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Securities code: 6844

June 8, 2021

**To our shareholders**

2-2-1, Otemachi, Chiyoda-ku, Tokyo, Japan

**Shindengen Electric Manufacturing Co., Ltd.**

Yoshinori Suzuki, President

### **Notice of the 97th Ordinary General Meeting of Shareholders**

We would like to express our heartfelt appreciation for your long-standing patronage of Shindengen Electric Manufacturing Co., Ltd.

We hereby notify you that the 97th Ordinary General Meeting of Shareholders of Shindengen Electric Manufacturing Co., Ltd. will be held as stated below.

As the situation with COVID-19 infections continues to be a concern, we ask shareholders to consider refraining from attending the meeting in person, regardless of individual health conditions, to ensure the safety and peace of mind of our shareholders. We ask shareholders to please exercise your voting rights in advance by written ballot or electronic means (Internet, etc.).

Please note however, that even if not attending the meeting in person, you can still exercise your voting rights in writing or by electromagnetic means (the Internet etc.), so we ask that shareholders take full advantage of these options. After reading the shareholder meeting reference documents below, please submit your voting instructions by no later than 5:30 p.m. on Monday June 28, 2021 in accordance with the “Instructions concerning the exercising of voting rights” provided on page 3.

Regards

## Notice of Meeting

**1. Date and time:** Tuesday, June 29, 2021, 10:00 a.m.

**2. Place:** Hotel Heritage HANNO sta., Heritage Hall (6th floor)  
11-21 Nakacho, Hanno, Saitama, Japan

### 3. Agenda

#### Reports:

1. Business report, consolidated financial statements, and consolidated financial statement audit reports by the accounting auditors and the Board of Corporate Auditors for the 98th fiscal year  
(from April 1, 2020 to March 31, 2021)
2. Non-consolidated financial statements for the 98th fiscal year  
(from April 1, 2020 to March 31, 2021)

#### Resolutions:

**Proposal 1:** Partial Amendments to the Articles of Incorporation

**Proposal 2:** Election of Six (6) Directors

**Proposal 3:** Election of Two (2) Audit & Supervisory Board Members

**Proposal 4:** Election of One (1) Substitute Audit & Supervisory Board Member

### 4. Decisions concerning the convocation of the Meeting

Please refer to “Instructions concerning the exercising of voting rights” on the next page.

We respectfully ask shareholders to consider refraining from attending the meeting this year in person to minimize the risk of COVID-19 infection. (Souvenirs for shareholders attending the meeting will not be distributed this year.)

If revisions are made to any of the reference documents for shareholders, business reports, financial statements, and consolidated financial statements, said revisions will be posted on our website at (<https://www.shindengen.co.jp/ir/>).

### **Instructions concerning the exercising of voting rights**

Voting rights may be exercised in the following three ways.

#### **If attending the General Meeting of Shareholders**

Please bring the voting card with you and present it at the reception desk at the Meeting. (Your personal seal is not necessary.)

**Date and time:** 10:00 a.m. on Tuesday, June 29, 2021

**Place:** Hotel Heritage HANNO sta., Heritage Hall (6th floor)

#### **If exercising voting rights by post**

Please indicate your answers to the proposals on the enclosed voting card and send the card by post. You need not affix any postage.

**Exercise deadline:** Receipt by 5:30 p.m. on Monday, June 28, 2021

#### **If exercising voting rights via the Internet**

Access the voting website (<https://evote.tr.mufg.jp/>) via personal computer, smartphone or mobile phone. Enter the login ID and temporary password shown on the enclosed voting card, and enter your answer according to the instructions on the screen.

**Exercise deadline:** Until 5:30 p.m. on Monday, June 28, 2021

(1) In the case of voting twice via mail (voting card) and via the Internet

Please take note that if you vote twice via mail (voting card) and via the Internet, the vote that you gave via the Internet will be taken as an effective vote.

(2) In the case of voting via the Internet more than once

If you vote via the Internet more than once, the last vote you give will be taken as an effective vote.

(3) Procedures for voting via the Internet

When voting via the Internet, please confirm the following points before doing so.

If you plan to attend the Meeting on the day, you do not have to complete the procedures for voting via mail (voting card) or via the Internet.

***Method for voting via the Internet***

- (i) On the voting website (<https://evote.tr.mufg.jp/>), use the login ID and temporary password written on your voting card, and enter your answers according to the instructions on the screen.
- (ii) Please be aware that the site will ask you to change your temporary password in order to prevent other people from hacking your account or falsifying your vote.
- (iii) You will be provided with a new login ID and temporary password each time a General Meeting of Shareholders is convened.

***Expenses incurred when accessing the voting site***

All expenses incurred when accessing the voting site (fee for Internet connection, etc.) shall be borne by the shareholders. And expenses incurred when accessing the voting site via mobile phones, etc. (packet communication fees, etc.) shall be borne by the shareholders.

***Platform for electronic voting***

Nominee shareholders (including standing proxies) such as trust management banks may apply in advance to use the platform for electronic voting operated by the ICJ Inc., a joint venture company established by the Tokyo Stock Exchange, Inc., and others. In such a case, the shareholders can use the ICJ platform to vote at the General Meeting of Shareholders in addition to the Internet and other methods mentioned above.

<p>All inquiries regarding the computing system, etc. should be addressed to: Corporate Agency Division (Help Desk) Mitsubishi UFJ Trust and Banking Corporation Phone: 0120-173-027 (09:00–21:00, toll-free)</p>
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# Reference Documents for Shareholders Meeting

## Proposal 1: Partial Amendments to the Articles of Incorporation

1. Reason for the Amendment

In preparation for unforeseen occurrences and natural disasters such as earthquakes, etc., Article 19 Paragraph 2 (Meeting Location), which restricts the meeting location of the General Meeting of Shareholders, will be removed from the current Articles of Incorporation in order to facilitate more flexibility for the invocation of the General Meeting of Shareholders.

2. Details of the Amendment

As follows:

(Changes to be made to underlined section.)

Current Articles of Incorporation	Proposed Changes
<p style="text-align: center;">Chapter 4. General Meeting of Shareholders</p> <p><u>Article 19. Invocation</u></p> <p>1. The General Meeting of Shareholders for the Company will convene annually in June. The Extraordinary General Meeting of Shareholders will convene when necessary.</p> <p>2. <u>The General Meeting of Shareholders will be held at the head office or in Hanno City, Saitama Prefecture.</u></p>	<p style="text-align: center;">Chapter 4. General Meeting of Shareholders</p> <p>Article 19. Invocation</p> <p>1. (No change)</p> <p>2. (Delete)</p>

## Proposal 2: Election of Six (6) Directors

The term of office of all of the six Directors will expire upon conclusion of this Ordinary General Meeting of Shareholders. It is therefore requested that six Directors be elected from the candidates listed below.

Candidate No.	Name	Positions, tasks and responsibilities at the Company	Category
1	Yoshinori Suzuki	President	<b>Reappointment</b>
2	Yasumi Negishi	Director (Senior Executive Officer) In Charge of Corporate Departments	<b>Reappointment</b>
3	Kenji Horiguchi	Director (Executive Officer) Factory Director In Charge of Magnetic Components, Environmental & Health, ISO Promotion Office	<b>Reappointment</b>
4	Nobuyoshi Tanaka	Director (Executive Officer) In Charge of Sales Departments, CSR Promotion Office	<b>Reappointment</b>
5	Ichiro Yamada	Director	<b>Reappointment Outside Independent</b>
6	Hideyuki Hashimoto	Director	<b>Reappointment Outside Independent</b>
<b>Reappointment</b> Candidate for reappointment as Director			
<b>Outside</b> Candidate for Outside Director			
<b>Independent</b> Independent Director pursuant to the rules specified by the stock exchange and others			

Candi- date No.	Name (Date of birth)	Brief background description, positions/tasks at the Company (Situation of important concurrent posts, if any)	No. of the Company's shares held by the candidate
1	Yoshinori Suzuki (May 21, 1957)  <b>Reappointment</b>	<p>April 1982      Joined the Company</p> <p>March 1996     Managing Director, Shindengen Singapore Pte Ltd.</p> <p>April 1999      Department Manager, Device Overseas Sales Dept., Semiconductor Div., Electronic Device Div. Group</p> <p>April 2000      Department Manager, Device Overseas Sales Dept., Sales Div., Electronic Device Div. Group</p> <p>April 2002      Department Manager, Sales Planning Dept., Sales Div., Electronic Device Div. Group</p> <p>April 2003      Department Manager, Marketing Dept. II, Consumer Electronics Sales Div., Electronic Device Div. Group</p> <p>April 2005      Branch Manager, Osaka Branch, Area Sales Management Div., Sales Div. Group</p> <p>April 2006      Branch Manager, Osaka Branch, Area Sales Div., Electronic Device Sales Div. Group</p> <p>April 2007      General Manager, Electronic Device Sales Div., the Electronic Device Div. Group</p> <p>June 2008      Officer, Deputy Division Director, Electronic Device Div. Group and General Manager, Electronic Device Sales Div., Electronic Device Div. Group</p> <p>February 2009   Officer, Corporate Planning Group</p> <p>June 2009      Director and Officer, Corporate Planning Group</p> <p>June 2012      Director and Officer, In charge of Overseas and Area Sales</p> <p>April 2013      Director and Officer, Division Director, Sales Division Group</p> <p>June 2013      Director and Officer, In charge of Sales and Car Electrics</p> <p>June 2014      Director and Senior Officer, In charge of Sales and Car Electrics</p> <p>April 2015      Director and Senior Officer, President, Shindengen Device Commerce Co., Ltd.</p> <p>June 2015      Director and Senior Officer, In charge of structural reform President, Shindengen Device Commerce Co., Ltd.</p> <p>April 2016      President (current position)</p>	7,916 common shares
<b>Significant concurrent positions:</b> Not applicable			
<b>Reasons for nomination as candidate:</b> Having been taking the leadership of domestic and overseas sales departments for many years, Mr. Yoshinori Suzuki has a great deal of business experience and excellent credentials as a business person. In addition, he has been serving as President since April 2016 after he had served as Director of the Corporate Planning Group as well as served as a Director and Officer. In his capacity as the President, he has been appropriately exercising control and supervision over the Company's business. We therefore anticipate that he is well-qualified for a leader who is responsible for enhancing the Company's value in a sustainable manner, and he has been nominated as candidate for a Director for the following term.			
<b>Special-interest relationships:</b> No special-interest relationships exist between Mr. Yoshinori Suzuki and the Company.			

Candi- date No.	Name (Date of birth)	Brief background description, positions/tasks at the Company (Situation of important concurrent posts, if any)	No. of the Company's shares held by the candidate
2	<p>Yasumi Negishi (October 8, 1958)</p> <p><b>Reappointment</b></p>	<p>April 1982      Joined the Company</p> <p>November 2004      Department Manager, Finance Dept.</p> <p>February 2009      Department Manager, Personnel Dept.</p> <p>April 2009      Department Manager, Personnel Dept. and Learning Center</p> <p>June 2012      Director and Officer, Corporate Planning Group, In charge of Personnel, Administration and Learning Center</p> <p>October 2012      Director and Officer, Corporate Planning Group In charge of Personnel, Administration and Human Resources Development</p> <p>June 2015      Director and Senior Officer, Corporate Planning Group In charge of Personnel, Administration and Human Resources Development</p> <p>July 2015      Director and Senior Officer, Corporate Planning Group In charge of Personnel, Administration and Human Resources Development.</p> <p>April 2016      President, Shindengen Enterprise Co., Ltd. Director and Executive Officer, Corporate Planning Group In charge of accounting and administration departments</p> <p>April 2017      Director and Executive Officer, Corporate Planning Group In Charge of Administration Departments</p> <p>April 2018      Director and Senior Executive Officer , Corporate Planning Group In Charge of Administration Departments</p> <p>April 2020      Director and Senior Executive Officer (current position) In Charge of Corporate Departments (current position)</p>	<p>5,243 common shares</p>
<p><b>Significant concurrent positions:</b> Not applicable</p>			
<p><b>Reasons for nomination as candidate:</b> Having been taking the leadership of administration departments for many years, Mr. Yasumi Negishi has wide business experience in accounting, personnel affairs, general affairs, business planning and others, as well as in-depth knowledge of business. Furthermore, he has been acting as Director since June 2012 and has been appropriately overseeing management of the Company. In view of this, the Company recognizes him as an indispensable person for management of the Company; therefore, the Company has continued to choose him as a candidate for the position of Director.</p>			
<p><b>Special-interest relationships:</b> No special-interest relationships exist between Mr. Yasumi Negishi and the Company.</p>			



Candi- date No.	Name (Date of birth)	Brief background description, positions/tasks at the Company (Situation of important concurrent posts, if any)	No. of the Company's shares held by the candidate
3	<p>Kenji Horiguchi (November 16, 1959)</p> <p><b>Reappointment</b></p>	<p>April 1983      Joined the Company</p> <p>April 2000      Department Manager, Device Design Dept., Advanced Power Products Div., Advanced Power Products Div. Group</p> <p>October 2003    Associate General Manager, Advanced Power Products Div., Electronic Device Div. Group; Department Manager, Design Dept., Advanced Power Products Div., Electronic Device Div. Group</p> <p>April 2005      General Manager, Advanced Power Products Div., Electronic Device Div. Group; Department Manager, Design Dept., Advanced Power Products Div., Electronic Device Div. Group</p> <p>April 2006      General Manager, Advanced Power Products Div., Electronic Device Div. Group</p> <p>April 2008      General Manager, IC Development Center, Technology &amp; Development Div. Group</p> <p>April 2009      Deputy Division Director, Technology &amp; Development Center</p> <p>June 2010      Officer</p> <p>June 2012      President, Higashine Shindengen Co., Ltd. Officer President, Higashine Shindengen Co., Ltd.; In Charge of Shindengen group Productivity Innovation System (SPIS) Project</p> <p>March 2013     Officer President, Higashine Shindengen Co., Ltd.; General Manager, SPIS Project; In Charge of SPIS Project</p> <p>April 2013      Officer President, Higashine Shindengen Co., Ltd.</p> <p>June 2013      Director and Officer; In Charge of Technology, Production, Quality, Intellectual Property and Power Module Products</p> <p>June 2014      Director and Officer; General Manager, Technology &amp; Development Center; In Charge of Technology, Production, Quality, Intellectual Property and Power Module Products</p> <p>June 2015      Director and Officer; In Charge of Technology, Production and Quality</p> <p>April 2016      Director and Senior Officer; In Charge of Technology, Production and Quality</p> <p>April 2017      Director and Senior Officer Factory Director; In Charge of Structural Reform, Materials, Distribution, Magnetic Components</p> <p>April 2018      Director and Executive Officer; Factory Director; In Charge of Structural Reform, Materials, Distribution, Magnetic Components</p> <p>April 2019      Director and Executive Officer; Factory Director; In Charge of Structural Reform, Magnetic Components</p> <p>April 2020      Director and Executive Officer; (current position) Factory Director; In Charge of Magnetic Components, Environments, ISO Promotion Office</p> <p>November 2020 Director and Executive Officer; (current position) Factory Director; (current position) In Charge of Magnetic Components, Environmental &amp; Health , ISO Promotion Office (current position)</p>	<p>4,236 common shares</p>
<p><b>Significant concurrent positions:</b> Not applicable</p>			
<p><b>Reasons for nomination as candidate:</b> Mr. Kenji Horiguchi has been mainly engaged in the Design, Production and Quality Management departments and has great insight and plenty of experience in those fields. Furthermore, he has been acting as Director since June 2013 and has been appropriately overseeing management of the Company. In view of this, the Company recognizes him as an indispensable person for management of the Company; therefore, the Company has continued to choose him as a candidate for the position of Director.</p>			
<p><b>Special-interest relationships:</b> No special-interest relationships exist between Mr. Kenji Horiguchi and the Company.</p>			

Candi- date No.	Name (Date of birth)	Brief background description, positions/tasks at the Company (Situation of important concurrent posts, if any)	No. of the Company's shares held by the candidate
4	Nobuyoshi Tanaka (July 20, 1961)  <b>Reappointment</b>	April 1985      Joined the Company October 2006    Department Manager, Planning Dept., Corporate Planning Group April 2010      Department Manager, Administration Dept., Electronic Device Management Div., Electronic Device Div. Group July 2010      General Manager, Electronic Device Management Div., Electronic Device Div. Group June 2011      Officer; Division Director, Electronic Device Div. Group June 2015      Officer; Division Director, Electronic Device Div. Group; Division Director, Sales Div. Group April 2016      Senior Officer; Division Director, Electronic Device Div. Group; Division Director, Sales Div. Group April 2017      Senior Officer; Division Director, Sales Div. Group; In Charge of Electric Vehicle Project June 2017      Director and Senior Officer; Division Director, Sales Div. Group; In Charge of Electric Vehicle Project April 2018      Director and Executive Officer; Division Director, Sales Div. Group; In Charge of Electric Vehicle Project April 2020      Director and Executive Officer (current position); In Charge of Sales Departments, CSR Promotion Office (current position)	4,207 common shares
<b>Significant concurrent positions:</b> Not applicable			
<b>Reasons for nomination as candidate:</b> Mr. Nobuyoshi Tanaka has been engaged in the Sales departments inside and outside Japan. He has broad business experience and great insight, leading the Corporate Planning Group and the Electronic Device Div. Group. Furthermore, he has been as Director since June 2017 and has been appropriately overseeing management of the Company. In view of this, the Company recognizes his experience and knowledge to be indispensable for sustainable improvement in the corporate value; therefore, the Company has chosen him as a candidate for the position of Director.			
<b>Special-interest relationships:</b> No special-interest relationships exist between Mr. Nobuyoshi Tanaka and the Company.			

Candidate No.	Name (Date of birth)	Brief background description, positions/tasks at the Company (Situation of important concurrent posts, if any)	No. of the Company's shares held by the candidate
5	Ichiro Yamada (August 1, 1949)  <b>Reappointment Outside Independent</b>	<p>April 1974      Joined Musashino Electrical Communication Laboratories, Nippon Telegraph and Telephone Public Corporation</p> <p>September 1985      Doctor of Engineering, The University of Tokyo</p> <p>January 1993      Deputy Executive Manager, Technology Information, Technology Research Department, Nippon Telegraph and Telephone Corporation</p> <p>February 1995      Executive Manager, Telecommunications Energy Laboratory, NTT Interdisciplinary Research Laboratories, Nippon Telegraph and Telephone Corporation</p> <p>January 1999      Executive Manager, Energy Systems Laboratory, NTT Telecommunications Energy Laboratories, Nippon Telegraph and Telephone Corporation</p> <p>July 2000      Director, NTT Lifestyle and Environmental Technology Laboratories, Nippon Telegraph and Telephone Corporation</p> <p>July 2002      Professor, School of Engineering, The University of Tokyo</p> <p>May 2009      Vice President (Director General, Division for Environment, Health and Safety), The University of Tokyo</p> <p>April 2012      Professor, Graduate School of Frontier Sciences, The University of Tokyo</p> <p>June 2014      Director of the Company (current position)</p> <p>June 2015      Professor Emeritus, The University of Tokyo (current position)</p> <p>June 2019      Outside Director, Mimaki Engineering Co., Ltd.(current position)</p>	952  common shares
<b>Significant concurrent positions:</b>			
Professor Emeritus, The University of Tokyo, Outside Director, Mimaki Engineering Co., Ltd.			
<b>Reasons for nomination as candidate, and expected role:</b>			
<p>As a university professor, Mr. Ichiro Yamada has filled various important posts. The Company has continued to choose him as a candidate for the position of Outside Director with expectations that he will guide and advise on management of the Company using his specialized knowledge and a wealth of experience.</p> <p>Mr. Ichiro Yamada's term of office as Outside Director will be 7 years as of the conclusion of this General Meeting.</p> <p>The Company has registered Mr. Ichiro Yamada as an Independent Director with the Tokyo Stock Exchange, Inc., pursuant to the rules specified by the exchange. The Company plans to continue appointing him as an Independent Director if he is reappointed.</p>			
<b>Special-interest relationships:</b>			
No special-interest relationships exist between Mr. Ichiro Yamada and the Company.			
<b>Limited liability agreement:</b>			
The Company has entered into an agreement with Mr. Ichiro Yamada pursuant to Article 427, Paragraph 1 of the Companies Act to limit the amount of the liability for damages prescribed in Article 423, Paragraph 1 of the same law. The limit of the liability for damages in this agreement is in line with the amount stipulated by laws and regulations. The Company plans to extend said agreement with him if his reappointment is approved at the General Meeting.			

Candidate No.	Name (Date of birth)	Brief background description, positions/tasks at the Company (Situation of important concurrent posts, if any)	No. of the Company's shares held by the candidate
6	Hideyuki Hashimoto (January 25, 1964)  <b>Reappointment Outside Independent</b>	October 1991    Joined Chuo Shinkou Audit Corporation	0 common shares
		April 1995       Registered as a certified public accountant	
		January 2000    Opened Hashimoto Public Accounting Office	
		April 2000       Registered as a certified tax accountant	
		May 2007        Joined BDO Toyo & Co.	
		June 2014       Senior Partner, BDO Toyo & Co. (current position)	
June 2015       Director of the Company (current position)			
October 2019    Outside Director, Silver Life Co., Ltd.(current position)			
August 2020    Senior Partner (no representation), BDO Toyo & Co. (current position)			
<b>Significant concurrent positions:</b>			
Certified public accountant, certified tax accountant, Outside Director, Silver Life Co., Ltd.			
<b>Reasons for nomination as candidate, and expected role:</b>			
Mr. Hideyuki Hashimoto has specialized knowledge and a wealth of experience as both a certified public accountant and a certified tax accountant. The Company has continued to choose him as a candidate for the position of Outside Director with expectations that he will provide useful advice on management of the Company.			
Mr. Hideyuki Hashimoto's term of office as Outside Director will be 6 years as of the conclusion of this General Meeting.			
The Company has registered Mr. Hideyuki Hashimoto as an Independent Director with the Tokyo Stock Exchange, Inc., pursuant to the rules specified by the exchange. The Company plans to continue appointing him as an Independent Director if he is reappointed.			
<b>Special-interest relationships:</b>			
No special-interest relationships exist between Mr. Hideyuki Hashimoto and the Company.			
<b>Limited liability agreement:</b>			
The Company has entered into an agreement with Mr. Hideyuki Hashimoto pursuant to Article 427, Paragraph 1 of the Companies Act to limit the amount of the liability for damages prescribed in Article 423, Paragraph 1 of the same law. The limit of the liability for damages in this agreement is in line with the amount stipulated by laws and regulations. The Company plans to extend said agreement with him if his reappointment is approved at the General Meeting.			

### Proposal 3: Election of Two (2) Audit & Supervisory Board Members

The term of office of the current auditor, Mr. Makoto Fujimaki will expire upon conclusion of this Ordinary General Meeting of Shareholders. It is therefore requested that in addition to the replacement for the current auditor, one additional auditor be elected in order to strengthen and enhance the audit system. Please note, we have received the consent of the Board of Corporate Auditors regarding this proposal. The candidates for the two auditor positions are as follows:

Candi-date No.	Name (Date of birth)	Brief background description, positions/tasks at the Company (Situation of important concurrent posts, if any)	No. of the Company's shares held by the candidate	
1	Harusato Nihei (August 30, 1957)  <b>New Appointment Outside Independent</b>	April 1980 March 2006 April 2008 April 2009 April 2010 April 2011 April 2014 June 2016 June 2017 June 2018 April 2020	Joined The Dai-Ichi Kangyo Bank, Ltd. Mizuho Corporate Bank, Ltd. - Taipei Branch Manager Mizuho Corporate Bank, Ltd. - Executive Officer Mizuho Corporate Bank, Ltd. - Executive Officer, Human Resource Management Director Mizuho Corporate Bank, Ltd. - Managing Executive Officer, Sales Director Mizuho Bank, Ltd. - Managing Executive Officer Mizuho Research Institute Ltd. - Executive Vice-President Kawasaki Kisen Kaisha, Ltd. - Standing Statutory Auditor Kawasaki Kisen Kaisha, Ltd. - Executive Operating Officer Kawasaki Kisen Kaisha, Ltd. - President and Representative Director, Executive Operating Officer Kawasaki Kisen Kaisha, Ltd. - Representative Director	0  common shares
		<b>Significant concurrent positions:</b> Not applicable		
		<b>Reasons for nomination as candidate:</b> Mr. Harusato Nihei has a wide range of knowledge and a wealth of experience as an enterprise manager, including consecutive directorship service at other high-profile firms. It is judged that he is able to properly carry out his duties as an outside corporate auditor, and is currently a candidate for the position of outside corporate auditor.		
		<b>Special-interest relationships:</b> No special-interest relationships exist between Mr. Harusato Nihei and the Company.		
		<b>Limited liability agreement:</b> If the appointment of Mr. Harusato Nihei is approved, the Company plans to enter into an agreement pursuant to Article 427, Paragraph 1 of the Companies Act to limit the amount of the liability for damages prescribed in Article 423, Paragraph 1 of the same law. The limit of the liability for damages in this agreement will be in line with the amount stipulated by the relevant laws and regulations.		

Candi-date No.	Name (Date of birth)	Brief background description, positions/tasks at the Company (Situation of important concurrent posts, if any)	No. of the Company's shares held by the candidate
2	<p>Sachie Tsuji (Family Register Name: Sachie Ueda) (April 23, 1972)</p> <p><b>New Appointment Outside Independent</b></p>	<p>October 1996    Joined Deloitte Touche Tohmatsu LLC  April 1999       Registered as a Certified Public Accountant  July 2015       SPLUS Corporation - Representative Director (Current)  Tsuji Sachie Certified Public Accountant Office - Director (Current)  June 2016       Association of Certified Fraud Examiners - Director (Current)  June 2017       C'BON COSMETICS Co.,Ltd. - Auditor (Current)  March 2021      SBS Holdings Inc. - External Director (Audit Etc. Committee) (Current)</p>	0 common shares
	<p><b>Significant concurrent positions:</b>  Certified Public Accountant  SPLUS Corporation - Representative Director  C'BON COSMETICS Co.,Ltd. - Auditor  SBS Holdings, Inc. - External Director (Audit Etc. Committee)</p>		
	<p><b>Reasons for nomination as candidate:</b>  Ms. Sachie Tsuji possesses professional knowledge and experience as a certified public accountant. It is judged that her many years of experience in this field, including internal corporate control, internal corporate audits, and compliance, will be both displayed and applied as an auditor for this company. She is currently a candidate for the position of outside corporate auditor. In addition, Ms. Tsuji meets the requirements as an independent officer based on the regulations of the Tokyo Stock Exchange. If the appointment of Ms. Tsuji is approved the Company intends to make use of her services as an independent officer.</p>		
	<p><b>Special-interest relationships:</b>  No special-interest relationships exist between Ms. Sachie Tsuji and the Company.</p>		
	<p><b>Limited liability agreement:</b>  If the appointment of Ms. Sachie Tsuji is approved, the Company plans to enter into an agreement pursuant to Article 427, Paragraph 1 of the Companies Act to limit the amount of the liability for damages prescribed in Article 423, Paragraph 1 of the same law. The limit of the liability for damages in this agreement will be in line with the amount stipulated by the relevant laws and regulations.</p>		

**Proposal 4: Election of One (1) Substitute Audit & Supervisory Board Member**

The Company proposes that one person be elected as Substitute Audit & Supervisory Board Member in case the Company should face a shortfall in the number of Audit & Supervisory Board Members stipulated by laws and regulations.

This proposal has obtained the consent of the Audit & Supervisory Board.

The candidate for the position of Substitute Audit & Supervisory Board Member is as follows:

Name (Date of Birth)	Brief Personal History, Positions at the Company and Important Concurrent Positions	Number of the Company's Shares Held	
Shoji Chiba (June 25, 1965)	April 1988      Joined the Company April 2010      Department Manager, Planning Dept. April 2014      Department Manager, Finance Dept. April 2020      Officer (current position) Department Manager, Administration Dept. (current position) Department Manager, Legal Dept. (current position)	1,637 common shares	
	<b>Significant concurrent positions:</b> Not applicable		
	<b>Special-interest relationships:</b> No special-interest relationships exist between Mr. Shoji Chiba and the Company.		