

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Securities code: 2594

June 10, 2025

(Electronic provision measures commencement date: June 3, 2025)

**To shareholders with Voting Rights:**

Yutaka Shibata  
President  
KEY COFFEE INC  
2-34-4, Nishi-shimbashi, Minato-ku,  
Tokyo, Japan

## **NOTICE OF THE 73rd ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We hereby inform you that the 73rd Annual General Meeting of Shareholders of KEY COFFEE INC (the “Company”) will be held as described below.

In convening this meeting, the Company has taken measures for electronic provision. The matters provided electronically (the “Electronic Provision Measures Matters”) are posted as “Notice of the 73rd Annual General Meeting of Shareholders” on the Company’s website on the internet.

The Company’s website                    <https://www.keycoffee.co.jp/e/company/shareholders-meeting/>

These items are also disclosed on the following website.

Tokyo Stock Exchange website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the website shown above, enter the Company’s name or securities code to search, and select “Basic information” then “Documents for public inspection/PR information” to view the information.

**You are able to exercise your voting rights in advance in writing or via the internet, etc. (using computers, smartphones, and the like). If you choose not to attend the meeting in person, please review the Reference Documents for the General Meeting of Shareholders that are included in the items provided electronically, and exercise your voting rights no later than 5:30 p.m. (closing time of the Company’s business hours) on Tuesday, June 24, 2025 (Japan time).**



**1. Date and Time:** Wednesday, June 25, 2025 at 10:30 a.m. (Japan time)

**2. Venue:** CURIAN (Main Hall)  
Shinagawa Ward Residents' Assembly Hall, 8F  
5-18-1, Higashioi, Shinagawa-ku, Tokyo, Japan  
(The venue has changed from last year.)

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company's 73rd fiscal year (April 1, 2024–March 31, 2025) and results of audits by the Accounting Auditor and the Audit & Supervisory Committee of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company's 73rd fiscal year (April 1, 2024–March 31, 2025)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Five (5) Directors (excluding Directors who are Audit & Supervisory Committee Members)
- Proposal 3:** Election of Four (4) Directors who are Audit & Supervisory Committee Members
- Proposal 4:** Continuation of Response Policy to Large-Scale Purchases of Issued Shares of the Company (Response Policy to Takeovers)
- **In accordance with the relevant laws, regulations, and Article 16 of the Company's Articles of Incorporation, the paper copy sent to shareholders who have submitted a request for delivery of documents does not contain the items shown below. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit & Supervisory Committee and the Accounting Auditor therefore include not only the items presented in the paper copy sent to shareholders who have submitted a request for delivery of documents but also items posted on the Company's website.**
    - × "Main Businesses," "Main Places of Business," "Employees," "The Company's Shares," "Accounting Auditor," "Systems to Ensure Proper Business Operations," "Status of Operation of Systems to Ensure Proper Business Operations" and "Basic Policy on Control of the Company's Shares" in the Business Report
    - × "Consolidated Statements of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements, and "Non-consolidated Statements of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

**4. Matters Decided upon Convocation**

**When voting rights are exercised in writing:**

If you do not indicate your vote on a proposal listed on the Voting Rights Exercise Form, your vote will be treated as a vote in favor of the proposal.

**If the same vote is cast more than once:**

If you vote via both the Voting Rights Exercise Form and the internet, the last vote the Company receives will be deemed valid. In the event that the Company receives both on the same day, the vote cast via the internet, etc. will be deemed valid.

If you submit your vote multiple times via the internet, etc., only your last vote will be deemed valid.

- **Other information for shareholders will be posted on the Company's internet website (<https://www.keycoffee.co.jp/e/>) by the day of the General Meeting of Shareholders. Please check back for the latest information as appropriate.**

**If attending the meeting in person, please submit the enclosed Voting Rights Exercise Form at the venue reception (opening at 9:30 a.m.).**

**Please note that any persons apart from shareholders of the Company eligible to exercise voting**



**rights will not be permitted to enter the meeting venue. This includes proxies and accompanying persons (except in the case of those accompanying shareholders with a physical impediment).**

**Any corrections to the Electronic Provision Measures Matters will be posted, together with the matters before and after correction, on each of the websites shown above.**



## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Appropriation of Surplus

In order to both redistribute profit to our shareholders and secure the internal reserves necessary for future business development and the strengthening of our corporate foundation, the Company's basic policy is to strive for steady dividends.

Although the general outlook remains uncertain, we propose to pay year-end dividends for the 73rd fiscal year as detailed below, in keeping with the basic policy and in light of our earnings outlook and other factors. If this proposal is approved, our annual dividend for the 73rd fiscal year will be ¥12 per share, including the interim dividend of ¥6 per share.

Matters regarding year-end dividends

- (1) Type of the dividend property  
Cash
- (2) Matters regarding the allocation of the dividend property to shareholders and the total amount thereof  
¥6 per common share of the Company  
Total amount: ¥130,078,518
- (3) Effective date for dividends of surplus  
June 26, 2025



**Proposal 2:** Election of Five (5) Directors (excluding Directors who are Audit & Supervisory Committee Members)

The terms of office of all five (5) Directors (excluding Directors who are Audit & Supervisory Committee Members; hereinafter the same shall apply in this Proposal) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of five (5) Directors.

The proposed candidates for Director were nominated with the proper involvement of, advice from, and consultation with the Audit & Supervisory Committee, in which at least three-fourths of the members are independent Outside Directors.

The candidates for Director are as follows.

No.	Name (Age)	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings
1	Yutaka Shibata (61 years old) [Reappointment]	President	100% (14 of 14)
2	Kazuo Kawamata (67 years old) [Reappointment]	Director and Chairman	100% (14 of 14)
3	Nobuhiro Ozawa (65 years old) [Reappointment]	Director and Executive Vice President	100% (14 of 14)
4	Masaya Ando (65 years old) [Reappointment]	Director and Senior Managing Executive Officer	100% (14 of 14)
5	Masataka Nakano (52 years old) [Reappointment]	Director and Managing Executive Officer	100% (14 of 14)

Note: The ages are as of the date of this meeting.



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	No. of Company shares owned (of which no. of shares to be delivered under the stock compensation scheme)
1	Yutaka Shibata (January 12, 1964)  [Reappointment]	March 1987      Joined the Company April 1997      General Manager, Sales Dept. I June 1997      Director April 1999      Deputy General Manager, Corporate Customer Sales Div. October 2000    Managing Director October 2000    General Manager, Planning Div. April 2001      General Manager, Marketing Div. June 2001      Senior Managing Director January 2002    Representative Director and Senior Managing Director July 2002      President (current position) April 2009      Responsible for Audit Dept. (current position) April 2022      General Manager, Future of Coffee Dept. (current position)	532,230  (10,010)
[Reason for nomination as candidate for Director] Mr. Yutaka Shibata possesses extensive business experience in management positions, having served in sales, planning and marketing divisions. Since July 2002, he has been active in overseeing the management of the Group as President of the Company, contributing to the enhancement of the Company's corporate value. Based on these achievements, the Company believes that he can be expected to continue to utilize his experience and other attributes in the execution of duties and the supervision of management as Director.			



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	No. of Company shares owned (of which no. of shares to be delivered under the stock compensation scheme)
2	Kazuo Kawamata (November 12, 1957)  [Reappointment]	<p>March 1983      Joined the Company</p> <p>April 2000      General Manager, Sales Dept. I</p> <p>April 2003      General Manager, Corporate Customer Sales Div.</p> <p>June 2003      Director</p> <p>June 2005      Managing Director</p> <p>April 2006      General Manager, Sales Div.</p> <p>April 2008      Chief Sales Representative</p> <p>April 2011      General Manager, Corporate Planning Div.</p> <p>June 2011      Representative Director and President of Key Coffee Communications Inc. (current position)</p> <p>April 2013      General Manager, Marketing Div. of the Company</p> <p>June 2013      Director and Managing Executive Officer</p> <p>June 2013      Responsible for Procurement Group</p> <p>April 2015      Responsible for illy Dept.</p> <p>June 2015      Director and Senior Managing Executive Officer</p> <p>June 2017      Chairman of Taiwan Key Coffee Inc. (current position)</p> <p>April 2019      Chief Product Representative of the Company Responsible for Marketing Div. and Supply Chain Management Div.</p> <p>June 2019      Director and Executive Vice President</p> <p>June 2023      Director and Chairman (current position)</p>	22,162 (7,362)
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Kazuo Kawamata possesses extensive business experience in management positions, having served in sales, marketing, manufacturing, research and development divisions, as well as Representative Director of Group companies. Since June 2003, he has been active as Director of the Company, contributing to the enhancement of the Company's corporate value. Based on these achievements, the Company believes that he can be expected to continue to utilize his experience and other attributes in the execution of duties and the supervision of management as Director.</p>			



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	No. of Company shares owned (of which no. of shares to be delivered under the stock compensation scheme)
3	Nobuhiro Ozawa (January 6, 1960)  [Reappointment]	<p>March 1982      Joined the Company</p> <p>April 2001      General Manager, Sales Dept. II</p> <p>April 2003      General Manager, Sales Dept. I</p> <p>July 2005      General Manager, Corporate Customer Sales Div.</p> <p>June 2007      Director</p> <p>April 2010      Responsible for Corporate Customer Sales Div.</p> <p>April 2011      In charge of labor affairs (current position)</p> <p>April 2012      General Manager, Corporate Customer Sales Div.</p> <p>April 2013      Director and Managing Executive Officer</p> <p>April 2013      Chief Sales Representative (current position)</p> <p>June 2013      Responsible for Sales Div., Retail Sales Div., and Corporate Customer Sales Div. (current position)</p> <p>April 2017      Responsible for Strategy Solutions Dept. (current position)</p> <p>May 2019      Representative Director and President of Italian Tomato Co., Ltd. (current position)</p> <p>June 2019      Director and Senior Managing Executive Officer of the Company</p> <p>April 2023      Responsible for illy Dept. (current position)</p> <p>June 2023      Director and Executive Vice President (current position)</p>	17,152 (6,452)
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Nobuhiro Ozawa possesses extensive business experience in sales divisions. As Director of the Company since June 2007 and Chief Sales Representative since April 2013, he has been active in co-creation with customers, including the supervision and promotion of all aspects of sales, contributing to the enhancement of the Company's corporate value. Based on these achievements, the Company believes that he can be expected to continue to utilize his experience and other attributes in the execution of duties and the supervision of management as Director.</p>			



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	No. of Company shares owned (of which no. of shares to be delivered under the stock compensation scheme)
4	Masaya Ando (October 31, 1959)  [Reappointment]	<p>February 1984    Joined the Company</p> <p>April 2004       General Manager, Corporate Planning Office</p> <p>April 2009       Deputy General Manager, Corporate Planning Div. and Leader, R&amp;D Group</p> <p>April 2012       Deputy General Manager, Corporate Planning Div. and General Manager, Corporate Planning Dept.</p> <p>April 2013       Executive Officer and General Manager, Corporate Planning Dept.</p> <p>June 2018       Director</p> <p>July 2018       Representative Director and President of Koyu Club Co., Ltd. (current position)</p> <p>June 2019       Director and Managing Executive Officer Chief Financial Officer (current position) Responsible for Administrative Div. (current position)</p> <p>April 2020       In charge of compliance (current position)</p> <p>April 2021       Responsible for Corporate Planning Dept. and Quality Assurances Dept. (current position)</p> <p>June 2023       Director and Senior Managing Executive Officer (current position) Representative Director and President of Nic Foods Co., Ltd. (current position) Representative Director and President of honu KATO COFFEE Inc. (current position)</p> <p>April 2024       Responsible for Secretariat and Corporate Communications Dept. (current position)</p> <p>April 2025       Responsible for Marketing Div. (current position)</p>	5,874 (5,474)
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Masaya Ando possesses extensive business experience and achievements including many years of experience as General Manager of the Corporate Planning Department, as well as in areas such as advertising, sales promotion and product development. He is in charge of the formulation and implementation of business plans and all areas of internal control, financial administration, risk management, governance, etc. Based on these achievements, the Company believes that he can be expected to continue to utilize his experience and other attributes in the execution of duties and the supervision of management as Director.</p>			



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	No. of Company shares owned (of which no. of shares to be delivered under the stock compensation scheme)
5	Masataka Nakano (February 8, 1973)  [Reappointment]	<p>April 1996      Joined the Company</p> <p>December 2012      Vice President of PT. TOARCO JAYA</p> <p>April 2016      General Manager, Marketing Strategy Dept., Marketing Div. of the Company</p> <p>June 2017      President Director of Sulawesi Development Co., Ltd. (current position) Managing Director of Taiwan Key Coffee Inc. (current position)</p> <p>April 2018      Deputy General Manager, Marketing Div. of the Company</p> <p>April 2019      Executive Officer General Manager, Marketing Div.</p> <p>April 2021      General Manager, Supply Chain Management Div.</p> <p>June 2021      Director and Executive Officer</p> <p>June 2023      Director and Managing Executive Officer (current position) Chief Product Representative Responsible for Marketing Div.</p> <p>April 2024      Responsible for Supply Chain Management Div. (current position)</p>	4,252 (3,652)
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Masataka Nakano possesses extensive managerial experience overseas, as well as extensive business experience and achievements from the production of coffee to its consumption, mainly in marketing and manufacturing divisions. Based on these achievements, the Company believes that he can be expected to continue to utilize his experience and other attributes in the execution of duties and the supervision of management as Director.</p>			



Notes:

1. Special interests between the candidates for Director and the Company are as follows:
  - (1) Interests between Mr. Kazuo Kawamata and the Company

Mr. Kazuo Kawamata concurrently serves as Chairman of Taiwan Key Coffee Inc., to which the Company sells roasted coffee beans and other products, and for which the Company acts as a joint and several guarantor.
  - (2) Interests between Mr. Nobuhiro Ozawa and the Company

Mr. Nobuhiro Ozawa concurrently serves as Representative Director and President of Italian Tomato Co., Ltd., to which the Company sells roasted coffee beans and other products. The Company also acts as a joint and several guarantor for Italian Tomato Co., Ltd., and lends money to Italian Tomato Co., Ltd.
  - (3) Interests between Mr. Masaya Ando and the Company

Mr. Masaya Ando concurrently serves as Representative Director and President of Koyu Club Co., Ltd., from which the Company rents land and to which the Company lends money. He also concurrently serves as Representative Director and President of Nic Foods Co., Ltd., to which the Company sells raw material coffee and outsources the processing of finished goods and merchandise, and from which the Company purchases beverage products, etc. Additionally, the Company borrows money from Nic Foods Co., Ltd.
  - (4) There are no special interests between the other candidates for Director and the Company.
2. The Company has entered into a directors and officers liability insurance policy with an insurance company. The policy insures all the Company's Directors and covers damage that may arise from an insured person assuming liability for the execution of their duties or receiving a claim for the pursuit of such liability. The insurance premiums are fully borne by the Company. If this proposal is approved as originally proposed and the candidates assume the office of Director, they will be insured under the policy. The Company intends to renew the policy with the same terms and conditions at the time of the next renewal.



**Proposal 3:** Election of Four (4) Directors who are Audit & Supervisory Committee Members

The terms of office of all four (4) Directors who are Audit & Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of four (4) Directors who are Audit & Supervisory Committee Members, including three (3) Outside Directors.

The consent of the Audit & Supervisory Committee, in which at least three-fourths of the members are independent Outside Directors, has been obtained for this proposal.

The candidates for Director who is an Audit & Supervisory Committee Member are as follows.

No.	Name (Age)	Current positions and responsibilities at the Company	Attendance at the Board of Directors meetings
1	Satoshi Watabe (61 years old) [New appointment]	General Manager, Audit Dept.	–
2	Kozo Nakagawa (74 years old) [Reappointment]	Outside Director, Audit & Supervisory Committee Member	100% (14 of 14)
3	Yoshiko Shibamoto (73 years old) [Reappointment]	Outside Director, Audit & Supervisory Committee Member	100% (14 of 14)
4	Shiho Azuma (50 years old) [Reappointment]	Outside Director, Audit & Supervisory Committee Member	100% (14 of 14)

Note: The ages are as of the date of this meeting.



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	No. of Company shares owned (of which no. of shares to be delivered under the stock compensation scheme)
1	Satoshi Watabe (October 25, 1963)  [New appointment]	<p>April 1990      Joined Japan Tobacco Inc.</p> <p>January 2016    General Manager, Quality Assurances Dept. of the Company (accepted secondment)</p> <p>April 2016      General Manager, Quality Assurances Dept. of the Company (accepted secondment)</p> <p>March 2019     Resigned from Japan Tobacco Inc.</p> <p>April 2019      Joined the Company</p> <p>April 2021      General Manager, Quality Assurances Dept. and General Manager, Audit Dept.</p> <p>April 2024      General Manager, Audit Dept. (current position)</p> <p>June 2024      Audit &amp; Supervisory Board Member of Nic Foods Co., Ltd. (current position)</p>	0
<p>[Reason for nomination as candidate for Director who is an Audit &amp; Supervisory Committee Member]</p> <p>Mr. Satoshi Watabe possesses extensive business experience in research and development divisions and quality assurance divisions, etc., as well as extensive experience in audit and supervisory operations, including a service as General Manager of the Audit Department. Based on these achievements, the Company believes that he can be expected to utilize his experience and other attributes in the supervision of management as Director who is an Audit &amp; Supervisory Committee Member.</p>			
2	Kozo Nakagawa (March 5, 1951)  [Reappointment]	<p>November 1980    Joined Deloitte Haskins and Sells International (presently Deloitte Touche Tohmatsu LLC)</p> <p>February 1985    Registered as a certified public accountant</p> <p>September 2011   Resigned from Deloitte Touche Tohmatsu LLC</p> <p>October 2011     Founded Kozo Nakagawa Certified Public Accountant Office (current position)</p> <p>December 2011   Registered as a certified tax accountant</p> <p>December 2011   Founded Kozo Nakagawa Certified Tax Accountant Office (current position)</p> <p>June 2012        Audit &amp; Supervisory Board Member of the Company</p> <p>June 2012        Audit &amp; Supervisory Board Member of Pronexus Inc.</p> <p>June 2013        Audit &amp; Supervisory Board Member of Nikki Co., Ltd.</p> <p>June 2015        Director (Audit &amp; Supervisory Committee member) of the Company (current position)</p>	4,350 (2,450)
<p>[Reason for nomination as candidate for Outside Director who is an Audit &amp; Supervisory Committee Member and summary of expected roles]</p> <p>Mr. Kozo Nakagawa has no experience of direct involvement in corporate management but possesses specialized knowledge gained through years of experience as a certified public accountant. He served as an Audit &amp; Supervisory Board Member of the Company from 2012 and has served as a Director who is an Audit &amp; Supervisory Committee Member since June 2015. Over the years, he has contributed to the enhancement of our corporate value and fulfilled the role required of an Outside Director by actively offering opinions from his unique perspective at Board of Directors meetings while supervising and providing sound advice on business execution. Based on these achievements, the Company judges that he can be expected to continue to utilize his experience and other attributes in the supervision of management as Director who is an Audit &amp; Supervisory Committee Member.</p>			



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	No. of Company shares owned (of which no. of shares to be delivered under the stock compensation scheme)
3	Yoshiko Shibamoto (May 17, 1952)  [Reappointment]	<p>April 1975      Joined Nikkei Inc. Deputy editor-in-chief of <i>Shopping</i> life information magazine</p> <p>October 1991    Joined <i>Hong Kong Post</i> (Japanese-language newspaper) Editor of the Home section</p> <p>July 1996        Joined Fusansha Co., Ltd. Editor-in-chief of Tamago Club (Magazine for expectant mothers) and Hiyoko Club (Magazine for new mothers) magazines (published by Benesse Corporation)</p> <p>February 2004   Founded Vital Network LLC</p> <p>August 2005    Joined Kadokawa SS Communications, Inc. Editor-in-chief of <i>Mainichi ga hakken</i> (Magazine for senior citizens) magazine</p> <p>April 2007       Part-time lecturer in magazine studies at Dept. of Journalism, Faculty of Humanities, Sophia University</p> <p>January 2011    Representative Director of Vital Network LLC (current position)</p> <p>September 2012 Part-time lecturer in Japanese literacy at Faculty of Science and Engineering, Toyo University</p> <p>June 2019       Director (Audit &amp; Supervisory Committee Member) of the Company (current position)</p>	2,012 (2,012)
<p>[Reason for nomination as candidate for Outside Director who is an Audit &amp; Supervisory Committee Member and summary of expected roles]</p> <p>Ms. Yoshiko Shibamoto has no experience of involvement in corporate management as an outside director but possesses deep insight as a scholar, in addition to a wealth of broad experience in the consumer sector gained by serving as editor-in-chief of information and other magazines for various age groups ranging from young parents to the elderly. At the Company, she has served as a Director who is an Audit &amp; Supervisory Committee Member since 2019. Over the years, she has contributed to enhancing the Company's corporate value and fulfilled the role required of an Outside Director by actively offering opinions from her unique perspective at Board of Directors meetings while supervising and providing sound advice on business execution. Based on these achievements, the Company judges that she can be expected to continue to properly carry out her duties as Director who is an Audit &amp; Supervisory Committee Member to maintain the transparency of management and enhance the governance function.</p>			



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	No. of Company shares owned (of which no. of shares to be delivered under the stock compensation scheme)
4	Shiho Azuma (April 22, 1975)  [Reappointment]	October 2006 Registered as an attorney Joined Daiichifuyo Law Office October 2014 Partner of Daiichifuyo Law Office (current position) June 2019 Outside Audit & Supervisory Board Member of Kanda Tsushinki Co., Ltd. (current position) April 2020 Auditor of Dai-Ichi Tokyo Bar Association June 2021 Director (Audit & Supervisory Committee Member) of the Company (current position)	1,312 (1,312)
	[Reason for nomination as candidate for Outside Director who is an Audit & Supervisory Committee Member and summary of expected roles] Ms. Shiho Azuma has no experience of direct involvement in corporate management but she is highly independent from the Company's management and possesses specialized knowledge gained through years of experience as an attorney. She also has insight gained from service as an outside audit and supervisory board member of another company. At the Company, she has served as a Director who is an Audit & Supervisory Committee Member since 2021. Over the years, she has contributed to enhancing the Company's corporate value and fulfilled the role required of an Outside Director by actively offering opinions from her unique perspective at Board of Directors meetings while supervising and providing sound advice on business execution. Based on these achievements, the Company judges that she can be expected to continue to utilize her experience and other attributes in the supervision of management and provide appropriate advice and recommendations at the site of management decision-making as Director who is an Audit & Supervisory Committee Member.		



Notes:

1. There are no special interests between any of the candidates and the Company.
2. As of the end of this General Meeting of Shareholders, Mr. Kozo Nakagawa, Ms. Yoshiko Shibamoto and Ms. Shiho Azuma will have served as Outside Director who is an Audit & Supervisory Committee Member for ten (10) years, six (6) years and four (4) years, respectively.
3. Mr. Kozo Nakagawa, Ms. Yoshiko Shibamoto, and Ms. Shiho Azuma are candidates for Outside Director.
4. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Kozo Nakagawa, Ms. Yoshiko Shibamoto, and Ms. Shiho Azuma to limit their liability for damages under Article 423, Paragraph 1 of the said Act. If their reelection is approved, the Company intends to continue these agreements with them. Also, if Mr. Satoshi Watabe is elected as originally proposed, the Company will enter into the same agreement with him to limit his liability. The liability for damages under the agreements is limited to the amount stipulated by laws and regulations (minimum liability amount).
5. The Company has entered into a directors and officers liability insurance policy with an insurance company. The policy insures all the Company's Directors, including Directors who are Audit & Supervisory Committee Members, and covers damage that may arise from an insured person assuming liability for the execution of their duties or receiving a claim for the pursuit of such liability. The insurance premiums are fully borne by the Company. If this proposal is approved as originally proposed and the candidates assume the office of Directors who is an Audit & Supervisory Committee Member, they will be insured by the policy. The Company intends to renew the policy with the same terms and conditions at the time of the next renewal.
6. The Company has notified the Tokyo Stock Exchange that Mr. Kozo Nakagawa, Ms. Yoshiko Shibamoto, and Ms. Shiho Azuma are independent directors (outside directors) as provided for in the exchange's regulations. If their reelection is approved, they will continue to serve as independent directors.
7. The Company has entered into agreements with Mr. Kozo Nakagawa, Ms. Yoshiko Shibamoto, and Ms. Shiho Azuma to appoint them members of an independent committee for takeover response policies.



#### **Proposal 4: Continuation of Response Policy to Large-Scale Purchases of Issued Shares of the Company (Response Policy to Takeovers)**

The Company decided to introduce measures to respond to large-scale purchases of the Company's shares (takeover defense measures; hereinafter referred to as "the Plan") at the meeting of the Board of Directors held on April 23, 2008. The Plan was approved by the Company's shareholders at the 56th Annual General Meeting of Shareholders held on June 24, 2008.

Since the term of validity of the Plan will expire at the conclusion of this General Meeting of Shareholders, as announced on May 30, 2025 in "Notice Concerning Continuation of Response Policy to Large-Scale Purchases of Issued Shares of the Company (Response Policy to Takeovers)," the Board of Directors, at the meeting held on the same day, has decided to continue the Plan upon revising terms in light of recent trends and other factors, subject to the approval of shareholders at this General Meeting of Shareholders.

The approval of shareholders is requested to continue the Plan based on the provisions of Article 41, Paragraph 1 of the Company's Articles of Incorporation.

Regarding the continuation of the Plan, the Company has taken actions such as revising the terms based on consideration of changes in the Company's social conditions and business environment, as well as factors such as trends in the debate concerning response policies to takeovers. However, the basic content of the Plan remains unchanged.

The Plan aims to enable shareholders to make appropriate decisions considering whether large-scale purchases of the Company's shares contribute to securing or enhancing the Company's corporate value or, by extension, the common interests of its shareholders by ensuring they have access to necessary and sufficient information regarding the large-scale purchases and sufficient time to consider them. The Plan does not impede large-scale purchases per se, or remove the opportunity for shareholders to determine whether or not to accept large-scale purchases.

Regarding the continuation of the Plan, the Directors who are Audit & Supervisory Committee Members (including three (3) Outside Directors) who attended the meeting of the Board of Directors mentioned above all expressed their agreement to the continuation of the Plan.

Please refer to the Appendix for details of the Plan.

For reference, the Company has not received any proposals concerning a large-scale purchase of the Company's shares as of May 30, 2025.



## Appendix

### I. Basic Views of the Company on the Continuation of the Plan

#### 1. Basic policy on the nature of decision-makers for the Company's financial and business policies

The Company's ultimate purpose is to secure and enhance the corporate value of the Company and the KEY COFFEE Group (hereinafter referred to simply as "the Company's corporate value") and the common interests of its shareholders. The Company considers parties that contribute to achieving this purpose as suitable decision-makers for the Company's financial and business policies.

The Company therefore considers any party (hereinafter referred to as a "Proposing Purchaser") making a purchase proposal involving a large-scale purchase of the Company's shares or transfer of control (hereinafter referred to as a "Purchase Proposal") that clearly violates the purpose of securing and enhancing the Company's corporate value and the common interests of its shareholders, unsuitable as a decision-maker for the Company's financial and business policies. On the other hand, the Company will not oppose a Purchase Proposal that would contribute to securing and enhancing the Company's corporate value and the common interests of its shareholders.

However, for shareholders to make an appropriate judgment regarding whether or not a Purchase Proposal contributes to securing and enhancing the Company's corporate value and the common interests of its shareholders, the Company believes that it is necessary for shareholders to have access to necessary and sufficient information, based on an understanding of the tangible and intangible elements and management resources that compose this value and the common interests of shareholders. This would include information concerning matters such as the Proposing Purchaser's views on the Company's corporate value and the common interests of its shareholders and the Proposing Purchaser's proposed strategies, measures, and approach to securing and enhancing this value and the common interests of shareholders. Moreover, the Company believes that it is necessary for shareholders to engage in necessary and sufficient comparison and consideration of this information, together with the management policies and other information presented by the Company's current management team.

The Company therefore considers that any Proposing Purchasers that do not provide shareholders with the time and information reasonably necessary to sufficiently consider the content of the relevant Purchase Proposal will not contribute to securing and enhancing the Company's corporate value and the common interests of its shareholders, and are not suitable Proposing Purchasers.

The views and management policy of the current management team regarding the Company's corporate value and the common interests of its shareholders are presented in sections 2 and 3 below, for the reference of shareholders.

#### 2. Source of the Company's corporate value and the common interests of its shareholders

- (1) The Company traces its origin to the coffee merchant Kimura Shoten, founded in Yokohama in 1920 to roast and sell coffee. Throughout its long history in the coffee business, it has focused its passion to pursue the ultimate in coffee, not only on importing, manufacturing, and selling coffee, but also in areas such as the development and management of coffee plantations to produce more delicious coffee beans. We are proud to say that the history of KEY COFFEE is also the history of coffee in Japan. The Company was listed on the First Section of the Tokyo Stock Exchange in 1997. In response to the rising demand to fulfill its social responsibilities, it established the management policy of enhancing customer, shareholder, and employee satisfaction and coexisting with society, in addition to its founding philosophy of pursuing the ultimate in coffee. The Company proceeded to engage in CSR activities with the aim of achieving the following slogan: KEY COFFEE



passionately pursues coffee and enriches every cup to bring joy and people together everywhere. In April 2022, it was listed on the Tokyo Stock Exchange Prime Market, and is engaged in initiatives for sustainable growth, the enhancement of medium- and long-term corporate value, and achieving an even higher standard of governance.

- (2) Today, with this long history behind it, “KEY COFFEE” is recognized wherever coffee is consumed, from households to cafes and workplaces. The strength of the KEY COFFEE brand is the source of the Company’s present corporate value and the common interests of its shareholders. This brand strength not only provides the Company with stable revenue but also enables it to actively develop its business activities. At the same time, it regulates the Company’s actions to fulfill its social responsibility. In other words, it is the motivation and driving force behind the Company’s business, the guidepost indicating the path it should pursue, and the source from which it generates value.

### 3. Initiatives to secure and enhance the Company’s corporate value and the common interests of its shareholders

With the strength of the “KEY COFFEE” brand as the source of the Company’s corporate value and the common interests of its shareholders, the Company has implemented initiatives such as those set forth below to further secure and enhance corporate value.

#### (1) Devotion to coffee

Coffee, of course, is made from coffee beans. The first step towards creating delicious coffee is high-quality coffee beans. A deep understanding of this fact throughout its history has led us to build close relationships of trust with coffee farmers overseas. We have worked to secure a stable supply of higher-quality coffee beans at a fair price and have engaged in the direct development of coffee plantations since the prewar period in pursuit of the ideal coffee beans.

The TOARCO TORAJA, a masterpiece coffee which we revived in 1978 by re-cultivating the plantations, is a coffee boasting world-class quality, born from our unflagging passion for coffee. These beans exude a rich aroma, smooth acidity, and firm body that have captured the hearts of many coffee fans. These outstanding quality beans, together with our long-selling Special Blend, have received the Superior Taste Award from the International Taste Institute, which sometimes called the Michelin Guide for food products.

In 2023, we have launched an original logo and short movie to mark the 45th anniversary of the commencement of the sale of TOARCO TORAJA, demonstrating our strong commitment to continue to convey the delicious taste of TOARCO TORAJA, made together with the local producers, as well as the charm of the local area, into the future.

#### (2) Enhancement of production equipment

However outstanding the coffee beans used, the quality of the coffee will suffer if the production equipment used to process and package them is not up to standard. With this in mind, we embarked on the renovation of our four factories in Japan in 2001. Focusing on hygiene management, we enhanced and upgraded our equipment to make these factories food facilities for the future and raise production capacity.

We have now constructed production and logistics systems at all these factories, under sophisticated hygiene management, capable of processing and packaging products to make the most of our high-quality coffee beans and preserving the freshness of these products right into the hands of consumers. These four factories received certification under FSSC 22000, a global food safety certification system.

#### (3) Market development



As a coffee enterprise, the Company depends on high-quality coffee beans and production equipment to create a delicious taste, as described above. At the same time, however, we consider that providing a diverse range of coffee products to meet customer needs and engaging in sales activities that achieve a high level of customer satisfaction to fulfill customer expectations and further strengthen trust is also vital for the further enhancement of the KEY COFFEE brand.

From this perspective, in the HORECA market, we have continued to develop meticulous solution-oriented business activities tailored to each region, industry, and shop. In addition to promoting sales of high value-added coffee products, such as TOARCO TORAJA, HYO-ON Aging Liquid Coffee, and coffee produced in certified plantations, we have worked to expand sales by strengthening food items we handle for the HORECA market, such as the SHOTT flavored coffee syrups, which are produced in New Zealand from natural ingredients and have made their debut in the Japanese market, and developed new customers.

In the Household market, we have actively developed and sold new, highly differentiated products with clear concepts such as products developed from a consumer perspective and products dedicated to safety and security. We rebranded PREMIUM STAGE, the representative brand of our regular coffee products, as “KEY DOORS+” in September 2023 in our aim to make it appealing to young customers in their 20s and 30s, while retaining loyalty of long-standing elderly customers, and enhanced its product lineup to include large packs of ground coffee (FLEXIBLE PACK), DRIP ON designed to drip coffee easily with low caffeine, liquid coffee, and cold-brew coffee.

#### (4) Research and development

The business activities described above only achieve success if they are based on an accurate understanding of market needs and the ability to incorporate this understanding into product development. For this reason, we established our Research Laboratory in 1985 to engage in basic research on coffee, develop new products, and invent new techniques. This was renamed the Research Institute in 2006 to further clarify its development purpose, and it has engaged in research and development in even closer alignment with our sales activities. The activities of the Research Institute have borne fruit, such as HYO-ON Aging Liquid Coffee. We went on to develop the new KEY Post-Harvest Processing technique that increases the aroma components coffee cherries contain in 2017. In this way, we strive for development of high value-added coffee products.

#### (5) Sustainability activities

A stronger brand also entails a higher burden of responsibility to society. We have engaged in a wide range of initiatives to fulfill this social responsibility. The Toraja Project, which we have pursued on the Indonesian island of Sulawesi since 1973 with the aim of developing together with people in the local community, is a prime example of CSR and CSV activities. Padamaran farm, which we directly manage, is an internationally competitive coffee plantation that has been certified by the Rainforest Alliance. The KEY COFFEE Awards held each year in Indonesia’s Toraja region celebrated their 12th anniversary in 2025. They contribute to improving the cultivation techniques of local producers and achieving a sense of solidarity and symbiosis with the local community. The KEY COFFEE Clé Rouge Fund, which we established in August 2020, the 100th anniversary of the Company’s founding, is engaged in social welfare and environmental conservation efforts in coffee-producing countries, as well as providing economic aid for those suffering from disasters in Japan and elsewhere, through funds donated by executives and employees across the entire KEY COFFEE Group and collected through charity activities, etc.

In accordance with its vision for 2030, “Coffee and KISSA as a Sustainable Company,” we have been engaged in business activities to keep the coffee culture alive and realize sustainable coffee production. The Company’s Chubu Factory, located in Kasugai City, Aichi Prefecture, has converted the source of electricity it consumes entirely to renewable energy by implementing measures such as



installing solar panels. “Future of Coffee Department,” which was established in 2022 under the direct control of the President with the aim of realizing sustainable coffee production, has been strengthening industry-academia-government collaboration since its founding. In May 2024, the Company’s Representative Director and President became the first Asian board member of the World Coffee Research (WCR), an international research organization for coffee. KEY COFFEE Sustainability Report 2024, published in September 2024, introduces the Company’s policy and initiatives concerning sustainability for the realization of a sustainable society. Advancing down the path toward an enterprise that has prospered for two centuries, the Company has been working to tackle the so-called 2050 problem for coffee and enhance support for small coffee producers, and promoting activities to convey the charm of coffee to next-generation consumers.

(6) Strengthening corporate governance

The Company introduced an executive officer system on April 1, 2013, to increase the speed of management decision-making and clarify executive responsibility. In addition to regular monthly meetings, the Company’s Board of Directors holds extraordinary meetings as necessary. Moreover, the Executive Council, composed of Directors, Executive Officers, and others in the management team, meets once each week, in principle, to respond swiftly to changes in the business environment. The Executive Council receives reports on the execution of business in each division and decides on specific measures based on these reports. The Company transitioned from a company with an audit & supervisory board to a company with an audit and supervisory committee in 2015 with the aim of further enhancing internal controls across the entire KEY COFFEE Group, and endeavors to strengthen the soundness and efficiency of its business management.

4. Summary

Under the Company’s corporate philosophy and management policy to “pursue the ultimate in coffee,” “enhancing customer, shareholder, and employee satisfaction and coexisting with society,” we have striven since the Company’s founding in 1920 to provide our customers with high-quality coffee and fulfill the social responsibility with which we are charged, in order to establish and enhance the KEY COFFEE brand, the source of the Company’s corporate value and the common interests of shareholders. This brand strength is founded on the trust and high expectations that we have built up with our customers over many years. Any Proposing Purchaser that does not fully understand this foundation risks losing the trust and high expectations placed on us by our customers and, as a result, damaging the Company’s corporate value and the common interests of shareholders. We therefore consider such a Proposing Purchaser to be unsuitable as a decision-maker for the Company’s financial and business policies.

As of the record date (March 31, 2025) for this Annual General Meeting of Shareholders, the Company has 53,715 shareholders. We furthermore consider any Proposing Purchaser that does not provide many of these shareholders with necessary and sufficient information to determine whether or not to consent to the Purchase Proposal, or does not provide necessary and sufficient time to compare and evaluate this information, together with the management policies and other information presented by the Company’s current management team, as an unsuitable Proposing Purchaser.

In this way, the Plan was introduced in 2008 and was approved at the Annual General Meeting of Shareholders held in June in the same year based on our judgment that it is vital to protect the Company from Purchase Proposals that would damage the Company’s corporate value and the common interests of shareholders, and to ensure that shareholders can make an appropriate judgment based on the necessary and sufficient information on the Purchase Proposal and time for consideration. For the sake of an appropriate judgment by shareholders, we judged that the need for securing necessary and sufficient information on the Purchase Proposal and time for consideration remains



unchanged. The Board of Directors has therefore decided to continue the Plan, subject to the approval of shareholders for the continuation at this Annual General Meeting of Shareholders.

For reference, the Company has not received any Purchase Proposals as of May 30, 2025.

## II. Description of the Plan

### 1. Purpose of the Plan

The purpose of the Plan, as set forth above, is to secure the necessary and sufficient information on the large-scale purchases of the Company's shares and time for consideration to ensure that shareholders can make an appropriate judgment from the perspective of whether or not the large-scale purchases contribute to securing and enhancing the Company's corporate value and the common interests of its shareholders.

### 2. Overview of the Plan

An overview of the Plan is presented below. Please also refer to the flowchart of procedures associated with the Plan, presented in Appendix 1.

#### (1) Establishment of requirements for large-scale purchasers

The Plan requires that parties (hereinafter referred to as "Large-scale Purchasers") intending to engage in any of the actions (i) to (iii), listed in 3. (1) A. (A) (hereinafter referred to as "Large-scale Purchases"), must provide necessary and sufficient information, and also stipulates the necessary procedures to achieve the purpose described above, such as procedures to ensure opportunities for negotiation with Large-scale Purchasers. Large-scale Purchasers may not carry out a large-scale purchase of the Company's shares until a resolution is passed by the Company's Board of Directors or General Meeting of Shareholders regarding whether or not to invoke defense measures under the Plan.

#### (2) Establishment of the Independent Committee

The Independent Committee Regulations have been established under the Plan to eliminate any arbitrary decisions by the Board of Directors. Under these regulations, the Company shall establish the Independent Committee, composed of highly-independent Outside Directors and others, and give maximum regard to its objective judgment. Please refer to Appendix 2 for an overview of the Independent Committee Regulations. Please refer to Appendix 3 for the names and career summaries of the Independent Committee Members.

#### (3) Respect for the will of shareholders

By ensuring that the necessary information is provided to shareholders in a timely and appropriate manner, the Plan is designed to facilitate the appropriate formation of the opinion of shareholder will regarding large-scale purchases of the Company's shares, and to fully respect this will. Moreover, in addition to ensuring that necessary and sufficient information is provided to shareholders, the Plan gives maximum respect to the will of shareholders regarding any Large-scale Purchase through measures such as enabling the Independent Committee to recommend to the Board of Directors that a Purchase Proposal be submitted to the General Meeting of Shareholders. The Company also ensures opportunities for shareholders to decide on whether or not to continue the Plan every two years. Furthermore, the Plan stipulates that it may be abolished, even during its term of validity, by the will of the Company's shareholders.

#### (4) Countermeasures through the gratis allotment of share acquisition rights

In cases such as those where a Proposing Purchaser engages in a Large-scale Purchase of the Company's shares without following the procedures stipulated under the Plan, or where the Large-scale Purchase clearly risks violating efforts to secure and enhance the Company's corporate value and the common interests of its shareholders, the Company shall allot share acquisition rights



(hereinafter referred to as the “Share Acquisition Rights”) through a gratis allotment to all shareholders of the Company on the day of the allotment, excluding the Company itself. The Share Acquisition Rights shall carry conditions such as an exercise condition stipulating that they may not be exercised by the Proposing Purchaser(s) and an acquisition clause stating that they may be acquired from holders, with the exception of the Proposing Purchaser(s), by the Company in exchange for the Company’s shares.

### 3. Details of the Plan

#### (1) Procedures for invoking defense measures under the Plan

##### A. Purchases of the Company’s share certificates, etc. subject to the Plan (Large-scale Purchases)

(A) The acts set forth in (i) to (iii) below shall be subject to the Plan (except where the consent of the Board of Directors has been obtained in advance).

- (i) Purchases or other acquisitions<sup>3</sup> that would result in the share certificates, etc.<sup>1</sup> issued by the Company and held by a specified shareholder of the Company constituting a holding ratio of share certificates, etc.<sup>2</sup> of at least 20%;
- (ii) Purchases or other acquisitions<sup>7</sup> that would result in the sum of the ownership ratio of share certificates, etc. of a specified shareholder of the Company<sup>5</sup> and the ownership ratio of share certificates, etc. of all specially related parties thereof<sup>6</sup> constituting a total ownership ratio of share certificates, etc.<sup>4</sup> issued by the Company of at least 20%;
- (iii) Cases where a specified shareholder of the Company has an agreement or other act with another shareholder (or shareholders) of the Company that would result in the other shareholder(s) becoming joint holder(s),<sup>8</sup> or acts<sup>10</sup> that would establish a relationship<sup>9</sup> between the specified shareholder of the Company and the other shareholder(s) where either would gain effective control over the other, or where they would act jointly or in concert (provided, however, that the specified shareholder of the Company and the other shareholder(s) would hold, in total, at least 20% of all share certificates, etc. issued by the Company), regardless of whether or not the act corresponds to (i) or (ii) above

(B) The Board of Directors shall disclose the existence of any Large-scale Purchaser to shareholders in an appropriate and timely manner.

##### B. Obligations of Large-scale Purchasers

Where a Large-scale Purchaser intends to engage in a purchase of the Company’s shares in accordance with the procedures stipulated under the Plan, the Large-scale Purchaser must not carry out the purchase until a resolution has been passed by the Board of Directors or the General Meeting of Shareholders regarding whether or not to implement a gratis allotment of the Share Acquisition Rights.

##### C. Requirements for Large-scale Purchasers to provide information

- (A) Large-scale Purchasers must submit a “Letter of Intent to Purchase,” including a pledge and other content stipulated under the Plan, to the Board of Directors in advance. The Letter of Intent to Purchase shall clearly indicate, in Japanese, the name, address, applicable incorporation law, name of representative, contact details in Japan, and a summary of the intended Large-scale Purchase.
- (B) Upon receiving the Letter of Intent to Purchase, the Board of Directors shall promptly provide it to the Independent Committee. The Independent Committee shall, within ten business days of receiving the Letter of Intent to Purchase, provide to the Large-scale Purchaser, via the Board of Directors, a “Request for Required Information” setting forth the information that the Large-scale Purchaser is required to submit (hereinafter referred to as the “Required Information”).



The content of the Required Information will differ depending on the specific circumstances of the Large-scale Purchaser. However, the following information is usually required.

- (i) Details of the Large-scale Purchaser and its group (including joint owners, specially related parties, and partners (in the case of funds) or other members) (This includes information on the specific name, capital structure, composition of shareholders and other investors (such as a register of shareholders or other document indicating the composition of shareholders and other investors), finances, details of any previous transaction(s) by the Large-scale Purchaser similar to the Large-scale Purchase, and the effect on the corporate value of the target company that resulted from this transaction, etc.);
- (ii) The purposes, method, and details of the Large-scale Purchase (including the value and type of consideration, timing, the scheme of any related transactions, the legality of the purchase method, and the feasibility of the purchase, etc.);
- (iii) The basis for calculation of the purchase price by the Large-scale Purchaser (facts and assumptions upon which the calculation is based, the calculation method, quantitative information used in the calculation, the details of synergies anticipated to arise from transactions related to the Large-scale Purchase (including the details of synergies distributed to minority shareholders), and the basis used to calculate these values, etc.);
- (iv) The timing, number, value, and method, etc. of any previous purchases of the Company's share certificates, etc. by the Large-scale Purchaser, and the timing, number, value, and method, etc. of any previous transfer of the Company's share certificates, etc. by the Large-scale Purchaser;
- (v) The content of all contracts or agreements (including verbal contracts or agreements, and regardless of the possibility of performance) that the Large-scale Purchaser has entered into related to the Company's share certificates, etc.;
- (vi) Where a third-party organization has been consulted for an opinion, etc. regarding the calculation of the Large-scale Purchase price, the name and summary of the opinion of this third-party organization, and the specific process by which an amount was determined based on this opinion;
- (vii) Evidence of funding for the Large-scale Purchase, etc. (including the specific names of funders (including effective funders), method of funding, and details of the associated transactions, etc.);
- (viii) Management policy, business plans, capital policy and dividend policy of the KEY COFFEE Group after the Large-scale Purchase;
- (ix) Policy on the treatment of shareholders, employees, trading partners, customers, and other interested parties of the Company after the Large-scale Purchase;
- (x) Specific measures to avoid conflicts of interest with other shareholders of the Company;
- (xi) Where the purpose of the Large-scale Purchaser is to transfer or otherwise dispose of the Company's share certificates, etc. to a third party after the Large-scale Purchase, an overview of the relevant third party (equivalent to the content of (i) above), the relationship of this third party with the Large-scale Purchaser and its group, the purpose of the relevant third party in acquiring the Company's share certificates, etc., its subsequent management policy, business plans, capital policy and dividend policy for the Company and the KEY COFFEE Group, and its policy and specific measures for the treatment of shareholders, employees, trading partners, customers, and other interested parties of the Company and the KEY COFFEE Group;
- (xii) Restrictions based on any laws, regulations, etc. that may be applicable regarding the Large-scale Purchase, and the possibility of obtaining any other approval, permission, etc. in



- accordance with laws, regulations, etc.;
- (xiii) The possibility of maintaining the necessary permits and complying with the relevant laws, regulations, and other restrictions in managing the KEY COFFEE Group after the Large-scale Purchase;
  - (xiv) Any other information that the Independent Committee has reasonably judged to be necessary
- (C) The Large-scale Purchaser shall submit to the Board of Directors a document containing a response, written in Japanese, to the Request for Required Information (this document is hereinafter referred to as the “Response to Required Information”).
- (D) The Board of Directors shall promptly provide the Response to Required Information received from the Large-scale Purchaser to the Independent Committee. Where the Independent Committee judges that the contents of the Letter of Intent to Purchase or the Response to Required Information is inadequate and additional Required Information should be requested, it may request, via the Board of Directors, that the Large-scale Purchaser submits to the Board of Directors a document, written in Japanese, containing the additional Required Information judged necessary (this document is hereinafter referred to as the “Additional Response”), within a time limit predetermined by the Independent Committee. Where the Independent Committee judges that the Required Information provided in the Additional Response is also inadequate, it may request the Large-scale Purchaser to submit a further Additional Response in accordance with the procedures for requesting an Additional Response set forth above.
- (E) Upon receipt of the submission of the Letter of Intent to Purchase, the Response to Required Information, and, where requested, the Additional Response(s) (the information contained in these documents is hereinafter referred to collectively as the “Large-scale Purchase Information”), the Independent Committee shall deliver to the Large-scale Purchaser, via the Board of Directors, a document (hereinafter referred to as the “Information Provision Completion Notice”) to certify that the provision of the Large-scale Purchase Information is completed. Upon the delivery of the Information Provision Completion Notice, the Independent Committee shall disclose the fact and date of its delivery (the date of this disclosure is hereinafter referred to as the “Disclosure Date”). The Independent Committee shall also disclose all or part of the Large-scale Purchase Information, if it considers this disclosure necessary for the judgment of shareholders, at a time that it considers appropriate.
- (F) Where the Independent Committee determines that the Large-scale Purchaser has commenced a Large-scale Purchase of the Company’s share certificates, etc. in violation of the procedures stipulated under the Plan (including the obligations set forth in II. 3. (1) B. above; the same applies hereinafter), it shall, in principle, recommend to the Board of Directors that a gratis allotment of the Share Acquisition Rights should be implemented, except in the case of special circumstances that render it desirable to continue discussions, negotiations, etc. with the Large-scale Purchaser. The Board of Directors may, with maximum regard for this recommendation, implement a gratis allotment of the Share Acquisition Rights.

#### D. Overview of the Independent Committee

- (A) After the Information Provision Completion Notice is provided by the Independent Committee via the Board of Directors to the Large-scale Purchaser, within 60 days from the day immediately following the Disclosure Date in cases where the Large-scale Purchase is a Japanese yen cash-based tender offer for all of the Company’s share certificates, etc., or within 90 days in other cases (hereinafter, the relevant period is referred to as the “Evaluation Period”), the Independent Committee shall fully evaluate and assess the Large-scale Purchase Information from the perspective of whether or not it contributes to securing and enhancing



the Company's corporate value and the common interests of its shareholders. Moreover, where it has requested the opinion, etc. of the Board of Directors defined in II. 3. (1) D. (B) below in accordance with the same provision, the Independent Committee shall also compare and consider the Large-scale Purchase with this, as it forms an opinion.

The Independent Committee shall promptly notify the Board of Directors of the date of expiry of the Evaluation Period, and disclose it in a timely and appropriate manner.

- (B) As a premise for this evaluation and assessment, the Independent Committee shall also establish a response deadline for the Board of Directors during the Evaluation Period, as appropriate, and shall request the Board of Directors to provide its opinion and the results of consideration, etc. of the Large-scale Purchaser, as well as the materials that formed the basis for this opinion and consideration, its alternative proposal (if applicable), and other information, materials, etc. deemed appropriate or necessary by the Independent Committee (hereinafter referred to collectively as the "Opinion, etc. of the Board of Directors"). (The deadline for receipt of the Opinion, etc. of the Board of Directors shall be 30 days from the day following the day when the response was requested. However, the Independent Committee may extend this response period upon the request of the Board of Directors where it considers such an extension necessary.)

Moreover, the Independent Committee may, where considered necessary during the Evaluation Period, indicate issues or points for improvement regarding the Opinion, etc. of the Board of Directors provided to it, and request the Board of Directors to indicate its opinion and response measures to these issues or points for improvement and/or provide an alternative proposal. The Board of Directors shall discuss and consider such requests from the Independent Committee as swiftly as possible and must take appropriate response measures. (Any opinion, response measures, or alternative proposal then provided by the Board of Directors shall form part of the Opinion, etc. of the Board of Directors.)

- (C) Furthermore, the Independent Committee may, where considered necessary during the Evaluation Period, engage in discussions and/or negotiations with the Large-scale Purchaser, either directly or indirectly through the Board of Directors, for the purpose of causing the Large-scale Purchaser to improve the content of its purchase of the Company's shares. The Large-scale Purchaser must participate in these discussions and/or negotiations.
- (D) In addition, the Independent Committee may, where necessary, obtain advice from third parties independent of the Company (including financial advisers, certified public accountants, attorneys-at-law, consultants, and other experts), at the Company's expense.
- (E) During the Evaluation Period, the Board of Directors shall disclose the following matters to the shareholders in a timely and appropriate manner, in accordance with the will of the Independent Committee: parts of the Large-scale Purchase Information and the Opinion, etc. of the Board of Directors considered appropriate by the Independent Committee, and the opinion, etc. of the Independent Committee thereon.

#### E. Recommendation by the Independent Committee

- (A) The Independent Committee shall submit its recommendation to the Board of Directors without delay upon the expiry of the Evaluation Period, in accordance with the following cases.
- a. Recommendation that a gratis allotment of the Share Acquisition Rights should be implemented

Where the Independent Committee determines that the Large-scale Purchase of the Company's share certificates, etc. by the Large-scale Purchaser corresponds to any of the criteria set forth below and that it is appropriate to implement a gratis allotment of the Share Acquisition Rights, it shall recommend to the Board of Directors that the gratis allotment should be implemented.



The Share Acquisition Rights shall have the conditions set forth in Appendix 4. The Independent Committee shall make recommendations regarding those matters related to the Share Acquisition Rights that are delegated to a resolution of the Board of Directors (please refer to II. 3. (1) F. (A) a. below).

Even where the Independent Committee recommends that a gratis allotment of the Share Acquisition Rights should be implemented, it may include an additional remark to the effect that the decision on whether to implement such a gratis allotment should be determined by resolution of the General Meeting of Shareholders, in cases where it judges that this is appropriate from the perspective of securing and enhancing the Company's corporate value and the common interests of its shareholders.

- (i) Where the Large-scale Purchase does not comply with the procedures stipulated under the Plan;
- (ii) Where, among the acts listed below, the Large-scale Purchase clearly risks violating efforts to secure and enhance the Company's corporate value and the common interests of its shareholders;
  - i. Buy-outs of the Company's share certificates, etc. in order to demand that the Company repurchases them at an inflated price;
  - ii. Acts that benefit the Large-scale Purchaser to the detriment of the Company, such as taking temporary control of the Company's management for the purpose of acquiring its assets for a low cost;
  - iii. Diversion of the Company's assets to secure or repay debts of the Large-scale Purchaser or those of its group companies, etc.;
  - iv. Taking temporary control of the Company's management to bring about a disposal of high-value assets that have no current relevance to the Company's businesses and declaring temporarily high dividends from the profits of the disposal, or selling the shares at a high price taking advantage of the opportunity afforded by the sudden rise in share prices created by the temporarily high dividends
- (iii) Large-scale Purchases that threaten to effectively force shareholders to sell their shares, such as coercive two-tiered buy-outs (purchases by tender offer or similar means where the acquisition of all the shares is not canvassed at the first stage and unfavorable or unclear acquisition terms are set for the second stage);
- (iv) Where the Large-scale Purchase does not allow the Board of Directors the time reasonably necessary to submit an alternative proposal;
- (v) Where the Large-scale Purchaser does not sufficiently provide the Company's shareholders or the Board of Directors with the Required Information or other information reasonably necessary to make a judgment on the content of the Large-scale Purchase;
- (vi) Where the terms of the Large-scale Purchase (including the value and type of consideration, the timing and legality of the purchase method, the feasibility of the purchase, the treatment of shareholders, employees, trading partners, customers, and other interested parties of the Company after the Large-scale Purchase, etc.) are insufficient or unsuitable in terms of securing and enhancing the Company's corporate value and the common interests of its shareholders;
- (vii) Where the Large-scale Purchase is contrary to, or threatens to be contrary to, the Company's corporate value and the common interests of its shareholders, such as where it damages technological or production capabilities that are necessary and indispensable for generating the Company's corporate value and the common interests of its shareholders, or the relationships with the Company's employees, customers, trading partners, and others;



(viii) Cases where it is judged that the Large-scale Purchaser is unsuitable as a controlling shareholder of the Company from the perspectives of public order and morality

b. Recommendation that a gratis allotment of the Share Acquisition Rights should not be implemented

(a) Where, after the expiration of the Evaluation Period, the Independent Committee determines that the Large-scale Purchase of the Company's share certificates, etc. by the Large-scale Purchaser does not correspond to any of the criteria set forth in II. 3. (1) E. (A) a. (i) to (viii) above, or that it is not appropriate to implement a gratis allotment of the Share Acquisition Rights, it shall recommend to the Board of Directors that the gratis allotment should not be implemented.

(b) However, after the Independent Committee has recommended that a gratis allotment of the Share Acquisition Rights should not be implemented, it may issue a new recommendation that such a gratis allotment should be implemented if there has been a change in the relevant facts or other circumstances upon which the previous recommendation was premised, or where the criteria for recommending the gratis allotment have been satisfied.

c. Recommendation that the matter should be decided by resolution of the General Meeting of Shareholders

Where, after the expiration of the Evaluation Period, it is questionable whether the Large-scale Purchase by the Large-scale Purchase corresponds to the criteria set forth in II. 3. (1) E. (A) a. (ii) to (viii) above, and where the Independent Committee judges that the decision on whether to implement a gratis allotment of the Share Acquisition Rights should be determined by resolution of the General Meeting of Shareholders, the Independent Committee shall recommend to the Board of Directors that a resolution of the General Meeting of Shareholders be obtained regarding the implementation of such a gratis allotment. In this case, the Independent Committee may request that the Board of Directors includes or attaches information concerning the results of evaluation and assessment by the Independent Committee within the Notice of Convocation for the relevant General Meeting of Shareholders from the perspective of providing shareholders with multifaceted information.

(B) On the other hand, where the Independent Committee has been unable to issue any of the recommendations set forth in II. 3. (1) E. (A) a. to c. above within the Evaluation Period, the Independent Committee may, by resolution, extend the Evaluation Period for a period of time reasonably necessary to consider the details of the purchase by the Large-scale Purchaser, discuss and negotiate with the Large-scale Purchaser, and consider any alternative proposal, etc., by up to a maximum of 30 days. (An extension made according to this procedure shall also be included within the Evaluation Period.) When extending the Evaluation Period, the Independent Committee shall promptly report to the Board of Directors the length of the extended Evaluation Period and the reason for the extension, and disclose this information in a timely and appropriate manner. The same procedure shall be followed in the case of any further extensions to the Evaluation Period. The Independent Committee shall make the maximum effort possible to issue one of the recommendations in II. 3. (1) E. (A) a. to c. above during the extended Evaluation Period.

F. Resolutions by the Board of Directors and convocation of the General Meeting of Shareholders

(A) Resolution by the Board of Directors

a. The Board of Directors shall, after receiving either of the recommendations described in II. 3. (1) E. (A) a. and b. above, and with maximum regard for this recommendation, resolve whether or not to implement a gratis allotment of the Share Acquisition Rights.

b. Where the Board of Directors resolves on whether or not to implement a gratis allotment of



the Share Acquisition Rights, the Board of Directors shall disclose to shareholders the content of this resolution and any other matters it deems appropriate, in a timely and appropriate manner.

- c. Even where the Independent Committee recommends the implementation of a gratis allotment of the Share Acquisition Rights, the Board of Directors may convoke a General Meeting of Shareholders and refer the decision on whether to implement such a gratis allotment to this General Meeting of Shareholders, in cases where it judges that this is appropriate from the perspective of securing and enhancing the Company's corporate value and the common interests of its shareholders. (This includes cases where the Independent Committee has attached an additional remark to this effect to its recommendation, as described in II. 3. (1) E. (A) a. above.)

(B) Resolution by the General Meeting of Shareholders

Where a General Meeting of Shareholders is held based on the judgment of the Board of Directors that this is appropriate from the perspective of securing and enhancing the Company's corporate value and the common interests of its shareholders, in accordance with the recommendation described in II. 3. (1) E. (A) c. above or in cases where the Independent Committee has recommended that a gratis allotment of the Share Acquisition Rights should be implemented, and where a resolution is passed by this General Meeting of Shareholders to implement such a gratis allotment, the Board of Directors shall undertake the necessary procedures for the gratis allotment in accordance with this resolution. The Board of Directors shall disclose to shareholders the content of this resolution by the General Meeting of Shareholders and any other matters it deems appropriate, in a timely and appropriate manner.

(2) Overview of the Share Acquisition Rights

An overview of the Share Acquisition Rights is presented in Appendix 4.

(3) Recommendations by the Independent Committee subsequent to a resolution by the Board of Directors to implement a gratis allotment of the Share Acquisition Rights

A. Even where the Board of Directors has resolved to implement a gratis allotment of the Share Acquisition Rights in accordance with II. 3. (1) F. (A) above, if the Independent Committee judges that any of the following causes apply, it may, at any time up to the day before the effective date of the gratis allotment, issue a new recommendation to the Board of Directors to cancel the gratis allotment, or, from the effective date of the gratis allotment to the day before the day on which the exercise period for the Share Acquisition Rights commences, issue a new recommendation that the Company acquires all of the Share Acquisition Rights for no consideration.

- (i) Where, after the recommendation is issued, the Large-scale Purchase of the Company's share certificates, etc. ceases to exist, in cases such as where the Large-scale Purchaser has withdrawn the Large-scale Purchase;
- (ii) Where a change has occurred in the relevant facts or other circumstances upon which the recommendation was premised and the Large-scale Purchase of the Company's share certificates, etc. by the Large-scale Purchaser no longer corresponds to any of the criteria set forth in II. 3. (1) E. (A) a. (i) to (viii) above, or it is not appropriate to implement or condone the implementation of a gratis allotment of the Share Acquisition Rights

B. Where the Board of Directors has received the recommendation described in the first part of II. 3. (3) A. above from the Independent Committee, it shall cancel the gratis allotment of the Share Acquisition Rights up to the day before the effective date of this gratis allotment. Where the Board of Directors has received the recommendations described in the second part of II. 3. (3) A. above,



the Company shall acquire all of the Share Acquisition Rights for no consideration, in accordance with the rules set forth in 9. (1) of Appendix 4. Where the Board of Directors cancels the gratis allotment of the Share Acquisition Rights or the Company acquires all of the Share Acquisition Rights for no consideration, the Board of Directors shall disclose to shareholders this decision and any other matters it deems appropriate, in a timely and appropriate

(4) Term of validity of the Plan, abolition of the Plan, etc.

A. The term of validity of the Plan shall expire at the conclusion of the Annual General Meeting of Shareholders pertaining to the final fiscal year ending within two (2) years from the date of the Annual General Meeting of Shareholders where the continuation of the Plan was resolved. Even during the term of validity of the Plan, if the Board of Directors or the General Meeting of Shareholders resolves to abolish the Plan, then it shall be abolished effective from that time.

B. Even during the term of validity of the Plan, the Board of Directors may, after obtaining the approval of the Independent Committee, correct or amend the Plan in cases where laws, regulations, financial instruments exchange rules, etc. relevant to the Plan have been established, abolished, or amended, and it is appropriate to reflect these changes in the Plan, in cases where it is appropriate to correct the wording of the Plan due to typographical errors or similar reasons, and in cases where such amendments or changes are not contrary to the purpose of the resolutions passed at this Annual General Meeting of Shareholders, such as where they will not disadvantage the Company's shareholders.

C. In the case of the abolition, correction, or amendment of the Plan, the Board of Directors shall disclose to shareholders this abolition, correction, or amendment, together with the details of the correction or amendment (in the case of a correction or amendment) and any other matters, in a timely and appropriate manner.

(5) Corrections due to the revision of laws, regulations, etc.

References to the provisions of laws and regulations, etc. in the Plan are premised on the laws and regulations in force as of May 30, 2025. Where the new establishment, amendment, or abolition of laws and regulations, etc. on or after that date renders it necessary to amend any of the provisions, definitions, etc. set forth in the preceding paragraphs, the provisions, definitions, etc. set forth in the preceding paragraphs may be interpreted based on a consideration of the purpose of the establishment, amendment, or abolition of the relevant laws and regulations, within reasonable bounds.

### III. Impact of the Plan on Shareholders

1. Impact of the continuation of the Plan on shareholders and investors

The continuation of the Plan will not itself give rise to the gratis allotment of the Share Acquisition Rights and will have no direct, concrete impact on shareholders or investors.

2. Impact on shareholders and investors from the gratis allotment of the Share Acquisition Rights

(1) Where the Board of Directors or the General Meeting of Shareholders has passed a resolution to implement the gratis allotment of the Share Acquisition Rights (such a resolution by either body is hereinafter referred to as the "Share Acquisition Rights Gratis Allotment Resolution"), the Share Acquisition Rights shall be allotted, for no consideration, to shareholders on the allotment date, to be determined separately, in a ratio of up to one unit of the Share Acquisition Rights for each share held.

(2) In the event that a shareholder does not complete the payment of the exercise price and other procedures for the exercise of the Share Acquisition Rights described in "3. Procedures required of shareholders pursuant to a gratis allotment of the Share Acquisition Rights," the value of the



Company's shares held by the shareholder will be diluted due to the exercise of the Share Acquisition Rights by other shareholders.

- (3) However, the Company may, by following the procedure described in III. 3. (3) below, acquire the Share Acquisition Rights from all shareholders who are not non-qualified parties (as defined in Appendix 4) in exchange for shares of the Company (which shall be shares with voting rights). If the Company implements this acquisition procedure, shareholders who are not non-qualified parties will receive the Company's shares without exercising the Share Acquisition Rights or paying-in the exercise price. The value of each share that they hold will therefore be diluted, but, in principle, no economic dilution of the total value of the shares of the Company that they hold will occur.
- (4) Even if the Board of Directors has already passed a resolution regarding the gratis allotment of the Share Acquisition Rights, where the Board of Directors has received the recommendation described in the first part of II. 3. (3) A. above from the Independent Committee, the Company shall cancel the gratis allotment of the Share Acquisition Rights by the day before the effective date of this gratis allotment. Where the Board of Directors has received the recommendations described in the second part of II. 3. (3) A. above, the Company shall acquire all of the Share Acquisition Rights for no consideration, in accordance with the rules set forth in 9. (1) of Appendix 4. In such cases, as no dilution of value per share will occur, it is possible that any shareholders or investors who have traded shares of the Company expecting to see a dilution of per-share value may suffer a loss as a result of movements in the share price.

### 3. Procedures required of shareholders pursuant to a gratis allotment of the Share Acquisition Rights

#### (1) Allotment of the Share Acquisition Rights

Where the Board of Directors has resolved to implement a gratis allotment of the Share Acquisition Rights, the Company shall make a public announcement of the allotment date for the gratis allotment of the Share Acquisition Rights. In this case, the Share Acquisition Rights shall be allotted, for no consideration, to shareholders recorded on the final register of shareholders of the Company on the allotment date. Shareholders recorded on the final register of shareholders on the allotment date shall rightfully become the holders of the Share Acquisition Rights on the effective date of the gratis allotment of the Share Acquisition Rights, with no need for application or other procedure.

#### (2) Procedure for exercising the Share Acquisition Rights

The Company shall send the exercise form for the Share Acquisition Rights and other documents needed for the exercise of the Share Acquisition Rights to shareholders recorded in the final register of shareholders as of the allotment date. (The exercise form for the Share Acquisition Rights shall be in a format designated by the Company, and include necessary information such as the details and number of the Share Acquisition Rights to be exercised and the date of exercise, as well as pledges such as a stated warranty that the shareholder is not a non-qualified party, etc., a reimbursement clause, etc.) Shareholders who are not non-qualified parties shall receive the issue of one share of the Company's stock, in principle, for each unit of the Share Acquisition Rights, upon the submission of these required documents within the Share Acquisition Rights exercise period and no later than the effective date of any acquisition of the Share Acquisition Rights by the Company, and the payment of an amount of money equivalent to the exercise price determined in the Share Acquisition Rights Gratis Allotment Resolution, in principle no less than one yen and no greater than one-half of the market price of the Company's shares per unit of the Share Acquisition Rights, at the payment handling institution.



(3) Procedure for the acquisition of the Share Acquisition Rights by the Company

Where the Board of Directors has made a decision to acquire the Share Acquisition Rights in accordance with 9. of Appendix 4, the Company shall follow the procedures stipulated by law to acquire the Share Acquisition Rights on the day determined separately by the Board of Directors.

Where the Company acquires the Share Acquisition Rights from the shareholders who are not non-qualified shareholders in exchange for the delivery of shares of the Company's common stock, shareholders who are not non-qualified shareholders shall receive, in principle, one share of the Company's common stock for each unit of the Share Acquisition Rights, as consideration for the acquisition of the Share Acquisition Rights by the Company, without paying in an amount equivalent to the relevant exercise price. In this case, shareholders who are not non-qualified shareholders may be required to separately submit documents in the Company's designated format, including pledges such as a stated warranty that they themselves are not non-qualified shareholders, a reimbursement clause, etc.

- (4) Other details of necessary matters, such as the method used to allot the Share Acquisition Rights, the exercise method, and the acquisition method used by the Company, shall be disclosed or conveyed to shareholders after a decision is made in the Share Acquisition Rights Gratis Allotment Resolution, and shareholders will be requested to review this information.

#### IV. Rationality of the Plan

As described below, the Plan fully satisfies the three principles set out in the "Guidelines Regarding Takeover Defense for the Purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005: protecting and enhancing corporate value and shareholders' common interests; prior disclosure and shareholders' will; and ensuring necessity and reasonableness. It also reflects the discussion presented in "Takeover Defense Measures in Light of Recent Environmental Changes" published on June 30, 2008 by the Corporate Value Study Group established within the Ministry of Economy, Trade and Industry; and the "Guidelines for Corporate Takeovers – Enhancing Corporate Value and Securing Shareholders' Interests –" released by the Ministry of Economy, Trade and Industry on August 31, 2023, as well as "Principle 1.5 Anti-Takeover Measures" set out in the "Japan's Corporate Governance Code: Seeking Sustainable Corporate Growth and Increased Corporate Value over the Mid- to Long-Term" announced by the Tokyo Stock Exchange, Inc. on June 1, 2015, as amended later on June 1, 2018 and June 11, 2021.

In other words, the Plan will be continued for the purpose of securing and enhancing the Company's corporate value and the common interests of its shareholders (see 1. below), and is structured to appropriately reflect the will of shareholders based on information disclosed in a timely and appropriate manner (see 2. below). With the establishment of the Independent Committee and a framework to ensure fair and objective judgment, it emphasizes the judgment of the Independent Committee (see 3. (1) and (2) below) and not only stipulates reasonable and objective criteria (see 3. (3) below) to prevent any arbitrary implementation of the gratis allotment of the Share Acquisition Rights by the Board of Directors but also enables the Plan to be abolished at any time by resolution of the Board of Directors (see 3. (4) below). Moreover, as described in III. above, the Plan is designed to avoid, as far as possible, damaging the interests of shareholders apart from Large-scale Purchasers.

##### 1. Purpose

The purpose of the Plan is to ensure that shareholders have the necessary and sufficient information



on the Large-scale Purchase of the Company's shares and time to make an appropriate judgment from the perspective of whether or not the Large-scale Purchases contribute to securing and enhancing the Company's corporate value and the common interests of its shareholders.

## 2. Advance disclosure and reflecting the will of shareholders

The Board of Directors, at the meeting held on May 30, 2025, determined to continue the Plan subject to a resolution approving this continuation by the Annual General Meeting of Shareholders planned for June 25, 2025. The will of shareholders is therefore reflected in the continuation of the Plan. The term of validity of the Plan is set to expire at the conclusion of the Annual General Meeting of Shareholders pertaining to the final fiscal year ending within two years from the date of the Annual General Meeting of Shareholders where the continuation of the Plan was resolved. In this way, shareholders are able to determine whether or not to continue the Plan approximately once every two years. Even during the term of validity of the Plan, the Plan will be abolished if the Company's shareholders resolve to abolish it. Moreover, regarding the invocation of defense measures set forth in the Plan, under certain conditions, a General Meeting of Shareholders will be held and the gratis allotment of Share Acquisition Rights will only be implemented based on a resolution at this General Meeting of Shareholders. Furthermore, provisions are established under the Plan to ensure the timely and appropriate disclosure of information to shareholders as a premise for the above procedures to reflect the will of shareholders.

In this way, the Plan is designed to appropriately reflect the will of shareholders based on their access to appropriate information concerning the Plan.

## 3. Necessity and suitability

### (1) Emphasis on the judgment of the Independent Committee

In introducing the Plan, the Company has established the Independent Committee as a body to make objective judgments on substantial matters in relation to the appropriateness of invoking defense measures under the Plan on behalf of the shareholders and eliminate any arbitrary decision-making by the Board of Directors. The Independent Committee is currently composed of three Outside Directors who are independent of the Company's executive management team. (The names and career summaries of these members are presented in Appendix 3.)

In the event of a Large-scale Purchase of the Company's shares, as described in "II. 3. (1) Procedures for invoking defense measures under the Plan" above, the Independent Committee will evaluate whether the Large-scale Purchase would contribute to securing and enhancing the Company's corporate value and the common interests of shareholders, based on factors such as the Required Information provided by the Large-scale Purchaser and the Opinion, etc. of the Board of Directors, and recommend to the Board of Directors whether or not a gratis allotment of the Share Acquisition Rights should be implemented, or whether the matter should be determined by a resolution of the General Meeting of Shareholders. The Board of Directors, giving maximum regard to this recommendation, then resolves on whether or not to implement a gratis allotment of the Share Acquisition Rights or convokes a General Meeting of Shareholders and submits a proposal to this General Meeting of Shareholders concerning whether or not to implement a gratis allotment of the Share Acquisition Rights.

In this way, the Plan ensures strict supervision by the Independent Committee to prevent any arbitrary decisions by the Board of Directors on the implementation of a gratis allotment of the Share Acquisition Rights. Moreover, an overview of the judgment of the Independent Committee is disclosed to shareholders, and care is taken to ensure that the Plan is operated in a way the contributes to securing and enhancing the Company's corporate value and the common interests



of its shareholders.

(2) Obtaining the opinions of third-party experts,

As described in II. 3. (1) D. (D) above, the Independent Committee may, where necessary, obtain advice from independent third parties (including financial advisers, certified public accountants, attorneys-at-law, consultants, and other experts), at the Company's expense. This facilitates a framework to more strongly secure the fairness and objectivity of the Independent Committee's recommendations to the Board of Directors.

(3) Establishment of reasonable and objective criteria

As described in II. 3. (1) F. (A) a. above, the Plan is designed so that a gratis allotment of the Share Acquisition Rights will not be implemented by the Board of Directors unless predesignated, reasonable, objective, and detailed criteria are satisfied, and mechanisms are in place to prevent the Board of Directors from arbitrarily implementing a gratis allotment of the Share Acquisition Rights.

(4) It is not a dead-hand or slow-hand response policy

As described in II. 3. (4) A. above, the Plan may be abolished by the Company's Board of Directors, which is composed of Directors elected by the General Meeting of Shareholders. The structure of the Plan makes it possible for a Large-scale Purchaser to elect Directors through the General Meeting of Shareholders, and for the Board of Directors containing these Directors to abolish the Plan.

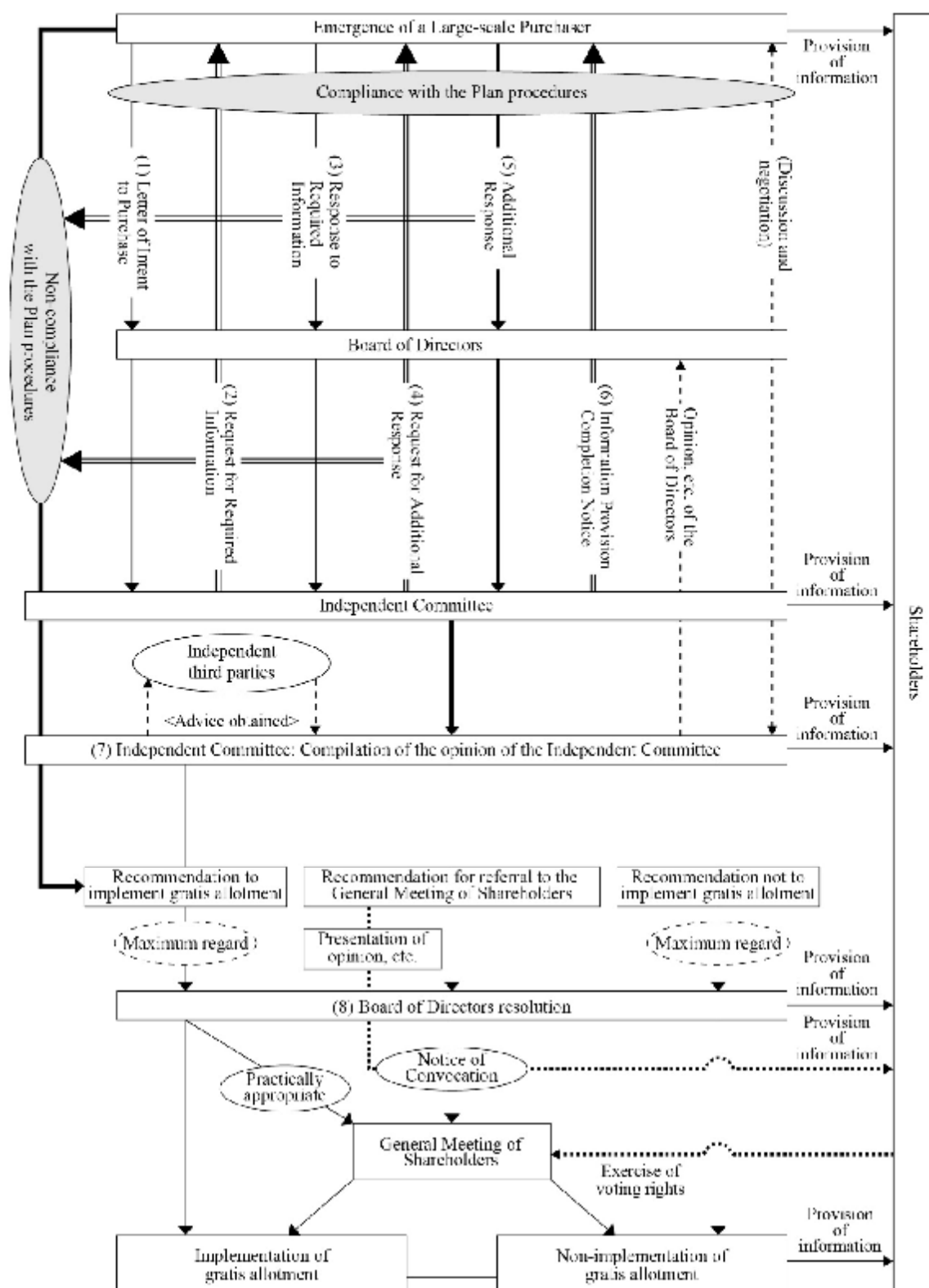
Therefore, the Plan does not constitute a so-called "dead-hand" response policy (that is, a response policy where the invocation of countermeasures cannot be prevented, even by replacing a majority of the members of the Board of Directors).

Moreover, as the Company is a company with an audit and supervisory committee, and the Board of Directors is composed of Directors who are Audit & Supervisory Committee Members and Directors who are not Audit & Supervisory Committee Members, who have a term of office of two years and one year, respectively, it would not take an unreasonable amount of time to replace the members of the Board of Directors in order to prevent the invocation. Therefore, the Plan does not constitute a so-called "slow-hand" response policy (that is, a response policy where a long period of time is required to prevent the invocation as not all members of the Board of Directors can be replaced at once).



(Appendix 1)

Flowchart of Procedures Associated with the Plan



Note: This flowchart is for illustration purposes only. Please refer to the main text for details of the Plan.



## Overview of the Independent Committee Regulations

1. (Establishment)

The Independent Committee shall be established by resolution of the Board of Directors.

2. (Composition)

The Independent Committee shall have at least three (3) members, appointed by the Board of Directors from among persons independent of the executive management team who are either (i) Outside Directors, or (ii) external experts. External experts must be corporate managers with extensive achievements, persons with career experience in government departments and bodies, persons closely familiar with the business of investment banks, attorneys-at-law, certified public accountants, persons with academic work experience, and persons with equivalent attributes.

3. (Duty of due care of a prudent manager)

(1) The members of the Independent Committee must be persons who have concluded with the Company a contract including clauses on the duty of due care of a prudent manager, etc. to be indicated separately by the Board of Directors. The members of the Independent Committee must engage in their duties with the duty of due care of a prudent manager.

(2) The members of the Independent Committee shall bear liability to the Company for damages arising from negligence in the performance of the duty described in (1) above.

4. (Liability limitation agreements)

The members of the Independent Committee may conclude agreements with the Company to limit their liability, based on item 3. (2) above, arising from the performance of duties provided that the duties were carried out in good faith and without gross negligence, to the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act.

5. (Term)

The term of the Independent Committee shall expire at the conclusion of the first meeting of the Board of Directors held after the Annual General Meeting of Shareholders pertaining to the final fiscal year ending within two (2) years from the date of the Annual General Meeting of Shareholders where the continuation of the Plan was resolved. However, this provision shall not apply where otherwise determined in the Plan or by resolution of the Company's Board of Directors. The term of office of members of the Independent Committee serving as Outside Directors shall expire at the time when they cease to serve as an Outside Director (except where they are reappointed as such).

6. (Decisions)

The Independent Committee shall decide the matters stated in each item below and recommend the content of, and reason for, its decisions to the Board of Directors. The Board of Directors, as a corporate organ under the Companies Act, shall give maximum regard to these recommendations in making resolutions on whether or not to implement a gratis allotment of the Share Acquisition Rights, or whether the matter should be determined by a resolution of the General Meeting of Shareholders, and the convocation and operation of such a General Meeting of Shareholders. Each member of the Independent Committee and each Director of the Company must make the relevant decisions and resolutions solely from the perspective of whether the matter contributes to the Company's corporate value and the common interests of its shareholders, and must not seek to fulfill personal interests or those of the Company's management team.

(1) Whether or not to implement a gratis allotment of the Share Acquisition Rights;

(2) Whether to include an additional remark to the effect that the decision on whether to implement a gratis allotment of the Share Acquisition Rights should be determined by resolution of the General Meeting of Shareholders, in cases where it judges that this is appropriate from the perspective of



securing and enhancing the Company's corporate value and the common interests of its shareholders (only, however, where the Independent Committee recommends the implementation of a gratis allotment of the Share Acquisition Rights);

- (3) The convocation and operation of a General Meeting of Shareholders held to determine whether or not to implement a gratis allotment of the Share Acquisition Rights;
- (4) Whether or not to cancel a gratis allotment of the Share Acquisition Rights or acquire the Share Acquisition Rights for no consideration

7. (Actions)

In addition to the items set forth above, the Independent Committee shall also engage in each action below.

- (1) Determine whether a Large-scale Purchase is subject to the Plan;
- (2) Decide on the specific content of the Required Information;
- (3) Issue a Request for Required Information to the Large-scale Purchaser via the Board of Directors;
- (4) Request the Large-scale Purchaser to submit an Additional Response via the Board of Directors, and decide on the content and response deadline for Required Information to be submitted by the Large-scale Purchaser in the Additional Response;
- (5) Issue the Information Provision Completion Notice to the Large-scale Purchaser via the Board of Directors;
- (6) Disclose all or part of the Large-scale Purchase Information to shareholders in a timely manner;
- (7) Evaluate and assess the content of the Large-scale Purchase Information;
- (8) Discuss and negotiate with the Large-scale Purchaser directly or indirectly via the Board of Directors;
- (9) Request the Board of Directors to provide the Opinion, etc. of the Board of Directors regarding a Large-scale Purchase of the Company's shares;
- (10) Indicate issues or points for improvement regarding the Opinion, etc. of the Board of Directors, and request the Board of Directors to indicate its opinion and response measures to these issues or points for improvement and/or provide an alternative proposal;
- (11) Compare and assess the Large-scale Purchase Information and the Opinion, etc. of the Board of Directors;
- (12) Obtain advice from independent third parties (including financial advisers, certified public accountants, attorneys-at-law, consultants and other experts);
- (13) Disclose and announce parts of the Large-scale Purchase Information and the Opinion, etc. of the Board of Directors considered appropriate by the Independent Committee, and the opinion, etc. of the Independent Committee based on these in a timely and appropriate manner;
- (14) Decide to extend the Evaluation Period, report the length of this extension and the reason for the extension to the Board of Directors and disclose this information;
- (15) Approve corrections and amendments to the Plan;
- (16) Carry out other actions that may be performed by the Independent Committee under the Plan;
- (17) Carry out actions that the Board of Directors has otherwise designated that the Independent Committee may perform;

8. (Discussion and negotiation with the Large-scale Purchaser)

The Independent Committee may discuss and negotiate with the Large-scale Purchaser, where necessary, either directly or indirectly via the Board of Directors, for the purpose of causing the Large-scale Purchaser to improve the content of the Large-scale Purchase of the Company's share certificates, etc. from the perspective of securing and enhancing the Company's corporate value and the common interests of its shareholders.

9. (Requesting the submission of, and indicating points for improvement regarding, the Opinion, etc. of



the Board of Directors)

- (1) The Independent Committee may, where necessary, request the submission of the Opinion, etc. of the Board of Directors, within a time limit predetermined as appropriate by the Independent Committee.
  - (2) The Independent Committee may, where necessary, indicate issues or points for improvement regarding the Opinion, etc. of the Board of Directors provided to it, and request the Board of Directors to indicate its opinion and response measures to these issues or points for improvement and/or provide an alternative proposal.
10. (Request for attendance at meetings of the Independent Committee)
- The Independent Committee may request the attendance of the Company's Directors, employees, or others considered necessary by the Independent Committee, and request explanations concerning the matters sought after by the Independent Committee, for the purpose of collecting necessary information.
11. (Obtaining opinions from third parties)
- The Independent Committee may obtain advice from independent third parties (including financial advisers, certified public accountants, attorneys-at-law, consultants, and other experts) at the Company's expense.
12. (Convocation of meetings of the Independent Committee)
- Each member of the Independent Committee may convoke meetings of the Independent Committee where there is a Large-scale Purchase of the Company's share certificates, etc., or at any other time.
13. (Quorum, etc.)
- In principle, a resolution of the Independent Committee shall be adopted by a majority vote at a meeting attended by at least two-thirds (2/3) of members (including attendance via online or telephone conferencing; the same applies hereinafter). However, where there are unavoidable grounds, a resolution may be adopted by a majority of voting rights at a meeting attended by a majority of members.



(Appendix 3)

Names and Career Summaries of the Independent Committee Members

1. Kozo Nakagawa

[Career summary]

Born March 5, 1951

November 1980	Joined Deloitte Haskins and Sells International (presently Deloitte Touche Tohmatsu LLC)
February 1985	Registered as a certified public accountant
September 2011	Resigned from Deloitte Touche Tohmatsu LLC
October 2011	Founded Kozo Nakagawa Certified Public Accountant Office (current position)
December 2011	Registered as a certified tax accountant Founded Kozo Nakagawa Certified Tax Accountant Office (current position)
June 2012	Audit & Supervisory Board Member of Pronexus Inc.
June 2013	Audit & Supervisory Board Member of Nikki Co., Ltd.

2. Yoshiko Shibamoto

[Career summary]

Born May 17, 1952

April 1975	Joined Nikkei Inc. Deputy editor-in-chief of <i>Shopping</i> life information magazine
October 1991	Joined <i>Hong Kong Post</i> (Japanese-language newspaper) Editor of the Home section
July 1996	Joined Fusansha Co., Ltd. Editor-in-chief of <i>Tamago Club</i> (Magazine for expectant mothers ) and <i>Hiyoko Club</i> (Magazine for new mothers) magazines (published by Benesse Corporation)
February 2004	Founded Vital Network LLC
August 2005	Joined Kadokawa SS Communications, Inc. Editor-in-chief of <i>Mainichi ga hakken</i> (Magazine for senior citizens) magazine
April 2007	Part-time lecturer in magazine studies at Dept. of Journalism, Faculty of Humanities, Sophia University
January 2011	Representative Director of Vital Network LLC (current position)
September 2012	Part-time lecturer in Japanese literacy at Faculty of Science and Engineering, Toyo University

3. Shiho Azuma

[Career summary]

Born April 22, 1975

October 2006	Registered as an attorney Joined Daiichifuyo Law Office
October 2014	Partner of Daiichifuyo Law Office (current position)
June 2019	Outside Audit & Supervisory Board Member of Kanda Tsushinki Co., Ltd. (current position)
April 2020	Auditor of Dai-Ichi Tokyo Bar Association

Note: Mr. Kozo Nakagawa, Ms. Yoshiko Shibamoto, and Ms. Shiho Azuma are Outside Directors of the Company as prescribed in Article 2, item 15 of the Companies Act. The Company has notified the Tokyo Stock Exchange that they are independent directors (outside directors) as provided for in the exchange's regulations. If their reelection is approved under Proposal 3,



they will continue to serve as independent directors. There are no special interests between Mr. Kozo Nakagawa, Ms. Yoshiko Shibamoto, or Ms. Shiho Azuma and the Company.



### Overview of the Share Acquisition Rights

1. Total number of the Share Acquisition Rights

The total number of the Share Acquisition Rights shall be equivalent to the total number of the issued shares of the Company at the end of a certain day to be determined separately in the resolution of the Board of Directors or the General Meeting of Shareholders on the gratis allotment of the Share Acquisition Rights (hereinafter referred to as the “Allotment Date;” this, however, excludes the number of shares of the Company held by the Company as of the Allotment Date).

2. Shareholders eligible for the allotment

The Share Acquisition Rights shall be allotted to each shareholder, excluding the Company, recorded on the final register of shareholders of the Company on the Allotment Date in the ratio of one (1) unit of the Share Acquisition Rights for each one (1) share of the Company held by the shareholder.

3. Effective date of the gratis allotment of share acquisition rights

To be determined separately in the Share Acquisition Rights Gratis Allotment Resolution.

4. Number of shares subject to the Share Acquisition Rights

The number of shares to be delivered for each unit of the Share Acquisition Rights (hereinafter, the “Number of Eligible Shares”) shall be one (1) share, in principle.

5. Amount of property to be contributed upon exercise of the Share Acquisition Rights

The type of property to be contributed upon exercise of the Share Acquisition Rights shall be cash. The amount of property to be contributed for each share of the Company upon exercise of the Share Acquisition Rights shall be determined separately in the Share Acquisition Rights Gratis Allotment Resolution and shall be no less than one (1) yen and no greater than one-half (1/2) of the market price of the Company’s shares.

Here, “market price” shall refer to an amount equivalent to the mean closing price (including indicative prices) of common shares of the Company’s stock on the Tokyo Stock Exchange Prime Market on each of the 90 days (excluding days on which no trade occurred) immediately prior to the day of the Share Acquisition Rights Gratis Allotment Resolution, rounded down to the nearest yen.

6. Exercise period of the Share Acquisition Rights

The exercise period of the Share Acquisition Rights shall begin from the date designated separately in the Share Acquisition Rights Gratis Allotment Resolution (hereinafter, the “beginning of the exercise period”) and last for a duration designated separately in the Share Acquisition Rights Gratis Allotment Resolution between one (1) month and three (3) months.

However, where the Company acquires the Share Acquisition Rights based on the provision of 9. below, the exercise period for the Share Acquisition Rights related to this acquisition shall expire on the day before the date of the acquisition.

Moreover, If the final day of the exercise period is not a business day for the payment handling institution where the exercise price should be paid, the exercise period shall expire on the immediately preceding business day.

7. Conditions on the exercise of the Share Acquisition Rights

The Share Acquisition Rights cannot be exercised, in principle, by (i) designated large-scale holders,<sup>11</sup> (ii) joint holders of designated large-scale holders, (iii) designated large-scale



purchasers,<sup>12</sup> (iv) specially related parties of designated large-scale purchasers, (v) parties that have received the Share Acquisition Rights from any of the parties in (i) to (iv), by transfer or succession, without obtaining the approval of the Board of Directors, or (vi) an affiliate<sup>13</sup> of any of the parties in (i) to (v) above. (Parties corresponding to any of (i) to (vi) above are hereinafter referred to as “Non-qualified Parties.”)

Moreover, the Share Acquisition Rights cannot be exercised by parties that do not submit a pledge document in the Company’s designated format, including pledges such as a stated warranty that they satisfy the conditions on the exercise of the Share Acquisition Rights, a reimbursement clause, etc.

8. Transfer of the Share Acquisition Rights

The approval of the Board of Directors is required to obtain the Share Acquisition Rights by transfer.

9. The acquisition of the Share Acquisition Rights by the Company

- (1) If the Board of Directors believes the acquisition of the Share Acquisition Rights is appropriate, the Company may acquire all of the Share Acquisition Rights for no consideration, on a date designated separately by the Board of Directors and falling at any time up to the day before the day on which the exercise period begins.
- (2) The Company may, on a date falling on a day to be determined separately by the Board of Directors, acquire all of the Share Acquisition Rights held by parties apart from Non-qualified Parties and remaining unexercised as of the day immediately preceding the day determined by the Board of Directors, in exchange for the delivery of a number of the Company’s shares equivalent to the Number of Eligible Shares for each unit of the Share Acquisition Rights.
- (3) Moreover, where the Board of Directors believes that there are still parties, apart from not Non-qualified Parties, holding the Share Acquisition Rights on or after the date of the acquisition set forth in the preceding item, the Company may, on a date falling on a day to be determined separately by the Board of Directors after the date of the above acquisition, acquire all of the Share Acquisition Rights held by these parties and remaining unexercised as of the day immediately preceding the day determined by the Board of Directors. In exchange, the Company will deliver a number of the Company’s shares equivalent to the Number of Eligible Shares for each unit of the Share Acquisition Rights. The same applies thereafter.

10. Delivery of share acquisition rights in the case of corporate mergers, absorption-type splits, establishment-type splits, share exchange, or share transfer

To be determined separately in the Share Acquisition Rights Gratis Allotment Resolution.

11. Issuance of share acquisition rights certificates

The Company shall not issue share acquisition rights certificates for the Share Acquisition Rights.

12. Other matters

In addition to the provisions above, the details of the Share Acquisition Rights shall be determined separately in the Share Acquisition Rights Gratis Allotment Resolution.



- 
1. Share certificates, etc. as defined under Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act. The same shall apply hereinafter unless otherwise specified.
  2. The holding ratio of share certificates, etc. defined under Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act. The same shall apply hereinafter. In calculating the holding ratio of share certificates, etc., the following parties shall be deemed joint holders of the specified shareholder of the Company: (i) specially related parties as defined under Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act; and (ii) investment banks, securities companies, and other financial institutions that have concluded an advisory contract with the specified shareholder of the Company, and tender agents of the Large-scale Purchaser (hereinafter referred to collectively as “Contracted Financial Institutions, etc.”). Moreover, in calculating the holding ratio of share certificates, etc., the total number of issued shares of the Company shall be based on the most recent information released by the Company that is available for viewing.
  3. Including the possession of claims for delivery of share certificates, etc. based on a sales or other contract and transactions provided for under Article 14-6 of the Order for Enforcement of the Financial Instruments and Exchange Act.
  4. Share certificates, etc. as defined under Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act. The same applies throughout item (ii).
  5. The ownership ratio of share certificates, etc. defined under Article 27-2, Paragraph 8 of the Financial Instruments and Exchange Act. The same shall apply hereinafter. In calculating the ownership ratio of share certificates, etc., the total number of voting rights the Company shall be based on the most recent information released by the Company that is available for viewing.
  6. Specially related party, as defined under Article 27-2, Paragraph 7 of the Financial Instruments and Exchange Act. However, regarding parties indicated in Article 27-2, Paragraph 7, item 1, this excludes those prescribed in Article 3, Paragraph 2 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates by Persons Other Than Issuers. In addition, (i) joint holders and (ii) Contracted Financial Institutions, etc. shall be deemed specially related parties of the specified shareholder. The same shall apply hereinafter unless otherwise specified.
  7. Including purchases and other acquisitions for value and acts specified by the Order for Enforcement of the Financial Instruments and Exchange Act as being similar to an acquisition for value.
  8. Joint holder(s) as defined under Article 27-23, Paragraph 5 of the Financial Instruments and Exchange Act. The same shall apply hereinafter.
  9. The judgment on whether or not “a relationship between the specified shareholder of the Company and the other shareholder(s) where either would gain effective control over the other, or where they would act jointly or in concert” is established shall be based on factors such as the formation of new equity relationships, business alliance relationships, transactional or contractual relationships, concurrent service by corporate officers, the provision of funds, the provision of credit, and other similar relationships, and the direct and indirect influence exerted on the Company by the Large-scale Purchaser and the relevant other shareholders(s).
  10. The judgment on whether or not an act indicated in (iii) has been committed shall be made in a reasonable way by the Board of Directors, based on the recommendations of the Independent Committee. The Board of Directors may request shareholders of the Company to provide information within the scope considered necessary for the purpose of judging whether or not an act corresponds to an act described in (iii).
  11. In principle, this refers to parties holding share certificates, etc. issued by the Company with a



holding ratio of share certificates, etc. of at least 20% (including parties deemed by the Board of Directors to correspond to such). However, parties shall not be deemed to correspond to designated large-scale holders where the Board of Directors deems that the acquisition or holding of the Company's share certificates, etc. by these parties is not adverse to the Company's corporate value or the common interests of its shareholders, or in the case of other parties designated separately by the Board of Directors in the Share Acquisition Rights Gratis Allotment Resolution. The same applies hereinafter throughout this document.

12. In principle, this refers to parties that have issued public notice of their intention to engage in the purchase, etc. (as designated under Article 27-2, Paragraph 1 of the Financial Instruments and Exchange Act; the same applies hereinafter throughout footnote 12) of share certificates, etc. (see footnote 4) issued by the Company through a tender offer, and that, after said purchase, etc., will have an ownership ratio of share certificates, etc., together with specially related parties, of at least 20% (including parties deemed by the Board of Directors to correspond to such). However, parties shall not be deemed to correspond to designated large-scale purchasers where the Board of Directors deems that the acquisition or holding of the Company's share certificates, etc. by these parties is not adverse to the Company's corporate value or the common interests of its shareholders, or in the case of other parties designated separately by the Board of Directors in the Share Acquisition Rights Gratis Allotment Resolution. The same applies hereinafter throughout this document.
13. The "affiliate" of a party refers to a party that effectively controls, is controlled, or is under the joint control with, that party (including those deemed by the Board of Directors to correspond to this definition), or is deemed by the Board of Directors to act in concert with that party. "Control" refers to "control over determinations on the financial and business policies" of another company, etc. (as defined under Article 3, Paragraph 3 of the Ordinance for Enforcement of the Companies Act).



**(Reference)**

**The Company's stance on the balance, diversity and size of the Board of Directors as a whole**

- × The Board of Directors aims to contribute to the Company's sustainable growth and medium-to-long-term increase in corporate value. When making decisions, therefore, it attaches importance to "Corporate Philosophy," "Integrity," "Future Oriented / Foresight," and "Strategic." To that end, candidates for Director are nominated from persons who have qualities such as high morality and integrity both as an individual and as a management professional; strong intellectual curiosity and independent-mindedness; a practical perspective and mature judgment; extensive knowledge and experience in setting business, financial, accounting, legal, technological, and other policies; the willingness to spare no effort or time in discharging their duties; and the discipline to stay away from any conflict of interest. Moreover, particular emphasis is placed on business expertise when nominating candidates for executive Director as they are required to make speedy decisions in view of the business characteristics. With regard to Outside Directors, candidates are nominated, in principle, from among corporate executives and experts based on their personality, insights, skills, and other attributes, though we currently do not have Outside Directors with managerial experience in other companies (which we define as experience serving as a representative executive of a listed company or a similar entity or organization, or of a listed company's subsidiary).



## Expertise and Experience of Directors upon Conclusion of the Meeting (Skills Matrix)

If Proposals 2 and 3 are approved as originally proposed, the expertise and experience of the members of the Board of Directors (including Directors who are Audit & Supervisory Committee Members) will be as follows.

Expertise and experience									
Name	Title	Tenure (years)	Outside and independent	Group management and governance	Production and R&D	Sales and marketing	Finance or legal affairs and risk management	Industry knowledge and experience	Relationship building
Yutaka Shibata	President	28		I		I		I	I
Kazuo Kawamata	Director and Chairman	22		I	I	I		I	
Nobuhiro Ozawa	Director and Executive Vice President	18		I		I		I	I
Masaya Ando	Director and Senior Managing Executive Officer	7		I		I	I	I	
Masataka Nakano	Director and Managing Executive Officer	4		I	I	I		I	
Satoshi Watabe	Director, Audit & Supervisory Committee Member	-		I	I		I	I	
Kozo Nakagawa	Outside Director, Audit & Supervisory Committee Member	10	I	I			I		
Yoshiko Shibamoto	Outside Director, Audit & Supervisory Committee Member	6	I			I			I
Shiho Azuma	Outside Director, Audit & Supervisory Committee Member	4	I	I			I		

Note: “Tenure” above means the number of years the candidate will have served as a Director of the Company as of the conclusion of the Meeting.