal 2: Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Subject to the approval and adoption of Proposal 1 “Amendment to the Articles of Incorporation,” the Company will make the transition to a company with an Audit and Supervisory Committee, and the terms of office of all ten (10) members of the Board will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, the Company proposes to elect seven (7) members of the Board of Directors (excluding Directors who are Audit and Supervisory Committee Members).

This proposal shall come into effect on the condition that the amendment to the Articles of Incorporation in Proposal 1 comes into effect.

The candidates for the role of Director (excluding Director who is an Audit and Supervisory Committee Member) are as follows:

No.	Name	Current positions and areas of responsibility in the Company	Attribute
1	Yoshiki Bessho	Director and Supreme Advisor	Re-elected
2	Hiromi Miyata	President and Chief Executive Officer	Re-elected
3	Shigeru Asano	Representative Director and Executive Vice President Senior General Manager of Corporate Management Headquarters	Re-elected
4	Hisashi Tamura	Director, Executive Managing Officer, Senior General Manager of Wholesale Business Headquarters	Re-elected
5	Chie Takahashi	Director, Executive Officer In charge of Pharmaceutical Affairs, Internal Control, and Audit, and General Manager of Pharmaceutical Affairs Supervisory Office	Re-elected
6	Yasunori Usui	Outside Director	Re-elected Independent officer
7	Shunichi Samura		Newly elected Independent officer

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held	Attendance at meetings of the Board of Directors
1	(Re-elected) Yoshiki Bessho (May 27, 1943)	Apr. 1966 Joined The Tokai Bank, Limited (current MUFG Bank, Ltd.) Mar. 1970 Joined the Company Aug. 1970 Director of the Company Jan. 1973 Managing Director of the Company Dec. 1973 Senior Director of the Company Apr. 1975 Representative Senior Director of the Company Jun. 1983 President of the Company Jun. 2004 President and Chief Executive Officer of the Company Apr. 2007 Chairman of the Board of the Company Apr. 2020 Director and Supreme Advisor of the Company (current post)	3,090,523	21/22
[Reason for nomination as a candidate for Director] Mr. Yoshiki Bessho has a wealth of knowledge and experience in overall corporate management with his service as Representative Director of the Company since April 1975. Since April 2020, he has served as Director and Supreme Advisor of the Company. He has fully performed his duties concerning deliberation and decision-making over important matters at the Board of Directors as well as supervision of other Directors and Executive Officers in execution of their duties. The Company believes he is fully qualified as Director in the aspect of personality as well with his high ethical standards and fairness, and he will be able to continue appropriately performing his duties as Director.				

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held	Attendance at meetings of the Board of Directors
2	(Re-elected) Hiromi Miyata (Apr. 24, 1960)	<p>Apr. 1984 Joined the Company</p> <p>Jun. 2006 General Manager of Logistics Dept. of the Company</p> <p>Jun. 2008 Executive Officer of the Company</p> <p>Apr. 2009 Executive Officer, General Manager of Corporate Planning Dept. of the Company</p> <p>Apr. 2011 Managing Executive Officer of the Company</p> <p>Apr. 2012 Senior Executive Officer of the Company</p> <p>Jun. 2012 Director of the Company</p> <p>Apr. 2013 Director, Senior Executive Officer, Senior General Manager of Corporate Planning Headquarters, General Manager of Corporate Planning Dept. of the Company</p> <p>Apr. 2014 Director, Senior Executive Officer, Senior General Manager of Corporate Planning Headquarters of the Company</p> <p>Apr. 2015 Vice President and Executive Officer of the Company</p> <p>Apr. 2016 President and Chief Executive Officer of the Company (current post)</p>	27,616	22/22
		<p>[Reason for nomination as a candidate for Director] Mr. Hiromi Miyata has a wealth of knowledge and experience in business of the Company with many years of his service in sales, logistics and planning departments. Since April 2016, he has served as President and Chief Executive Officer of the Company. He has fully performed his duties concerning deliberation and decision-making over important matters at the Board of Directors as well as supervision of other Directors and Executive Officers in execution of their duties. The Company believes he is fully qualified as Director in the aspect of personality as well with his high ethical standards and fairness, and he will be able to continue appropriately performing his duties as Director.</p>		

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held	Attendance at meetings of the Board of Directors
3	(Re-elected) Shigeru Asano (Aug. 4, 1966)	<p>Apr. 1990 Joined the Company</p> <p>Mar. 2005 Representative Director and President of Collabo-Create Co., Ltd. (current S.D. Collabo Co., Ltd.)</p> <p>Jun. 2009 Executive Officer of the Company</p> <p>Jul. 2010 Executive Officer, Senior General Manager of SCM Headquarters of the Company</p> <p>Apr. 2012 Managing Executive Officer of the Company</p> <p>Apr. 2015 Senior Executive Officer, Senior General Manager of Corporate Planning Headquarters, In charge of Pharmaceutical Regulatory Affairs Dept., and CSR Promotion Office of the Company</p> <p>Jun. 2015 Director of the Company</p> <p>Apr. 2017 Senior Executive Officer, Senior General Manager of Corporate Management Headquarters and General Manager of Corporate Planning Dept., In charge of Risk Management Dept. of the Company</p> <p>Apr. 2019 Vice President and Executive Officer, Senior General Manager of Corporate Management Headquarters, In charge of Risk Management and Pharmaceutical Affairs of the Company</p> <p>Apr. 2020 Vice President and Executive Officer, Senior General Manager of Corporate Management Headquarters of the Company (current post)</p> <p>Apr. 2021 Representative Director and Executive Vice President of the Company (current post)</p>	13,370	22/22
<p>[Reason for nomination as a candidate for Director] Mr. Shigeru Asano has a wealth of knowledge and experience in business of the Company with many years of his service in logistics and planning departments. Since April 2021, he has served as Representative Director and Executive Vice President, Senior General Manager of Corporate Management Headquarters of the Company. He has fully performed his duties concerning deliberation and decision-making over important matters at the Board of Directors as well as supervision of other Directors and Executive Officers in execution of their duties. The Company believes he is fully qualified as Director in the aspect of personality as well with his high ethical standards and fairness, and he will be able to continue appropriately performing his duties as Director.</p>				

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held	Attendance at meetings of the Board of Directors
4	(Re-elected) Hisashi Tamura (Oct. 26, 1960)	<p>Apr. 1984 Joined the Company</p> <p>Jul. 2010 Sales Manager of Mie Sales Dept. of the Company</p> <p>Apr. 2012 Executive Officer of the Company</p> <p>Apr. 2014 Executive Officer, Sales Manager of Nagoya Sales Dept. of the Company</p> <p>Apr. 2015 Managing Executive Officer of the Company</p> <p>Apr. 2016 Managing Executive Officer, General Manager of Sales Promotion Dept. of the Company</p> <p>Jun. 2016 Director of the Company (current post)</p> <p>Apr. 2017 Managing Executive Officer, Deputy Senior General Manager of Sales Headquarters and General Manager of Sales Promotion Dept. of the Company</p> <p>Apr. 2020 Executive Managing Officer, Senior General Manager of Wholesale Business Headquarters of the Company (current post)</p>	11,192	22/22
<p>[Reason for nomination as a candidate for Director] Mr. Hisashi Tamura has a wealth of knowledge and experience in business of the Company with many years of his service in sales department. Since April 2020, he has served as Director, Executive Managing Officer, Senior General Manager of Wholesale Business Headquarters of the Company. He has fully performed his duties concerning deliberation and decision-making over important matters at the Board of Directors as well as supervision of other Directors and Executive Officers in execution of their duties. The Company believes he is fully qualified as Director in the aspect of personality as well with his high ethical standards and fairness, and he will be able to continue appropriately performing his duties as Director.</p>				
5	(Re-elected) Chie Takahashi (Aug. 17, 1967)	<p>Apr. 2000 Joined the Company</p> <p>Apr. 2015 General Manager of Pharmaceutical Regulatory Affairs Dept. of the Company</p> <p>Feb. 2017 General Manager of Corporate Communications Dept. of the Company</p> <p>Feb. 2019 General Manager of Pharmaceutical Affairs Supervisory Office of the Company</p> <p>Apr. 2020 Executive Officer, In charge of Pharmaceutical Affairs, Internal Control, and Audit, and General Manager of Pharmaceutical Affairs Supervisory Office of the Company (current post)</p> <p>Jun. 2020 Director of the Company (current post)</p>	2,411	17/17
<p>[Reason for nomination as a candidate for Director] Ms. Chie Takahashi has a wealth of knowledge and experience in business of the Company with many years of her service in the pharmaceutical affairs department. Since June 2020, she has served as Director, Executive Officer in charge of Pharmaceutical Affairs, Internal Control, and Audit, and General Manager of Pharmaceutical Affairs Supervisory Office of the Company. She has fully performed her duties concerning deliberation and decision-making over important matters at the Board of Directors as well as supervision of other Directors and Executive Officers in execution of their duties. The Company believes she is fully qualified as Director in the aspect of personality as well with her high ethical standards and fairness, and she will be able to continue appropriately performing her duties as Director.</p>				

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held	Attendance at meetings of the Board of Directors
6	<p>(Re-elected)</p> <p>(Independent officer)</p> <p>(Outside Director)</p> <p>Yasunori Usui (Nov. 3, 1953)</p>	<p>Apr. 1976 Joined Ministry of Health and Welfare (current Ministry of Health, Labour and Welfare)</p> <p>Sep. 2006 Director-General for Policy Planning and Evaluation (for Social Security) of Ministry of Health, Labour and Welfare</p> <p>Jul. 2008 Director-General of General Affairs Department of Social Insurance Agency Director-General of Japan Pension Service Preparatory Office</p> <p>Jan. 2010 Executive Vice President of Japan Pension Service</p> <p>Dec. 2013 Retired from Ministry of Health, Labour and Welfare</p> <p>Dec. 2015 Retired from Executive Vice President of Japan Pension Service</p> <p>Jun. 2016 Outside Director of the Company (current post)</p>	0	22/22
<p>[Reason for nomination as a candidate for Outside Director and overview of the expected role] Mr. Yasunori Usui has a wealth of knowledge and experience of his service in administration of health, labor and welfare for many years. Since June 2016, he has fully performed his duties by objectively engaging in deliberation and decision-making over important matters at the Board of Directors as well as supervision of other Directors and Executive Officers in execution of their duties from his independent and neutral position as Outside Director of the Company. The Company believes he is fully qualified as Director in the aspect of personality as well with his high ethical standards and fairness, and he will be able to continue appropriately performing his duties as Outside Director. The role he is expected to fulfill as Outside Director is the same as the reason described above. For this reason, the Company believes that he can suitably perform the duties of the position although he has not been involved in the management of a company except as an outside officer.</p>				

No.	Name (Date of birth)	Career summary, positions and areas of responsibility in the Company, and important concurrent positions	Number of the Company's shares held	Attendance at meetings of the Board of Directors
7	(Newly elected) (Independent officer) (Outside Director) Shunichi Samura (Jan. 31, 1946)	<p>Mar. 1969 Joined Matsuzakaya Co., Ltd. (current Daimaru Matsuzakaya Department Stores Co. Ltd.)</p> <p>May 1999 Director, General Manager of Nagoya Division and Nagoya Store Manager of Matsuzakaya Co., Ltd.</p> <p>May 2002 Representative Director, General Manager of Nagoya Division and Nagoya Store Manager of Matsuzakaya Co., Ltd.</p> <p>May 2006 Representative Director, President and Executive Officer of Matsuzakaya Co., Ltd.</p> <p>Sep. 2006 Representative Director and President of Matsuzakaya Holdings Co., Ltd. (current J. Front Retailing Co., Ltd.)</p> <p>Sep. 2007 Director of J. Front Retailing Co., Ltd.</p> <p>Mar. 2010 Representative Director and President of J. Front Retailing Co., Ltd.</p> <p>Apr. 2013 Representative Director and Chairman of J. Front Retailing Co., Ltd.</p> <p>Jun. 2016 Outside Director of Chubu-Nippon Broadcasting Co., Ltd. (current post)</p> <p>Jun. 2020 Special Advisor of J. Front Retailing Co., Ltd. (current post)</p>	0	-
		[Important Concurrent Positions] Outside Director of Chubu-Nippon Broadcasting Co., Ltd.		
		[Reason for nomination as a candidate for Outside Director and overview of the expected role] Mr. Shunichi Samura has a wealth of experience of his service in corporate management for many years, mainly in the department store industry. He has also held important positions in the business world. The Company proposes to newly elect him as an Outside Director to utilize his wealth of experience and broad insight in the management of the Company and to strengthen the supervisory function of the overall corporate management. The role he is expected to fulfill as Outside Director is the same as the reason described above.		

- Notes:
- There are no special conflicts of interests between the Company and any of the candidates.
 - The number of the Company's shares held by each candidate does not include the number of shares owned through the Suzuken Group Corporate Officers Stock Ownership Association.
 - Mr. Yasunori Usui and Mr. Shunichi Samura are candidates for Outside Directors.
 - The Company notified the Tokyo Stock Exchange, the Nagoya Stock Exchange and the Sapporo Stock Exchange that Mr. Yasunori Usui is an independent officer as stipulated in each regulation of the said Exchanges. Provided he is elected as proposed, the Company plans for his appointment as an independent officer to continue. Provided Mr. Shunichi Samura is elected as proposed, the Company plans to appoint him as an independent officer.
 - Mr. Yasunori Usui currently serves as an Outside Director of the Company. As of the conclusion of this General Meeting of Shareholders, he will have served as an Outside Director for a period of five (5) years.
 - In accordance with Article 427, paragraph 1 of the Companies Act of Japan and the Articles of Incorporation of the Company, the Company has entered into an agreement with Mr. Yasunori Usui to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. In this agreement, the maximum liability amount is the amount stipulated by Article 425, paragraph 1 of the Companies Act.
If the election of Mr. Yasunori Usui is approved, the Company plans to continue the agreement limiting liability with him.
If the election of Mr. Shunichi Samura is approved, the Company plans to enter into the same agreement with him to limit his liability for damages.
 - The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance policy covers damages arising from claim for damages filed during the period of insurance, which is attributable to actions taken by the insured persons in the course of execution of their duties as corporate officers.

Each candidate will be included as an insured person in this insurance policy.

The Company plans to renew this insurance policy with the same coverage at the time of the next renewal.

8. In December 2020, the Company received an accusation from the Japan Fair Trade Commission regarding an alleged violation of the Antimonopoly Act in connection with the bidding by the Japan Community Health care Organization (JCHO), and was indicted by the Tokyo District Public Prosecutors Office on the same day. The fact became known when an on-site inspection was carried out by the authorities in November 2019. Although Mr. Yasunori Usui had not been aware of the fact until it came to light, he had been offering recommendations from the perspective of compliance with laws and regulations on a regular basis. After the fact became known, through the Board of Directors, he has been fulfilling his duties by paying close attention to the efforts of the executive management, including cooperation in the investigation, investigation of the cause, and formulation of measures to prevent the recurrence of such a situation, and offering his opinions as appropriate at the meetings of the Board of Directors, etc.

Proposal 3: Election of Three (3) Directors Who Are Audit and Supervisory Committee Members

Subject to the approval and adoption of Proposal 1 “Amendment to the Articles of Incorporation,” the Company will make the transition to a company with an Audit and Supervisory Committee.

Accordingly, the Company proposes to elect three (3) Directors who are Audit and Supervisory Committee Members.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal. This proposal shall come into effect on the condition that the amendment to the Articles of Incorporation in Proposal 1 comes into effect.

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

No.	Name	Current positions in the Company	Attribute
1	Keisuke Ueda	Outside Director	Newly elected Independent officer
2	Toshiaki Iwatani	Outside Director	Newly elected Independent officer
3	Takeshi Ogasawara		Newly elected Independent officer

No.	Name (Date of birth)	Career summary, positions in the Company, and important concurrent positions	Number of the Company's shares held	Attendance at meetings of the Board of Directors
1	<p>(Newly elected) (Independent officer) (Outside Director)</p> <p>Keisuke Ueda (Jan. 18, 1942)</p>	<p>Oct. 1962 Joined Goryoda Motoo Certified Public Accountant Office</p> <p>Apr. 1966 Registered as a Certified Public Accountant</p> <p>Dec. 1968 Joined Marunouchi & Co. (current Deloitte Touche Tohmatsu LLC)</p> <p>Dec. 1972 Representative Partner of Marunouchi & Co.</p> <p>Apr. 1998 Auditor-Secretary of the Hibi Science & Technology Foundation (current post)</p> <p>Apr. 2000 Auditor-Secretary of Koshiyama Science and Technology Foundation (current post)</p> <p>May 2001 Chairman of Management Meetings of Headquarters Office of Tohmatsu & Co. (current Deloitte Touche Tohmatsu LLC)</p> <p>Oct. 2001 Inspector of Public Interest Incorporated Foundation Sanko Museum (current post)</p> <p>Apr. 2006 Opened Ueda Keisuke Certified Public Accountant Office (current)</p> <p>Sep. 2006 Regional Advisor of Deloitte Touche Tohmatsu LLC</p> <p>Jan. 2012 Retired from the Regional Advisor of Deloitte Touche Tohmatsu LLC</p> <p>Jun. 2012 Outside Director of the Company (current post)</p> <p>[Important Concurrent Positions] Certified Public Accountant</p> <p>[Reason for nomination as a candidate for Outside Director and overview of the expected role] Mr. Keisuke Ueda has high level of expertise and insights as a certified public accountant. Since June 2012, he has fully performed his duties by objectively engaging in deliberation and decision-making over important matters at the Board of Directors as well as supervision of other Directors and Executive Officers in execution of their duties from his independent and neutral position as Outside Director of the Company. The Company believes he is fully qualified as Director in the aspect of personality as well with his high ethical standards and fairness, and he will be able to appropriately perform his duties as Outside Director who is an Audit and Supervisory Committee Member. The role he is expected to fulfill as Outside Director is the same as the reason described above.</p>	0	22/22

No.	Name (Date of birth)	Career summary, positions in the Company, and important concurrent positions	Number of the Company's shares held	Attendance at meetings of the Board of Directors
2	(Newly elected) (Independent officer) (Outside Director) Toshiaki Iwatani (Jan. 20, 1962)	Apr. 1992 Registered as an Attorney Joined Ushida/Shirahase Law Office	0	22/22
		Jun. 1994 Outside Audit & Supervisory Board Member of the Company		
		Oct. 2000 Founded Aska Law Offices (current post)		
		Sep. 2001 Registered as a Patent Attorney		
		Apr. 2009 Professor, Konan University Law School (current post)		
		Apr. 2013 Visiting Professor, Osaka University Law School (current post)		
		May 2013 Specially Appointed Professor, Intellectual Property Center (current Intellectual Property and Legal Practice Center), Osaka University (current post)		
		Jun. 2015 Outside Director of the Company (current post)		
		[Important Concurrent Positions] Attorney Patent Attorney		
		[Reason for nomination as a candidate for Outside Director and overview of the expected role] Mr. Toshiaki Iwatani has high level of expertise and insight as an attorney and a patent attorney. Since June 2015, he has fully performed his duties by objectively engaging in deliberation and decision-making over important matters at the Board of Directors as well as supervision of other Directors and Executive Officers in execution of their duties from his independent and neutral position as Outside Director of the Company. The Company believes he is fully qualified as Director in the aspect of personality as well with his high ethical standards and fairness, and he will be able to appropriately perform his duties as Outside Director who is an Audit and Supervisory Committee Member. The role he is expected to fulfill as Outside Director is the same as the reason described above. For this reason, the Company believes that he can suitably perform the duties of the position although he has not been involved in the management of a company except as an outside officer.		

No.	Name (Date of birth)	Career summary, positions in the Company, and important concurrent positions	Number of the Company's shares held	Attendance at meetings of the Board of Directors
3	(Newly elected) (Independent officer) (Outside Director) Takeshi Ogasawara (Aug. 1, 1953)	<p>Apr. 1977 Joined The Tokai Bank, Limited (current MUFG Bank, Ltd.)</p> <p>Jan. 2006 Executive Officer and General Manager of General Risk Management Department of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (current MUFG Bank, Ltd.)</p> <p>Jun. 2008 Managing Director of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>May 2011 Senior Director, Chief Risk Officer, and Chief Compliance Officer of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>Jun. 2012 Deputy President and Head of Central Region of Japan of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>Jun. 2016 Full-time Advisor of The Bank of Tokyo-Mitsubishi UFJ, Ltd.</p> <p>Jun. 2016 Outside Director of Toyota Boshoku Corporation (current post)</p> <p>Jun. 2017 Representative Director and Chairman of Misonoza Inc. (current post)</p> <p>Jun. 2018 Advisor of MUFG Bank, Ltd. (current post)</p> <p>Jun. 2020 Outside Director of Takihyo Co., Ltd. (current post)</p> <p>[Important Concurrent Positions] Outside Director of Toyota Boshoku Corporation Representative Director and Chairman of Misonoza Inc. Outside Director of Takihyo Co., Ltd.</p> <p>[Reason for nomination as a candidate for Outside Director and overview of the expected role] Mr. Takeshi Ogasawara has a wealth of experience of his service in corporate management for many years, mainly in the financial industry. He has also held important positions in the business world and has a wealth of experience and broad insight. The Company proposes to newly elect him as an Outside Director who is an Audit and Supervisory Committee Member in the belief that he will be able to play a sufficient role in supervising execution of operations as an Audit and Supervisory Committee Member. The role he is expected to fulfill as Outside Director is the same as the reason described above.</p>	0	—

- Notes:
- There are no special conflicts of interests between the Company and any of the candidates.
 - Each candidate is a candidate for Outside Director.
 - The Company notified the Tokyo Stock Exchange, the Nagoya Stock Exchange and the Sapporo Stock Exchange that Mr. Keisuke Ueda and Mr. Toshiaki Iwatani are independent officers as stipulated in each regulation of the said Exchanges. Provided they are re-elected as proposed, the Company plans to continually appoint them as independent officers.
Provided Mr. Takeshi Ogasawara is elected as proposed, the Company plans to appoint him as an independent officer.
 - Mr. Keisuke Ueda and Mr. Toshiaki Iwatani currently serve as Outside Directors of the Company. As of the conclusion of this General Meeting of Shareholders, Mr. Keisuke Ueda will have served as an Outside Director for a period of nine (9) years, and Mr. Toshiaki Iwatani will have served as an Outside Director for a period of six (6) years.
 - In accordance with Article 427, paragraph 1 of the Companies Act of Japan and the Articles of Incorporation of the Company, the Company has entered into agreements with Mr. Keisuke Ueda and Mr. Toshiaki Iwatani to limit their liabilities for damages under Article 423, paragraph 1 of the Companies Act. In this agreement, the maximum liability amount is the amount stipulated by Article 425, paragraph 1 of the Companies Act.
If the elections of Mr. Keisuke Ueda and Mr. Toshiaki Iwatani are approved, the Company plans to continue the agreement limiting liability with them.
If the election of Mr. Takeshi Ogasawara is approved, the Company plans to enter into the same agreement limiting liability with him.
 - The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance policy

covers damages arising from claim for damages filed during the period of insurance, which is attributable to actions taken by the insured persons in the course of execution of their duties as corporate officers.

Each candidate will be included as an insured person in this insurance policy.

The Company plans to renew this insurance policy with the same coverage at the time of the next renewal.

7. In December 2020, the Company received an accusation from the Japan Fair Trade Commission regarding an alleged violation of the Antimonopoly Act in connection with the bidding by the Japan Community Health care Organization (JCHO), and was indicted by the Tokyo District Public Prosecutors Office on the same day. The fact became known when an on-site inspection was carried out by the authorities in November 2019. Although Mr. Keisuke Ueda and Mr. Toshiaki Iwatani had not been aware of the fact until it came to light, they had been offering recommendations from the perspective of compliance with laws and regulations on a regular basis. After the fact became known, through the Board of Directors, they have been fulfilling their duties by paying close attention to the efforts of the executive management, including cooperation in the investigation, investigation of the cause, and formulation of measures to prevent the recurrence of such a situation, and offering their opinions as appropriate at the meetings of the Board of Directors, etc.

(Reference)

Skills Matrix of Candidates for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) and Candidates for Directors Who Are Audit and Supervisory Committee Members

Name	Director/ Audit and Supervisory Committee Member	Inside/Outside	Male/Female	Corporate Management	Sales Marketing	Logistics SCM
Yoshiki Bessho	Director	Inside	Male	★		
Hiromi Miyata	Director	Inside	Male	★	★	★
Shigeru Asano	Director	Inside	Male			★
Hisashi Tamura	Director	Inside	Male		★	★
Chie Takahashi	Director	Inside	Female			
Yasunori Usui	Director	Outside	Male			
Shunichi Samura	Director	Outside	Male		★	
Keisuke Ueda	Audit and Supervisory Committee Member	Outside	Male			
Toshiaki Iwatani	Audit and Supervisory Committee Member	Outside	Male			
Takeshi Ogasawara	Audit and Supervisory Committee Member	Outside	Male			

Name	Finance and Accounting	Legal, Risk Management, Compliance	Business Development	Governmental Experience	Other Corporate Management Experience *including International Experience
Yoshiki Bessho	★	★			
Hiromi Miyata			★		
Shigeru Asano	★	★	★		
Hisashi Tamura					
Chie Takahashi		★			
Yasunori Usui				★	
Shunichi Samura					★
Keisuke Ueda	★				
Toshiaki Iwatani		★			
Takeshi Ogasawara	★	★			★

*The above table lists up to four areas in which the Company has particular expectations for each candidate for Director, and does not indicate that the candidate does not have knowledge in areas not listed.

Proposal 4: Election of One (1) Alternate Director Who Is an Audit and Supervisory Committee Member

Subject to the approval and adoption of Proposal 1 “Amendment to the Articles of Incorporation,” the Company will make the transition to a company with an Audit and Supervisory Committee.

Accordingly, the Company proposes to elect one (1) Alternative Director who is an Audit and Supervisory Committee Member, pursuant to Article 329, paragraph 3 of the Companies Act in order to prepare for a case in which the number of Audit and Supervisory Committee Members falls short of the number stipulated by laws and regulations.

The Audit & Supervisory Board has consented to this proposal.

The candidate for the role of Alternate Director who is an Audit and Supervisory Committee Member is as follows:

Name (Date of birth)	Career summary, positions in the Company, and important concurrent positions	Number of the Company’s shares held	Attendance at meetings of the Board of Directors
(Independent officer) (Outside Director)	Apr. 1976 Joined Ministry of Health and Welfare (current Ministry of Health, Labour and Welfare) Sep. 2006 Director-General for Policy Planning and Evaluation (for Social Security) of Ministry of Health, Labour and Welfare Jul. 2008 Director-General of General Affairs Department of Social Insurance Agency Director-General of Japan Pension Service Preparatory Office Jan. 2010 Executive Vice President of Japan Pension Service Dec. 2013 Retired from Ministry of Health, Labour and Welfare Dec. 2015 Retired from Executive Vice President of Japan Pension Service Jun. 2016 Outside Director of the Company (current post)	0	22/22
Yasunori Usui (Nov. 3, 1953)	[Reason for nomination as a candidate for Alternate Outside Director and overview of the expected role] Mr. Yasunori Usui has a wealth of knowledge and experience of his service in administration of health, labor and welfare for many years. Since June 2016, he has fully performed his duties by objectively engaging in deliberation and decision-making over important matters at the Board of Directors as well as supervision of other Directors and Executive Officers in execution of their duties from his independent and neutral position as Outside Director of the Company. The Company believes he is fully qualified as Director in the aspect of personality as well with his high ethical standards and fairness, and he will be able to appropriately perform his duties as Outside Director who is an Audit and Supervisory Committee Member. The role he is expected to fulfill as Outside Director is the same as the reason described above. For this reason, the Company believes that he can suitably perform the duties of the position although he has not been involved in the management of a company except as an outside officer.		

- Notes:
1. There are no special conflicts of interests between the Company and the candidate.
 2. Mr. Yasunori Usui is a candidate for Alternate Outside Director.
 3. Mr. Yasunori Usui will assume office as Director (excluding Director who is an Audit and Supervisory Committee Member) if Proposal 2 is approved as originally proposed. However, should the number of Directors who are Audit and Supervisory Committee Members of the Company fall short of the number stipulated by laws and regulations (three (3)), Mr. Usui will resign from his office as Director (excluding Director who is an Audit and Supervisory Committee Member), and will assume office as Director who is an Audit and Supervisory Committee Member.
 4. Mr. Yasunori Usui currently serves as an Outside Director of the Company. As of the conclusion of this General Meeting of Shareholders, he will have served as an Outside Director for a period of five (5) years.

5. The Company notified the Tokyo Stock Exchange, the Nagoya Stock Exchange and the Sapporo Stock Exchange that Mr. Yasunori Usui is an independent officer as stipulated in each regulation of the said Exchanges. Should he assume office as Outside Director who is an Audit and Supervisory Committee Member, the Company plans for his appointment as an independent officer to continue.
6. In accordance with Article 427, paragraph 1 of the Companies Act of Japan and the Articles of Incorporation of the Company, the Company has entered into an agreement with Mr. Yasunori Usui to limit his liability for damages under Article 423, paragraph 1 of the Companies Act. In this agreement, the maximum liability amount is the amount stipulated by Article 425, paragraph 1 of the Companies Act.
If Mr. Yasunori Usui assumes office as Director who is an Audit and Supervisory Committee Member, the Company plans to continue the agreement limiting liability with him.
7. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, paragraph 1 of the Companies Act. This insurance policy covers damages arising from claim for damages filed during the period of insurance, which is attributable to actions taken by the insured persons in the course of execution of their duties as corporate officers.
Mr. Yasunori Usui will be included as an insured person in this insurance policy.
The Company plans to renew this insurance policy with the same coverage at the time of the next renewal.
8. In December 2020, the Company received an accusation from the Japan Fair Trade Commission regarding an alleged violation of the Antimonopoly Act in connection with the bidding by the Japan Community Health care Organization (JCHO), and was indicted by the Tokyo District Public Prosecutors Office on the same day. The fact became known when an on-site inspection was carried out by the authorities in November 2019. Although Mr. Yasunori Usui had not been aware of the fact until it came to light, he had been offering recommendations from the perspective of compliance with laws and regulations on a regular basis. After the fact became known, through the Board of Directors, he has been fulfilling his duties by paying close attention to the efforts of the executive management, including cooperation in the investigation, investigation of the cause, and formulation of measures to prevent the recurrence of such a situation, and offering his opinions as appropriate at the meetings of the Board of Directors, etc.

Proposal 5: Determination of Amount of Remuneration, Etc. for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The annual amount of remuneration, etc. for Directors of the Company was approved by the resolution of the 60th General Meeting of Shareholders of the Company held on June 29, 2006 to be up to 600 million yen, and the resolution has been in force since then. Subject to the approval and adoption of Proposal 1 “Amendment to the Articles of Incorporation,” the Company will make the transition to a company with an Audit and Supervisory Committee. Therefore, the Company proposes that the annual amount of remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members) after the transition to a company with an Audit and Supervisory Committee be set again up to 600 million yen (of which, an annual amount of up to 60 million yen for Outside Directors).

In addition, the specific amount, timing, and method of payment to each Director (excluding Directors who are Audit and Supervisory Committee Members) shall be determined by the resolution of the Board of Directors.

This proposal was decided after the Nomination and Compensation Committee, the majority of which are Outside Directors, verified and deliberated whether the level and system of the remuneration are appropriate, based on the results of a survey on officers’ remuneration conducted by a specialized external research organization targeting companies with the same level of market capitalization as the Company. The Company judges that this proposal is appropriate. Please see pages 39 to 42 of this notice for details of the policy regarding determination of the elements of officers’ remuneration, etc.

The Company currently has ten (10) Directors (of which three (3) are Outside Directors), and if Proposal 1 “Amendment to the Articles of Incorporation” and Proposal 2 “Election of Seven (7) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” are approved and adopted in their original form, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) will be seven (7) (of which two (2) are Outside Directors).

This proposal shall come into effect on the condition that the amendment to the Articles of Incorporation in Proposal 1 comes into effect.

Proposal 6: Determination of Amount of Remuneration, Etc. for Directors Who Are Audit and Supervisory Committee Members

Subject to the approval and adoption of Proposal 1 “Amendment to the Articles of Incorporation,” the Company will make the transition to a company with an Audit and Supervisory Committee.

Therefore, the Company proposes that the annual amount of remuneration, etc. for Directors who are Audit and Supervisory Committee Members after the transition to a company with an Audit and Supervisory Committee be set up to 120 million yen.

In addition, the specific amount, timing, and method of payment to each Director who is an Audit and Supervisory Committee Member shall be determined through discussion by Directors who are Audit and Supervisory Committee Members.

The Company judges that the amount of remuneration, etc. under this proposal is appropriate in light of the duties of Directors who are Audit and Supervisory Committee Members.

If Proposal 1 “Amendment to the Articles of Incorporation” and Proposal 3 “Election of Three (3) Directors Who Are Audit and Supervisory Committee Members” are approved and adopted in their original form, the number of Directors who are Audit and Supervisory Committee Members will be three (3).

This proposal shall come into effect on the condition that the amendment to the Articles of Incorporation in Proposal 1 comes into effect.

Proposal 7: Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Not Serving Concurrently as Executive Officers, Directors Who Are Audit and Supervisory Committee Members and Outside Directors)

With the approval of our shareholders at the 71st General Meeting of Shareholders of the Company held on June 28, 2017, the Company has introduced the Performance-linked and Share-based Remuneration Plan (hereinafter the “Restricted Share-based Remuneration Plan”), which allots common shares of the Company subject to provisions including those concerning the Transfer Restriction Period (to be defined later) and those concerning justifiable reasons for the Company to acquire the shares without contribution (hereinafter the “Restricted Shares”) to Directors (excluding Outside Directors) with the aim of sharing the benefits and risks of share price fluctuations between shareholders and Directors (excluding Outside Directors) and giving them more incentives to drive share price higher and increase corporate value. Subject to the approval and adoption of Proposal 1 “Amendment to the Articles of Incorporation,” the Company will make the transition to a company with an Audit and Supervisory Committee. Therefore, in line with the transition to a company with an Audit and Supervisory Committee, the Company requests your approval to set the annual amount of remuneration, etc. related to the Restricted Shares to Directors (excluding Directors not serving concurrently as Executive Officers, Directors who are Audit and Supervisory Committee Members and Outside Directors; hereinafter the “Eligible Directors”) to be up to 90 million yen, an increase of 30 million yen from the amount before the transition, with the aim of sharing the benefits and risks of share price fluctuations between shareholders and Eligible Directors and giving them further more incentives to drive share price higher and increase corporate value.

Furthermore, the amount of remuneration, etc. paid in the form of Restricted Shares will be set within the annual amount of remuneration, etc. (up to 600 million yen) to be approved in Proposal 5.

This proposal was decided after the Nomination and Compensation Committee, the majority of which are Outside Directors, verified and deliberated whether the level and system of the remuneration are appropriate, based on the results of a survey on officers’ remuneration conducted by a specialized external research organization targeting companies with the same level of market capitalization as the Company. The Company judges that this proposal is appropriate. Please see pages 39 to 42 of this notice for details of the policy regarding determination of the elements of officers’ remuneration, etc.

The Company currently has seven (7) Directors (excluding Outside Directors), and if Proposal 1 and Proposal 2 are approved, the number of Eligible Directors subject to this proposal will be five (5).

In addition, the specific timing and allocation to each Eligible Director shall be determined by the resolution of the Board of Directors.

This proposal shall come into effect on the condition that the amendment to the Articles of Incorporation in Proposal 1 comes into effect.

Specifics About and the Maximum Number of Restricted Shares to Be Allotted to the Company’s Eligible Directors

1. Allotment of and Payment for Restricted Shares

In accordance with a resolution of the Company’s Board of Directors, the Company’s Eligible Directors shall receive monetary remuneration claims not above the aforementioned annual amount related to Restricted Share-based remuneration, and each Director shall receive the allotment of Restricted Shares by providing all of the monetary remuneration claims in the form of property contributed in kind.

The amount to be paid in for the Restricted Shares shall be based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day preceding the

date of resolution of the Company's Board of Directors (if no trades are made on this day, the closing price on the most recent day of trading before that), and shall be determined by the Company's Board of Director to the extent that the amount will not be particularly advantageous for Eligible Directors receiving the Restricted Shares.

Furthermore, the aforementioned monetary remuneration claims shall be provided to the Company's Eligible Directors on the condition that they have agreed to the above payment of property contributed in kind, and have concluded a Restricted Shares Allotment Agreement which includes the provisions stipulated in 3. below.

2. Total Number of Restricted Shares

The maximum number of Restricted Shares allotted each fiscal year to Eligible Directors shall be no more than 60,000 shares. However, after the day that this proposal is resolved, if there is a split of the Company's common shares (including an allotment without contribution of the Company's common shares) or a share merger, or another similar event which makes it necessary to adjust the total number of Restricted Shares allotted, the total number of Restricted Shares may be adjusted within reason.

3. Provisions of the Restricted Shares Allotment Agreement

In accordance with a resolution by the Company's Board of Directors, the Restricted Shares Allotment Agreement to be concluded between the Company and Eligible Directors receiving an allotment of Restricted Shares shall include the following provisions.

(1) Definitions of Transfer Restrictions

Eligible Directors who have received an allotment of Restricted Shares may not transfer, establish a pledge, establish transfer security interest, make a gift before death, bequeath or otherwise dispose of the Restricted Shares to a third party (such restrictions are hereinafter "Transfer Restrictions") during a period between 20 and 30 years set by the Company's Board of Directors (hereinafter the "Transfer Restriction Period").

(2) Acquisition of Allotted Shares without contribution

In the event that a Eligible Director who has received an allotment of Restricted Shares retires from his or her position as Director, Executive Officer, or Counselor before the day preceding the day of the first General Meeting of Shareholders following the Transfer Restriction Period start date, the Company shall acquire the Restricted Shares allotted to the Director (hereinafter the "Applicable Allotted Shares") without contribution, unless there is a reason recognized as legitimate by the Company's Board of Directors.

Also, if there are any Applicable Allotted Shares for which the Transfer Restrictions have not been lifted in accordance with the provisions on reasons for the lifting of the Transfer Restrictions as discussed in (3) below at the time that the Transfer Restriction Period discussed in (1) above has ended, the Company shall acquire these Applicable Allotted Shares without contribution.

(3) Lifting of the Transfer Restrictions

On the condition that a Eligible Director who has received an allotment of Restricted Shares continuously maintains his or her position as either a Director, Executive Officer, or Counselor of the Company until the date of the first General Meeting of Shareholders following the Transfer Restriction Period start date, the Company shall lift the Transfer Restrictions for all Applicable Allotted Shares upon expiry of the Transfer Restriction Period.

However, if, due to a reason that the Company's Board of Directors deems as justifiable, the Eligible Director in question retires from his or her position as a Director, Executive Officer, or Counselor of the Company prior to the expiry of the Transfer Restriction Period, the

number of Applicable Allotted Shares for which the Transfer Restrictions are lifted, as well as the timing of the lifting of the Transfer Restrictions shall be adjusted to the extent reasonable as needed.

(4) Treatment during reorganization, etc.

If, during the Transfer Restriction Period, matters relating to a merger agreement in which the Company is the dissolving company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or some other reorganization, etc. are approved at the Company's General Meeting of Shareholders (or, in the case where the approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc. in question, at a meeting of the Company's Board of Directors), by resolution of the Company's Board of Directors, the Company shall lift the Transfer Restrictions for the number of Applicable Allotted Shares determined rationally based on the period from the Transfer Restriction Period start date until the date on which the reorganization, etc. are approved, in advance of the date on which the reorganization, etc. enter into effect.

In this event, the Company shall acquire without contribution the Applicable Allotted Shares for which the Transfer Restrictions have not been lifted at the time immediately following the lifting of the Transfer Restrictions based on the above stipulation.

(Reference)

Following the conclusion of this General Meeting of Shareholders, the Company plans to allot Restricted Shares of the same kind as the Restricted Shares discussed above to the Company's Executive Officers.