September 9, 2025

To whom it may concern

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Renewal of Response Policies Regarding Large-Scale Purchases of Company Shares (Takeover Defense Measures)

The Company introduced its "response policies regarding large-scale purchasesof Company shares (takeover defense measures)" at the 69th annual general meeting of shareholders of the Company held on October 13, 2007 as a measure to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate under the basic policy regarding the persons who control decisions on the Company's financial and business policies (the "**Basic Policy**"). After four renewals, the Company obtained the shareholders' approval to renew partially amended countermeasures at the 84th annual general meeting of shareholders held on October 15, 2022. The effective period of the current plan is due to expire at the conclusion of the 87th annual general meeting of shareholders of the Company (this "**Annual General Meeting of Shareholders**") scheduled to be held on October 11, 2025.

Accordingly, prior to the expiration of the effective period of the current plan, the Board of Directors of the Company has considered the state of the current plan, including whether or not it should be renewed from the perspective of ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders. As a result of that consideration, at the Board of Directors meeting held on September 9, 2025, the Company decided, conditional upon the approval of the shareholders at this Annual General Meeting of Shareholders, to renew the response policies regarding large-scale purchases of Company shares (takeover defense measures) (the response policies after renewal, the "**Plan**") as set out below.

1. Reasons why the Plan is considered necessary

(1) The Plan is one in which substantive decisions regarding its triggering or abolishment are made by a committee independent from the management team of the Company.

The Independent Committee under the Plan is composed of three independent Outside Directors and two experts.

Regarding the Plan, the Board of Directors respects the determination of the Independent Committee to the maximum extent, and when triggering the Plan, it will, in principle, convene a general meeting of shareholders to confirm the intentions of the shareholders in advance and will follow what is decided by the general meeting of shareholders. Transparency throughout the course of the procedures is secured by disclosing information to shareholders.

Taking these points into account, the Company believes that the Plan contains mechanisms for eliminating arbitrary decisions by the management team of the Company.

(2) The Plan prescribes that "a framework be put in place for securing sufficient information and time for shareholders to make an appropriate decision as well as for providing shareholders with opportunities for negotiation with purchasers."

The Company will continue to endeavor to enhance its corporate value and, in turn, the common interests of its shareholders. However, in view of factors such as the characteristics of the Company's business platform and its business size, the Company is not necessarily able to reject the possibility of a large-scale purchase of its shares. In particular, it is also expected that in the case of a large-scale purchase of the shares of the Company by a purchaser who does not understand the unique business and resources that the Company has developed throughout its history, there would be a material impact on the Company's management strategies for the medium and long term.

The Company believes that the Plan will be effective for shareholders even if such an event transpires, because the Plan would secure the time needed to sufficiently examine the content of a proposal by a purchaser.

(3) The Company believes that the rules of the tender offer framework under the Financial Instruments and Exchange Act cannot be considered sufficient for securing the information and time necessary for shareholders to make a decision on whether the purchase is appropriate or for enabling negotiations on behalf of shareholders.

2. Effective term of the Plan

The Plan will be effective until the conclusion of the annual general meeting of shareholders held three years after the conclusion of the annual general meeting of shareholders at which a resolution approving the Plan is made. However, if a resolution to abolish the Plan is made by the Board of Directors even before the expiration of the effective term, the Plan will be abolished at that time.

Upon renewing the current plan and adopting the Plan, the Company has revised the current plan based on judicial precedents and practice trends regarding the recent takeover response policies and countermeasures, including (i) adding and revising the summary of countermeasures and (ii) requiring, in principle, convocation of a general meeting of shareholders to ensure that the implementation of the gratis allotment of Share Options in accordance with the Plan is based on the reasonable intentions of the shareholders.

All four of the Audit & Supervisory Board Members of the Company (of whom three are Outside Audit & Supervisory Board Members) were present at the Board of Directors meeting where it was decided to adopt the Plan and expressed opinions consenting to the adoption of the Plan on the condition that the specific implementation of the Plan is performed appropriately.

In addition, the status of the major shareholders of the Company as of July 20, 2025 is as shown in the Schedule. As of today, the Company hereby confirms that the Company has not received any inquiries or offers regarding large-scale purchases of Company shares.

I. Basic Policy Regarding the Persons Who Control Decisions on the Company's Financial and Business Policies

The Company believes that shareholders of the Company should be decided through free market transactions, and, accordingly, a decision on whether or not to accept a proposal to acquire a sufficient number of shares to control decisions on the Company's financial and business policies must ultimately be left to the discretion of each shareholder.

The Company considers that in order to ensure and enhance its corporate value and, in turn, the common interests of its shareholders, it is essential to foster human resources from a medium and long term perspective, constantly adopt new technologies and designs, and maintain and grow relationships of trust with business partners as well as an excellent customer base.

However, there are some forms of large-scale purchases of shares that do not ensure or enhance the corporate value of the target company or, in turn, the common interests of its shareholders, including, without limitation: (i) those that threaten to cause obvious harm to the corporate value of the target company and, in turn, the common interests of its shareholders in light of matters such as the purpose of and the management policies after the acquisition; (ii) those that threaten to effectively coerce shareholders into selling their shares; and (iii) those that do not provide sufficient time or information for the target company's board of directors and shareholders to consider the conditions and other details of the acquisition or for the target company's board of directors to make an alternative proposal. Therefore, the Company believes that persons who would make a large-scale purchase of the shares in the Company in a manner that harms the corporate value of the Company and, in turn, the common interests of its shareholders as described above would be inappropriate as persons who control decisions on the Company's financial and business policies, and it is necessary to ensure the corporate value of the Company and, in turn, the common interests of its shareholders by taking the necessary and reasonable measures against large-scale purchases by such persons.

II. The Source of the Company's Corporate Value and Measures to Realize the Basic Policy

1. Measures to Enhance Corporate Value

Since 2015, the Uchida Yoko Group (the "**Group**") has been working to improve profitability while also addressing the significant impacts that will certainly arise in the future due to Japan's declining birthrate. The Group is implementing reforms from a medium and long term perspective, rather than extending the existing Uchida Yoko business model.

In the 14th Mid-term Management Plan (fiscal year ended July 2016 to fiscal year ended July 2018), the Group established a business portfolio consisting of four matrices (ICT-related business and environmental construction-related business as the business axes, and private and public markets as the market axes) to gain a comprehensive view of all of the Company's businesses and began sharing resources.

In the 15th Mid-term Management Plan (fiscal year ended July 2019 to fiscal year ended July 2021), the Group achieved record-high revenue by leveraging the flexibility and mobility gained from resource sharing by responding to expanding demand more widely and steadily than ever before. These actions were also effective during the COVID-19 pandemic, enabling the Group to respond accurately and nimbly to rapid market changes, such as educational ICT initiatives for COVID-19 countermeasures, the GIGA (Global and Innovation Gateway for All) School Project, and expanded IT investments by major private companies, achieving significant results and raised the baseline of business performance.

In the 16th Mid-term Management Plan (fiscal year ended July 2022 to fiscal year ended July 2024), the Group continued to advance reorganization centered on Uchida Yoko Co.,Ltd. while also initiating group-wide restructuring. In addition to fully acquiring Uchida ESCO Co., Ltd., a consolidated listed subsidiary, the Group has commenced large-scale investments in a group-wide information system and made a 100% investment in a software development company in Luxembourg to aim for new growth.

In the 17th Mid-term Management Plan (fiscal year ending July 2025 to fiscal year ending 2027), the Group will, as a basic policy, expand the management reforms implemented to date across the entire Group, broaden the scope of resource sharing, and endeavor to further improve its baseline performance. In addition, the Group is promoting measures to respond to social changes expected over the next 10 years, invest in future growth, and strengthen its management foundations to ensure the long-term stability of its business.

As a result of these management reforms, the Group's performance baseline has grown significantly.

The Group achieved significant growth by steadily raising its performance baseline from turnover of 139.9 billion yen and operating income of 3.6 billion yen in the fiscal year ended July 2015 to turnover of 277.9 billion yen and operating income of 9.3 billion yen in the fiscal year ended July 2024. In addition, the return on shareholders' equity also improved significantly from 6.8% to 12.1%, and the amount of dividends paid to shareholders increased 6 times from 50 yen per share in the fiscal year ended July 2015 to 300 yen per share in the fiscal year ended July 2025.

Furthermore, in the first year of the 17th Medium-Term Management Plan (fiscal year ending July 2025), consolidated results reached sales of 337.0 billion yen and operating profit of 12.1 billion yen, both record highs.

In the current 17th Medium-Term Management Plan (fiscal year ending July 2025 to fiscal year ending 2027), we are leveraging Group-wide resources to concentrate ICT and environmental-construction expertise on strategic priority markets. By uniting resources across segments, we aim to strengthen competitiveness and establish our unique competitive advantage. In the first year, we approached final Group integration through construction of a common sales management system and expanded personnel assignments linking Group companies. In the fiscal year ending July 2026, in the public market we will consolidate educational ICT and government/municipality businesses to deepen focus, while in the private sector we will strengthen collaboration among Group business units. In anticipation of broader use of data, we are reorganizing and reinforcing system engineers.
The Uchida Yoko Group will contribute to Japanese society by advancing our Group Vision: "Creating Value from Information and Co-Creating Knowledge."

2. The Source of the Group's Corporate Value

In order to achieve such business growth, the source of corporate value lies in the Group's unique expertise, continuous investment over the medium and long term, and a group structure with independent capital that enables the Group to leverage its uniqueness to maintain its competitive advantage.

(1) Unique expertise derived from contact with customers and business structure

Over many years, our Group has maintained direct contact on a nationwide scale through sales and engineers with a wide range of customers including corporations, government agencies, municipalities, and educational institutions. We have accumulated and shared extensive knowledge and information. With our unique business structure spanning ICT-related and environment-construction-related fields, we leverage the specialized expertise of engineers cultivated therein. By organically combining this diverse knowledge, information, and expertise within the Group framework operating in the same markets, we can create new value and business opportunities in our customers' "working" and "learning."
(2) Competitive Advantage and Brands formed with independent capital

Our Group quickly and accurately understands customer issues and meets needs by utilizing a wide range of skills and expertise inside and outside the Group. We have a unique business model that does not depend on specific vendors but flexibly combines multiple products and services to build optimal systems, thereby always providing the best proposals to our customers. We can maintain this model because we are backed by independent capital, allowing us to select products and services from a neutral standpoint. This enhances customer satisfaction, establishes competitive advantage, and builds trust through a strong track record of proposals, leading to realization of long-term partnerships.
(3) Talented people who realize management policy a reality

The greatest resource for pursuing management policy and supporting the brand is people (employees). The Company has consistently sought to create its customers by educating its personnel based on the belief that the source of corporate competence is employees. Under the medium and long term management policy, the experience, expertise, knowledge, and skills of its people, such as system engineers in the ICT-related businesses and technical experts in the environmental construction-related business, as well as sales personnel and other members of staff who understand customers in both the private and public markets, support the advancement of management policies of the Company. The Company believes that these people form the core of its fundamental philosophy of "supporting customer growth" and this is achieved only by growing together with customers through a medium and long term management perspective.

(4) Medium and long term investments

Major customers of the Group recognize challenges from a long-term perspective and seek diverse solutions from the Group to address these challenges. To address the customers' challenges, human resources that cannot be developed in the short term are essential, such as a deep understanding of customers, capabilities for making proposal and collecting information, acquisition of skills and techniques, and collaboration among employees with unique expertise. In addition, it is important that the Group has a workplace that significantly influences the performance of employees, information systems that allow for the instant sharing and utilization of information for the benefit of customers, and the reputation necessary to earn the trust of stakeholders, which form management foundations for supporting its business. Maintaining and strengthening these management foundations will require medium and long term, continuous investments.

3. Corporate Governance

The Company endeavors to strengthen its corporate governance for the purposes of achieving prompt decision making that addresses changes in the management environment, clarifying responsibilities, and improving the transparency of business. Specifically, the Company has introduced the executive officer system, thereby separating the management administration functions and business execution functions, in addition to which the Company has set the term of office of Directors at one year in order to firmly establish a flexible management system that can promptly respond to changes in the management environment and to clarify the management responsibilities of Directors. Decisions on the election, removal and nomination of Directors are to be made after discussion and examination at meetings of the Nomination Committee, a majority of whose members are independent Outside Directors, and Outside Directors provide various advice and recommendations from an objective perspective in regard to both decision making and supervision at Board of Directors meetings.

The Group believes that robustly maintaining the source of corporate value described above will stabilize its business foundation, thereby enabling the Group to achieve long-term and comprehensive enhancement of shareholder value, as well as sound and sustainable growth. The Group will continue striving to ensure and enhance corporate value and, in turn, the common interests of its shareholders.

III. Measures to Prevent Decisions on the Company's Financial and Business Policies from Being Controlled by Persons Deemed Inappropriate Under the Basic Policy

1. Purpose of the Plan

The renewal of the current plan and adoption of the Plan is for the purpose of ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders in line with the Basic Policy set out in I. above.

As set out in the Basic Policy, the Board of Directors believes that persons who would propose a large-scale purchase in a manner that does not contribute to the corporate value of the Company and, in turn, the common interests of its shareholders would be inappropriate as persons who control decisions on the Company's financial and business policies. Based on this belief, the Board of Directors determined that it continues to be essential to have in place a framework for enabling the Board of Directors to present an alternative proposal to the shareholders or ensure the necessary time and information for the shareholders to decide whether or not to accept the large-scale purchase and to have discussions, negotiations, or the like with the large-scale purchaser for the benefit of the shareholders, for the purpose of preventing decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate and deterring large-scale purchases that are detrimental to the corporate value of the Company and, in turn, the common interests of its shareholders.

Therefore, the Board of Directors has decided to renew the Plan, subject to the approval of the shareholders at this Annual General Meeting of Shareholders, as part of its efforts to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate in light of the Basic Policy.

2. Details of the Plan

(1) Plan Outline

The Plan sets out procedures necessary to achieve the purpose stated above, such as requesting a person who conducts an act of acquisition of 20% or more of the share certificates, etc. of the Company to provide information in advance (please see (2) 'Procedures for the Plan' below for details).

The acquirer may effect a large-scale purchase of the Company's share certificates, etc. if and only after the Board of Directors or the general meeting of shareholders of the Company determines that the Company should not trigger the Plan in accordance with the procedures for the Plan.

In cases such as where an acquirer does not follow the procedures set out in the Plan, or a large-scale purchase of the Company's share certificates, etc. could harm the corporate value of the Company and, in turn, the common interests of its shareholders, and if the acquisition satisfies the triggering requirements set out in the Plan (please see (3) 'Requirements for Gratis Allotment of Share Options' below for the details of requirements for the implementation of measures), the Company will allot share options with (a) an exercise condition that does not allow the acquirer to exercise rights in principle, and (b) an acquisition provision to the effect that the Company may acquire the share options in exchange for the Company's shares from persons other than the acquirer and take any other reasonable measures available under applicable laws and ordinances and the Company's Articles of Incorporation .

If a gratis allotment of Share Options were to take place in accordance with the Plan and all shareholders other than the acquirer received shares in the Company as a result of those shareholders exercising or the Company acquiring those Share Options, the ratio of voting rights pertaining to the Company's shares held by the acquirer may be diluted by up to a third of all voting rights.

In order to eliminate arbitrary decisions by the Board of Directors on matters such as the implementation or non-implementation of the gratis allotment of Share Options or the acquisition of Share Options in accordance with the Plan, the Company will have these matters decided through an objective judgment by the Independent Committee, which is composed of Outside Directors and outside experts who are independent from the management team of the Company (please see (6) 'Establishment of the Independent Committee' below for details). In addition, the Board of Directors will hold a general meeting of shareholders in principle when implementing a gratis allotment of Share Options and confirm the intent of the shareholders in regard to the implementation of the gratis allotment of Share Options or other countermeasures permitted under laws and ordinances and the Company's Articles of Incorporation. Moreover, in the course of these procedures, the Company will ensure the transparency of the procedures by disclosing information to shareholders as appropriate.

(2) Procedures for the Plan

(a) Targeted Acquisitions

The Plan will be applied in cases where any purchase or other acquisition of share certificates, etc. of the Company that falls under any of (I) through (III) below or any similar action or a proposal[1] for such action (except for such action as the Board of Directors separately determines not to be subject to the Plan; the "**Acquisition**") takes place.

(I) An acquisition that would result in the holding ratio of share certificates, etc. (*kabuken tou hoyuu wariai*)[2] of a holder (*hoyuusha*)[3] totaling at least 20% of the share certificates, etc. (*kabuken tou*)[4] issued by the Company;

(II) A tender offer (*koukai kaitsuke*)[5] that would result in the party conducting the tender offer's ownership ratio of share certificates, etc. (*kabuken tou shoyuu wariai*)[6] and the ownership ratio of share certificates, etc. of a specially related party (*tokubetsu*

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1 "Proposal" includes solicitation of a third party for an Acquisition.

2 Defined in Article 27-23.4 of the Financial Instruments and Exchange Act. The same applies throughout this Proposal.

3 Including persons described as a holder under Article 27-23.3 of the Financial Instruments and Exchange Act (including persons who are deemed to fall under the above by the Board of Directors). The same applies throughout this Proposal.

4 Defined in Article 27-23.1 of the Financial Instruments and Exchange Act. The same applies throughout this Proposal unless otherwise provided for.

5 Defined in Article 27-2.6 of the Financial Instruments and Exchange Act. The same applies throughout this Proposal.

6 Defined in Article 27-2.8 of the Financial Instruments and Exchange Act. The same applies throughout this Proposal.

kankei-sha)[7] totaling at least 20% of the share certificates, etc. (*kabuken tou*)[8] issued by the Company (including the commencement of a tender offer); or

(III) Regardless of whether or not any of the acts provided for in items (I) and (II) above is conducted, an act (i) conducted between (a) a person who intends to acquire share certificates, etc. of the Company, a joint holder (*kyoudou hoyuusha*)[9] with respect to that person, or a specially related party of that person (each, an "**Acquirer of Share Certificates, Etc.**" in this item (III)) and (b) one or more other shareholders of the Company and that constitutes an agreement or other act as a result of which the other shareholder(s) become(s) a joint holder of the Acquirer of Share Certificates, Etc. or any act that establishes a relationship whereby the Acquirer of Share Certificates, Etc. or the other shareholder substantially controls the other or they act jointly or in concert with each other[10,11] and (ii) that would result in the total holding ratio of share certificates, etc. issued by the Company of that acquirer of share certificates, etc. and the other shareholder accounting for 20% or more.

The party intending to make the Acquisition alone or jointly, or in cooperation with other parties (the "**Acquirer(s)**") shall follow the procedures set out in the Plan in advance, and the Acquirer must not commence or effect the Acquisition until and unless the Board of Directors or the general meeting of shareholders of the Company resolves not to implement the gratis allotment of Share Options or other countermeasures permitted under laws and ordinances and the Company's Articles of Incorporation in accordance with the Plan.

(b) Request to the Acquirer for Provision of Information

An Acquirer will be requested to submit to the Company before effecting the Acquisition a document that contains information set out in the items below ("**Essential Information**") and other matters such as an undertaking that the Acquirer will comply with the procedures set out in the Plan upon effecting the Acquisition (the name, address or location of headquarters, location of offices, governing law for establishment, name of the representative, contact information in Japan for the Acquirer and outline of the intended

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7 Defined in Article 27-2.7 of the Financial Instruments and Exchange Act (including persons who are deemed to fall under the above by the Board of Directors); provided, however, that persons provided for in Article 3.2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person other than Issuer are excluded from the persons described in Article 27-2.7(i) of the Financial Instruments and Exchange Act. The same applies throughout this Proposal.

8 Defined in Article 27-2.1 of the Financial Instruments and Exchange Act.

9 Meaning a joint holder provided for in Article 27-23(5) of the Financial Instruments and Exchange Act, including persons regarded as a joint holder under Article 27-23(6) of the Financial Instruments and Exchange Act (including persons who are deemed a joint holder by the Board of Directors). The same applies throughout this proposal.

10 Determination as to whether or not a "relationship whereby an Acquirer of Share Certificates, Etc. or the other shareholder(s) substantially control(s) the other(s) or they act jointly or in concert with each other" has been established between them will be made based on certain factors such as the formation of a new capital relationship, business alliance relationship, business or contractual relationship, relationship of interlocking directorate, financing relationship, credit granting relationship, and having a beneficial interest in the Company's share certificates, etc. through derivatives, stock lending, and other transactions, and direct or indirect effects on the Company caused by that Acquirer of Share Certificates, Etc. and the other shareholder(s).

11 Whether or not an act specified in item (III) of the main text has been conducted or not will be reasonably determined by the Board of Directors. Please note that the Board of Directors may request the shareholders of the Company to provide information necessary to the extent required for making a determination as to the satisfaction of the requirements specified in item (III) of the main text.

Acquisition must be specified and be affixed with the signature or name and seal of the representative of the Acquirer; please note that the language used must be Japanese) and a certificate of qualification of the representative who affixed their signature or seal thereon (collectively, "**Acquisition Document**") in the form prescribed by the Company. Please note that the Company may set a due date for the Acquirer's provision of the Acquisition Document and other information if necessary.

If the Board of Directors receives an Acquisition Document, it will promptly provide it to the Independent Committee. If the Board of Directors and the Independent Committee, having received the Acquisition Document, determines that the Acquisition Document does not contain sufficient Essential Information, it may set a reply period as appropriate and request, that the Acquirer submit additional Essential Information or the like. In this case, the Acquirer must submit such additional information to both the Board of Directors and the Independent Committee within the reply period.

(i) Details (including name, capital composition, financial position, terms of any previous transactions which are similar to the Acquisition, results of these transactions, impacts of these past transactions on the corporate value of the target company) of the Acquirer and its group (including joint holders, specially related parties, and persons in a special relationship with a person of whom the Acquirer is the controlled juridical person, etc.[12]).[13]

(ii) The purpose, method and terms of the Acquisition (including information on the amount and type of consideration for the Acquisition, the timeframe of the Acquisition, the scheme of any related transactions, the legality of the Acquisition method, and the feasibility of the Acquisition).

(iii) Details of the basis for the calculation of the purchase price of the Acquisition (including facts and assumptions based on which the calculation has been made, calculation methods, numerical information used for the calculation, and the details of synergies that are expected to be brought about by a set of transactions relating to the Acquisition, and the details of those synergies that are to be allocated to minority shareholders).

(iv) Details of an agreement between the Acquirer and a third party regarding the share certificates, etc. of the Company and any previous acquisition of the share certificates, etc. of the Company by the Acquirer.

(v) Financial support for the Acquisition (including the names of providers of funds(including all indirect providers of funds) for the Acquisition, financing methods and the terms of any related transactions, etc.).

(vi) Existence and details of communication of intent with third parties in relation to the Acquisition.

(vii) Post-Acquisition management policy, business plan, and, capital and dividend policies for the Group.

(viii) Post-Acquisition policies for treating and dealing with the Company's shareholders (other than the Acquirer), employees, business partners, and clients of the Group, and other stakeholders of the Group.

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12 Defined in Article 9.5 of the Order for Enforcement of the Financial Instruments and Exchange Act.

13 If an Acquirer is a fund, information relating to the matters described in (i) about each partner and other constituent members is also required.

(ix) Specific measures to avoid any conflict of interest with other shareholders in the Company.

(x) Information regarding any relationship with an anti-social force.

(xi) Any other information that the Independent Committee reasonably considers necessary.

(c) Consideration of Acquisition Terms, Negotiation with the Acquirer, and Consideration of an Alternative Proposal

(i) Requesting the Board of Directors to Provide Information

When an Acquisition Document and any Essential Information additionally requested by the Board of Directors or Independent Committee have been submitted by an Acquirer, in order to compare and examine the content of the Acquisition Document and Essential Information against the management plans, corporate evaluations, and the like by the Board of Directors from the perspective of ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders, the Independent Committee may set an appropriate reply period (in principle, limited to 60 days maximum) in consideration of the time needed for the Board of Directors to collect information or consider corporate evaluations or the like (including consideration by outside experts, as necessary) and request the Board of Directors to promptly submit its opinion regarding the terms of the Acquisition by the Acquirer (including a statement that an opinion is temporarily withheld; the same applies below), the materials on which the opinion is based, an alternative proposal (if any), and any other information, materials, or the like deemed necessary by the Independent Committee.

(ii) Consideration by Independent Committee, etc.

If the Independent Committee determines that the Acquirer and (if the Independent Committee requested the Board of Directors to provide information, materials, or the like as set out in (i) above) the Board of Directors have provided sufficient information, materials, and the like (including those additionally requested to be provided) in order to begin the consideration of the terms of the Acquisition and the like, the Independent Committee will set a consideration period, in principle limited to 60 days maximum from the date on which all such information was received (however, in cases such as those stated in (d)(iii) below, the Independent Committee may extend that period by resolving to do so) (the "**Independent Committee Consideration Period**"), and notify the Acquirer and the Board of Directors to that effect. During the Independent Committee Consideration Period, the Independent Committee will consider the terms of the Acquisition by the Acquirer, gather information on and compare and examine management plans, business plans, and other policies for management by the Acquirer and the Board of Directors, consider an alternative plan to be presented by the Board of Directors, and conduct other actions. Further, if it is necessary in order to improve the terms of the Acquisition from the standpoint of ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders, the Independent Committee will, either directly itself or indirectly through the Board of Directors or the like, discuss and negotiate with the Acquirer or present the alternative plan presented by the Board of Directors to the shareholders of the Company, or conduct similar actions.

If the Independent Committee, either directly itself or indirectly through the Board of Directors or the like, requests the Acquirer to provide materials for consideration or any

other information, discuss and negotiate, or conduct other actions, the Acquirer must promptly respond to such request.

In order to ensure that the Independent Committee's decision contributes to the corporate value of the Company and, in turn, the common interests of its shareholders, the Independent Committee may, at the cost of the Company, obtain advice from independent third parties (including financial advisors, certified public accountants, attorneys, consultants, and other experts).

(iii) Information Disclosure to Shareholders

The Company will, at the time determined appropriate by the Independent Committee, disclose information to shareholders on the fact that an Acquirer has emerged, the fact that an Acquisition Document has been submitted by the Acquirer, the fact that the Independent Committee Consideration Period has commenced, the fact that the Board of Directors has presented an alternative plan to the Independent Committee, an outline of Essential Information, and other matters that the Independent Committee determines appropriate.

(d) Judgment of the Independent Committee

If an Acquirer emerges, the Independent Committee will make a recommendation to the Board of Directors or extend the Independent Committee Consideration Period as follows. If the Independent Committee makes a recommendation to the Board of Directors or an extension set out in (i) through (iii) below, or in other cases where the Independent Committee determines it to be appropriate, the Company will promptly disclose information on the fact that such recommendation or resolution has been made, the outline thereof, and other matters that the Independent Committee determines appropriate (if the Independent Committee Consideration Period is extended, including the period of the extension and an outline of the reasons for extension).

(i) If implementation of gratis allotment of Share Options is recommended

If the Acquirer does not comply with the procedures set out in the Plan or if, as a result of the consideration of the terms of the Acquisition by the Acquirer or discussions, negotiations, or the like with the Acquirer, the Independent Committee determines that the Acquisition by the Acquirer falls under any of the requirements set out in (3) 'Requirements for Gratis Allotment of Share Options' below and it is reasonable to implement a gratis allotment of Share Options, then regardless of whether or not the Independent Committee Consideration Period has started or ended, the Independent Committee will recommend the implementation of a gratis allotment of Share Options to the Board of Directors.

However, even after the Independent Committee has already made a recommendation for the implementation of the gratis allotment of Share Options, if the Independent Committee determines that either of the events in (A) or (B) below applies, it may, during the period until the day immediately prior to the Exercise Period Commencement Date for the Share Options (defined in (f) of (4) 'Outline of Gratis Allotment of Share Options' below), cancel the gratis allotment of Share Options (if it is before the gratis allotment becoming effective) or make a new recommendation that the Company should acquire the Share Options for no consideration (if it is after the gratis allotment becoming effective).

(A) The Acquirer cancels or withdraws the Acquisition or the Acquisition otherwise ceases to exist after the recommendation.[14]

(B) There has been a change or the like in the facts or other matters on which the recommendation decision was made, and the Acquisition by the Acquirer does not fall under any of the requirements set out in (3) 'Requirements for Gratis Allotment of Share Options' below or, even if it does, it is not reasonable to implement a gratis allotment of Share Options or accept exercise of Share Options.

In addition, the Independent Committee may attach a reservation that the implementation of a gratis allotment of Share Options shall be subject to the prior or subsequent approval at a general meeting of shareholders.

(ii) If non-implementation of gratis allotment of Share Options is recommended

If the Independent Committee, as a result of the consideration of the terms of the Acquisition by the Acquirer or discussions, negotiations, or the like with the Acquirer, determines that the Acquisition by the Acquirer does not fall under any of the requirements set out in (3) 'Requirements for Gratis Allotment of Share Options' below or, even if it does, it is not reasonable to implement a gratis allotment of Share Options, then regardless of whether or not the Independent Committee Consideration Period has started or ended, the Independent Committee will recommend the non-implementation of the gratis allotment of Share Options to the Board of Directors.

However, even after the Independent Committee has already made a recommendation for the non-implementation of the gratis allotment of Share Options, if there is a change in the facts or other matters on which the decision on the recommendation was made and the Independent Committee determines that the Acquisition by the Acquirer falls under any of the requirements set out in (3) 'Requirements for Gratis Allotment of Share Options' below and it is reasonable to implement a gratis allotment of Share Options, the Independent Committee may make a new decision, including a new recommendation that the Company should implement the gratis allotment of Share Options, and make that recommendation to the Board of Directors.

(iii) If the Independent Committee Consideration Period is extended

If the Independent Committee does not make a recommendation regarding the implementation or non-implementation of a gratis allotment of Share Options (including a recommendation to convene a general meeting of shareholders and put forth a proposal regarding the implementation of a gratis allotment of Share Options) by the end of the initial Independent Committee Consideration Period, the Independent Committee shall pass a resolution to extend the Independent Committee Consideration Period to the extent reasonable (however, not exceeding 30 days in principle) as necessary for taking actions such as the consideration of the terms of the Acquisition by the Acquirer, discussion and negotiation with the Acquirer, and consideration of an alternative proposal.

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[14] This would apply, for example, when the Acquirer cancels or withdraws an Acquisition that has already commenced (if the Acquisition is conducted by means of a tender offer, a public notice of the withdrawal of a tender offer (the main text of Article 27-11.2 of the Financial Instruments and Exchange Act) is required) and then a document to the effect that the Acquirer covenants such matters as that (i) the Acquisition will not be effected for a certain period, (ii) the Acquirer will reduce its holding ratio of share certificates, etc. to a certain percentage within a specific period, and (iii) the Acquirer will not exercise its right to demand convocation of an extraordinary general meeting of shareholders for a certain period is submitted and the Acquirer acts in compliance with the written covenant.

If the Independent Committee Consideration Period is extended pursuant to the above resolution, the Independent Committee will continue gathering information, considering relevant matters, and conducting other such actions and use its best efforts to make a recommendation regarding the implementation or non-implementation of a gratis allotment of Share Options (including a recommendation to convene a general meeting of shareholders and put forth a proposal regarding the implementation of a gratis allotment of Share Options) within the extended period.

(e) Convocation of General Meeting of Shareholders

When implementing a gratis allotment of Share Options, the Board of Directors will convene a general meeting of shareholders[15][16] in principle[17] and refer a proposal for the implementation of the gratis allotment of Share Options to the meeting.

(f) Resolutions by the Board of Directors

If a general meeting of shareholders is held pursuant to (e) above, the Board of Directors shall perform the necessary procedures for the gratis allotment of Share Options in accordance with the decision of that general meeting of shareholders (if a resolution to delegate to the Board of Directors the determination of matters pertaining to the gratis allotment of Share Options is passed at the general meeting of shareholders, the Board of Directors shall pass a resolution for the implementation of the gratis allotment of Share Options). However, if the Independent Committee makes any recommendation in accordance with (d) above and the general meeting of shareholders is not held, the Board of Directors will pass a resolution relating to the implementation or non-implementation of the gratis allotment of Share Options as an organization under the Companies Act while respecting the recommendation to the maximum extent and carefully considering matters such as whether the Acquisition opposes the corporate value of the Company and, in turn, the common interests of its shareholders. The Board of Directors will not implement the gratis allotment of Share Options if the Independent Committee recommends the non-implementation of the gratis allotment of Share Options or the proposal for the implementation of the gratis allotment of Share Options is rejected at the general meeting of shareholders.

After the commencement of the procedures under the Plan, the Acquirer shall not give effect to the Acquisition until the Board of Directors passes a resolution for the implementation or non-implementation of the gratis allotment of Share Options or, if a

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15 Although in principle the intent of shareholders will be confirmed by an ordinary resolution at the general meeting of shareholders, in some cases the Acquirer and the persons who are deemed by the Independent Committee to have a special interest in the Acquirer in relation to the proposal in question by comprehensively taking into account various circumstances, including the purpose, method, and terms of the large-scale Acquisition as well as the potential conflicts of interest between the Acquirer and general shareholders, will be excluded from the calculation of a requirement for passing a resolution to approve the proposal.

16 The general meeting of shareholders includes a meeting of shareholders that is held after a resolution of the Board of Directors to implement the gratis allotment of Share Options and before the effective date of the gratis allotment of Share Options.

17 Since there is insufficient time to convene the general meeting of shareholders and it is not possible to ensure the information necessary for shareholders to judge the appropriateness of the Acquisition in cases such as where the Acquirer tries to implement the Acquisition without following the procedures set out in the Plan, the Board of Directors may implement a gratis allotment of share options without convening the general meeting of shareholders while respecting the opinion of the Independent Committee to the maximum extent.

general meeting of shareholders is held as set out above, until the proposal for the gratis allotment of Share Options is passed or rejected at that general meeting of shareholders.

If the Board of Directors passes a resolution for the implementation or non-implementation of the gratis allotment of Share Options or a resolution to convene a general meeting of shareholders described above, or the general meeting of shareholders passes a resolution for the implementation of the gratis allotment of Share Options, the Board of Directors will promptly disclose information on an outline of the resolutions and other matters that the Board of Directors considers appropriate.

(3) Requirements for Gratis Allotment of Share Options

The Company plans to implement a gratis allotment of Share Options if an Acquisition by an Acquirer falls under any of the requirements set out below and it is determined reasonable to implement a gratis allotment of Share Options, based on the resolution by general meeting of shareholders or the Board of Directors set out in (e) and (f) of (2) 'Procedures for the Plan' above. As set out in (d) of (2) 'Procedures for the Plan' above, a determination as to whether any of the following requirements applies to an Acquisition and whether it is reasonable to implement a gratis allotment of Share Options must be made through a judgment by the Independent Committee.

(a) The Acquisition is not in compliance with the procedures for providing information set out in (b) of (2) 'Procedures for the Plan' above or for securing the Independent Committee Consideration Period, or other procedures set out in the Plan (including cases where reasonable time and information necessary to consider the details of the Acquisition is not offered).

(b) The Acquisition threatens to cause obvious harm to the corporate value of the Company and, in turn, the common interests of its shareholders through any of the following acts or similar acts:

(i) A buyout of share certificates, etc. to require such share certificates, etc. to be compulsorily purchased by the Company at a high price.

(ii) Management that achieves an advantage for the Acquirer to the detriment of the Company, such as temporary control of the Company's management for the low-cost acquisition of the Group's material assets.

(iii) Diversion of the Group's assets to secure or repay debts of the Acquirer or its group company.

(iv) Temporary control of the Group's management to bring about the disposal of high-value assets that have no current relevance to the Group's business 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 price created by the temporarily high dividends.

(v) An act such as an acquisition of the shares in the Company solely for the purpose of inflating the share price and forcing the Company's stakeholders, etc. to buy the shares at a high price even though the Acquirer does not actually intend to participate in the Company's management.

(c) The Acquisition threatens to effectively coerce shareholders into selling shares, such as a coercive two-tiered tender offer (meaning an acquisition of shares including tender offers, in which no offer is made to acquire all shares in the initial acquisition, and

acquisition terms for the second stage are set that are unfavorable for shareholders or unclear).

(d) The terms of the Acquisition (including the amount and type of consideration, timeframe of the Acquisition, legality of the Acquisition method, feasibility of the Acquisition being effected, post-Acquisition management policy and business plan, and policies for treating the Company's other shareholders, employees, clients, business partners, and other stakeholders of the Company after the Acquisition) are inadequate or inappropriate in light of the Company's intrinsic value.

(e) The Acquisition materially threatens to oppose the corporate value of the Company and, in turn, the common interests of its shareholders, by ways such as damaging the Company's relationships with employees, clients, business partners, and the like or the Company's social credibility or brand value, which are indispensable to the generation of the Company's corporate value.

In addition to the above, if the requirements equivalent to each of the above triggering events are satisfied and if it is deemed appropriate, the Company may take reasonable measures available under laws and ordinances and the Company's Articles of Incorporation as part of the implementation of the Plan. In this case, the determination will be made in accordance with the procedures set out in (2) 'Procedures for the Plan' above after obtaining the recommendation of the Independent Committee.

(4) Outline of Gratis Allotment of Share Options

The following is an outline of the gratis allotment of Share Options to be implemented under the Plan (please see Attachment 1 'Terms and Conditions for Gratis Allotment of Share Options' for the details of Share Options).

(a) Number of Share Options

The number of Share Options to be allotted upon implementation of a gratis allotment of Share Options is a number to be separately determined in a resolution by the Board of Directors or by the general meeting of shareholders regarding the gratis allotment of Share Options (the "**Gratis Allotment Resolution**"), which must not exceed the number equivalent to twice as many as the most recent total number of issued shares in the Company (excluding the number of shares in the Company held by the Company at that time) on an allotment date (the "**Allotment Date**") that is separately determined in the Gratis Allotment Resolution.

(b) Shareholders Eligible for Allotment

The Company will allot the Share Options for no consideration to shareholders, other than the Company, who are stated or recorded in the Company's most recent register of shareholders on the Allotment Date, at the ratio of up to two Share Options, as separately determined in the Gratis Allotment Resolution, for each share in the Company held.

(c) Effective Date of Gratis Allotment of Share Options

The effective date of the gratis allotment of Share Options will be separately determined in the Gratis Allotment Resolution.

(d) Number of Shares to be Acquired upon Exercise of Share Options

The number of shares in the Company to be acquired upon exercise of each Share Option[18] (these shares constitute "book-entry transfer shares" provided for in Article 128.1 of the

[18] Even if the Company becomes a "company with class shares" (Article 2, Item 13 of the Companies

Act on Book-Entry Transfer of Corporate Bonds and Shares, to which the provisions of the same Act apply) (the "**Applicable Number of Shares**") shall be one share, unless otherwise adjusted.

(e) Amount to be Contributed upon Exercise of Share Options

Contributions upon exercise of the Share Options are to be in cash, and the amount per share in the Company to be contributed upon exercise of the Share Options will be an amount to be separately determined in the Gratis Allotment Resolution, which must be within the range of no less than one yen and no more than an amount equivalent to half the market value per share in the Company. "**Market value**" means the average closing price (including quotations) of the Company's shares in regular trading on the Tokyo Stock Exchange over a 90-day period (excluding dates on which no closing price exists) until the day immediately prior to the Gratis Allotment Resolution, and any fraction less than one yen will be rounded up to the nearest whole yen.

(f) Exercise Period of Share Options

The commencement date of the exercise period will be a date separately determined in the Gratis Allotment Resolution (this commencement date of the exercise period is hereinafter referred to as the "**Exercise Period Commencement Date**"), and the period will, in principle, be a period from one month to three months long as separately determined in the Gratis Allotment Resolution. However, if the Company acquires Share Options in accordance with the provisions of (i)(ii) below, the exercise period of the Share Options so acquired will be until the business day immediately prior to the acquisition date. In addition, if the last day of the exercise period is a non-business day of the institution that handles payment of money to be paid upon the exercise of the Share Options, the previous business day will be the last day of the exercise period.

(g) Conditions for Exercise of Share Options

In principle, the following parties may not exercise the Share Options (the parties falling under (I) through (VI) below shall collectively be referred to as "**Non-Qualified Parties**"):

(I) Specified Large Holders[19];

(II) Joint holders of Specified Large Holders;

(III) Specified Large Purchasers[20];

Act) in the future, (i) shares in the Company to be issued upon the exercise of Share Options and (ii) shares to be delivered in exchange for the acquisition of the Share Options are the same class of shares as those that the Company has actually issued at the time of holding the Meeting (i.e., shares of common stock).

19 "**Specified Large Holder**" means, in principle, a party who is deemed by the Board of Directors to be a holder of share certificates, etc. issued by the Company and whose holding ratio of share certificates, etc. in respect of such share certificates, etc. is at least 20%; provided, however, that a party that the Board of Directors recognizes as a party whose acquisition or holding of share certificates, etc., of the Company is not contrary to the corporate value of the Company or the common interests of its shareholders or a certain other party that the Board of Directors separately determines in the Gratis Allotment Resolution is not a Specified Large Holder. The same applies throughout this proposal.

20 "**Specified Large Purchaser**" means, in principle, a person who is deemed by the Board of Directors to be a person who makes a public announcement of purchase, etc. (as defined in Article 27-2.1 of the Financial Instruments and Exchange Act; the same applies throughout this Note 13) of share certificates, etc. (as defined in Article 27-2.1 of the Financial Instruments and Exchange Act; the same applies throughout this Note 13) issued by the Company through a tender offer and whose ownership

(IV) Specially related parties of Specified Large Purchasers;

(V) Any transferee of, or successor to, the Share Options of any party falling under (I) through (IV) without the approval of the Board of Directors (including joint holders of or persons having a special relationship with the transferee or successor); or

(VI) Any Affiliated Party[21] of any party falling under (I) through (V).

The Board of Directors will hear the opinion of the Independent Committee and respect the determination of the Independent Committee to the maximum extent when making a determination regarding whether a person is a Non-Qualified Party.[22] Further, nonresidents of Japan who are required to follow certain procedures under applicable foreign laws and ordinances to exercise the Share Options may not, in principle, exercise the Share Options (provided, however, that some of the nonresidents, such as persons to whom exemption provisions of the applicable foreign laws and ordinances apply, may exercise the Share Options, and the Share Options held by nonresidents will be subject to acquisition by the Company in exchange for shares in the Company as set out in (i)(ii) below). Please see Attachment 1 'Terms and Conditions for Gratis Allotment of Share Options' for details. In addition, anyone who fails to submit a written undertaking, in the form prescribed by the Company and containing representations and warranties regarding matters such as the fact that he/she/it satisfies the exercise conditions of the Share Options, indemnity clauses and other covenants, may not exercise the Share Options.

(h) Assignment of Share Options

Any acquisition of the Share Options by assignment requires the approval of the Board of Directors.

(i) Acquisition of Share Options by the Company

(i) At any time on or before the date immediately prior to the Exercise Period Commencement Date, if the Board of Directors deems that it is appropriate for the Company to acquire the Share Options, the Company may, on a day separately determined by the Board of Directors, acquire all of the Share Options for no consideration.

(ii) On a date separately determined by the Board of Directors, the Company may acquire all of the Share Options that have not been exercised on or before the business day immediately prior to such date determined by the Board of Directors and are held by parties other than Non-Qualified Parties and, in exchange, deliver shares in the

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ratio of share certificates, etc. in respect of such share certificates, etc. owned by such person after such purchase, etc. (including similar ownership as prescribed in Article 7.1 of the Order for Enforcement of the Financial Instruments and Exchange Act) is at least 20% when combined with the ownership ratio of share certificates, etc. of a specially related party.

21 An "**Affiliated Party**" of a given party means a person who is deemed by the Board of Directors to be a person who substantially controls, is controlled by, or is under common control with such given party (including any party who is deemed to fall under the above by the Board of Directors), or a party deemed by the Board of Directors to act in concert with such given party. "**Control**" means to "control the determination of the financial and business policies" (as defined in Article 3.3 of the Enforcement Regulations of the Companies Act) of other corporations or entities.

22 However, a party that the Board of Directors recognizes as a party whose acquisition or holding of share certificates, etc., of the Company is not contrary to the corporate value of the Company and, in turn, the common interests of its shareholders or a certain other party that the Board of Directors separately determines in the Gratis Allotment Resolution does not constitute a Non-Qualified Party.

Company in the Applicable Number of Shares for each Share Option. The Company may acquire the Share Options on more than one occasion.

(iii) On a date separately determined by the Board of Directors, the Company may acquire all of the Share Options held by Non-Qualified Parties and, in exchange, deliver share options that may not, in principle, be exercised by Non-Qualified Parties as consideration[23] in the number equal to the Share Options to be acquired. In addition, with respect to such share options, acquisition provisions such as a provision stipulating that in certain cases the Company may acquire such share options by delivering reasonable consideration may be provided. The details of such share options will be determined in the Gratis Allotment Resolution.

Please see Attachment 1 'Terms and Conditions for Gratis Allotment of Share Options' for the definitions of the terms used above and details. In addition to the provisions set out above and in Attachment 1, matters concerning the acquisition of the Share Options and details of the content of the Share Options will be separately determined in the resolution for the gratis allotment of the Share Options.

(5) Procedures for the renewal of the Plan

With regard to the renewal of the Plan, the Company will request that the shareholders approve the delegation to the Board of Directors the authority to decide matters regarding the gratis allotment of Share Options in accordance with the terms and conditions set out in the Plan in accordance with Article 11 of the Company's Articles of Incorporation.

(6) Establishment of the Independent Committee

The Company will have the Independent Committee that has been established for the purpose of eliminating arbitrary decisions by the Board of Directors on matters such as the implementation or non-implementation of a gratis allotment of Share Options under the Plan and as an organization that objectively makes substantive decisions on the operation of the Plan for shareholders. If the renewal by adopting the Plan is approved at this Annual General Meeting of Shareholders, the Independent Committee after the renewal will be composed of members who are highly independent from the Company's management team: three Outside Directors of the Company (the Company has notified the Tokyo Stock Exchange that all of those Outside Directors are independent directors) and two outside experts. (Standards for the election of the members of the Independent Committee, requirements for resolutions and matters to be resolved at the meetings of the Independent Committee, and other related matters are described in Attachment 2 'Outline of the Rules of the Independent Committee,' and the profiles of the persons who are scheduled to assume office as the members of the Independent Committee after the renewal by adopting the Plan are described in Attachment 3 'Names and Profiles of the Members of the Independent Committee.')

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[23] However, the Company may set a condition that Non-Qualified Parties may exercise such share options in certain cases. For example, the Company intends to set out matters such as that when (x) an Acquirer cancels or revokes an Acquisition, or promises that it will not conduct any subsequent Acquisition, after the Gratis Allotment Resolution and the Acquirer or other Non-Qualified Parties entrust a securities firm permitted by the Company with the disposal of their shares in the Company, and (y) the Acquirer's holding ratio of share certificates, etc. determined by the Board of Directors (when calculating the holding ratio of share certificates, etc., Non-Qualified Parties other than the Acquirer and its joint holders are deemed to be the Acquirer's joint holders, and share options held by Non-Qualified Parties, the conditions of which have not been satisfied, are excluded) falls below 20%, the Acquirer or other Non-Qualified Parties may exercise share options held by them to the extent of the said ratio being under the said 20%.

If any Acquisition were to be actually conducted, the Independent Committee shall make a substantive decision on whether or not the Acquisition would have a detrimental effect on the corporate value of the Company and, in turn, the common interests of its shareholders, and the Board of Directors shall pass a resolution as an organization under the Companies Act by taking into consideration the decision to the maximum extent as set out in (2) 'Procedures for the Plan' above.

(7) Effective Period and Abolition of and Amendment to the Plan

The period during which the authority to determine matters regarding a gratis allotment of Share Options under the Plan is delegated to the Board of Directors according to the resolution of this Annual General Meeting of Shareholders set out in (5) 'Procedures for the renewal of the Plan' above (the "**Effective Period**") will be the period until the conclusion of the annual general meeting of shareholders relating to the last fiscal year ending within three years after the conclusion of this Annual General Meeting of Shareholders.

However, if, before the expiration of the Effective Period, the Board of Directors composed of Directors elected at a general meeting of shareholders of the Company resolves to abolish the Plan, the Plan will be abolished at that time.

Further, the Board of Directors may, subject to the approval of the Independent Committee, revise or amend the Plan even during the Effective Period of the Plan, in cases where the revision or amendment is not contrary to the purpose of the delegation made by the resolution of this Annual General Meeting of Shareholders set out in (5) 'Procedures for the renewal of the Plan' above (such as cases where any law, ordinance, or rule of a financial instruments exchange or the like concerning the Plan is established, amended or abolished and it is appropriate to reflect such establishment, amendment or abolition in the Plan, cases where it is appropriate to revise the wording for reasons such as typographical errors and omissions, and cases where the revision or amendment does not cause any disadvantage to the Company's shareholders).

If the Plan is abolished, revised or amended, the Company will promptly disclose the fact that such abolition, revision or amendment has taken place, and (in the event of a revision or amendment) the details of the revision, amendment and any other matters.

The details of the Plan are set out in III. above, but the impact on shareholders and investors and the decisions and reasoning by the Board of Directors regarding each measure above are as follows. Shareholders are therefore requested to approve this Proposal after taking these matters into consideration.

(8) Revision Due to Amendment of Laws and Ordinances

The provisions of laws and ordinances referred to under the Plan are subject to the prevailing provisions as of September 9, 2025. If it becomes necessary after such date to revise the terms and conditions or definitions of terms set out in the paragraphs above due to the establishment, amendment or abolishment of laws and ordinances, at the Board of Directors meeting, the terms and conditions or definitions of terms set out in the paragraphs above will be read accordingly as required to a reasonable extent, taking into consideration the purposes of such establishment, amendment or abolishment.

3. Impact on Shareholders and Investors

(1) Impact on Shareholders and Investors Upon Renewal by Adopting the Plan

Upon the renewal by adopting the Plan, there will be no direct or material impact on shareholders and investors because the Board of Directors will only be delegated the authority to determine a gratis allotment of Share Options according to the resolution of the general meeting of shareholders, and no actual gratis allotment of Share Options will be implemented.

(2) Impact on Shareholders and Investors at the Time of Gratis Allotment of Share Options

If the Board of Directors or the general meeting of shareholders of the Company resolves to make a gratis allotment of Share Options, the Company will allot Share Options for no consideration to each shareholder as of the Allotment Date to be separately determined in the Gratis Allotment Resolution at the ratio of up to two Share Options, as separately determined in the Gratis Allotment Resolution, per share in the Company held by the shareholder. If any shareholder does not make payment of money or otherwise follow procedures for the exercise of Share Options detailed in (b) of (3) 'Procedures that are Required to be Followed by Shareholders Due to Gratis Allotment of Share Options' below within the exercise period of the Share Options, the value of shares in the Company held by that shareholder as a whole will be diluted by the exercise of the Share Options by other shareholders. However, the Company may acquire Share Options from shareholders other than Non-Qualified Parties and, in exchange, deliver shares in the Company by the procedures set out in (c) of (3) 'Procedures that are Required to be Followed by Shareholders Due to Gratis Allotment of Share Options' below. If the Company follows this acquisition process, the shareholders other than the Non-Qualified Parties will receive shares in the Company without exercising the Share Options or making payment of the amount of money equivalent to the prescribed exercise price of the Share Options, and, in this case, although the value per share in the Company held by each shareholder will be diluted, the economic value of the shares in the Company held by all shareholders as a whole will not be diluted in principle.

In addition, even after the Board of Directors resolves to make a gratis allotment of Share Options, the Company may, by respecting any recommendation of the Independent Committee described in (d)(i) of III.2.(2) 'Procedures for the Plan' above to the maximum extent, (i) (on or before the effective date of the gratis allotment of Share Options) cancel the gratis allotment of Share Options, or (ii) (after the effective date of the gratis allotment of Share Options and until the day immediately prior to the Exercise Period Commencement Date of the Share Options) acquire Share Options for no consideration. In such cases, no dilution of the value per share in the Company will result, and it is possible that shareholders or investors who have sold, bought, or otherwise traded the shares in the Company expecting to see such a dilution in the value per share in the Company will be affected by a fluctuation in the share price.

(3) Procedures that are Required to be Followed by Shareholders Due to Gratis Allotment of Share Options

(a) Procedures for Gratis Allotment of Share Options

If the Board of Directors or the general meeting of shareholders of the Company resolves to implement a gratis allotment of Share Options, the Company will give a public notice regarding the Allotment Date for the gratis allotment of Share Options. In this case, shareholders who are stated or recorded in the Company's most recent register of shareholders will become share option holders as a matter of course on the effective date of the gratis allotment of Share Options, so no procedures, such as applying for such gratis allotment, will be necessary.

(b) Procedures for Exercising Share Options

The Company will deliver, in principle, a written request for the exercise of the Share Options (in the form prescribed by the Company and containing necessary matters such as the terms and number of Share Options for exercise and the exercise date for the Share Options, an account for transferring book-entry transfer shares, as well as representations and warranties regarding matters such as that the shareholders are not Non-Qualified Parties, indemnity clauses and other covenants) and other documents necessary for the exercise of the Share Options to shareholders who are stated or recorded in the Company's most recent register of shareholders on the Allotment Date. After the gratis allotment of Share Options, the shareholders will be issued, in principle, one share in the Company in exchange for each Share Option after (i) submitting the written request for the exercise of the Share Options and other necessary documents in the manner prescribed by the Company during the exercise period of Share Options and before the acquisition of the Share Options by the Company taking effect, (ii) these documents arriving at the location for accepting exercise requests for the Share Options, and (iii) paying an amount of money equivalent to the exercise price to be separately determined in the Gratis Allotment Resolution, which must be within the range of no less than one yen and no more than half the market value per share in the Company, for each Share Option, at the location for accepting exercise requests for the Share Options.

(c) Procedures for Acquisition of Share Options by the Company

If the Board of Directors determines to acquire Share Options, the Company will acquire the Share Options in accordance with the statutory procedures on the date separately determined by the Board of Directors.

If, in this case, the Company acquires the Share Options from the shareholders other than Non-Qualified Parties and deliver shares in the Company in exchange for the Share Options, the shareholders concerned will come to receive one share in the Company in principle as consideration for the acquisition by the Company of those Share Options, without paying the amount equivalent to the exercise price. However, in such case, the shareholders concerned will be separately requested to submit, in the form prescribed by the Company, a document that contains necessary matters such as an account for transferring book-entry transfer shares, representations and warranties regarding matters such as the fact that they are not Non-Qualified Parties, indemnity clauses and other covenants.

In addition, the Company will disclose information to or notify all of its shareholders with respect to the particulars of the allotment method, exercise method and method for acquisition by the Company in relation to the Share Options after these matters are determined in the Gratis Allotment Resolution, so the Company requests that shareholders check these details at that time.

IV. Decisions and Reasoning by the Board of Directors Regarding Each Measure Above

1 Decisions and Reasoning Regarding the Special Measures to Make Effective Use of the Company's Assets, Form an Appropriate Corporate Group, and Otherwise Realize the Basic Policy (measures set out in II. above)

As set out in II. above, the Company has implemented such measures for enhancing the corporate value and strengthening its corporate governance practices as specific measures to continually and persistently enhance the corporate value of the Company and, in turn, the common interests of its shareholders, and these measures will contribute to the realization of the Basic Policy.

Therefore, these measures comply with the Basic Policy and are not detrimental to the common interests of the shareholders of the Company, and are not implemented for the purpose of maintaining the positions of corporate officers of the Company.

2 Decisions and Reasoning Regarding the Measures to Prevent Decisions on the Company's Financial and Business Policies from being Controlled by a Person Viewed as Inappropriate under the Basic Policy (measures set out in III. above)

(a) The Plan is in Line with the Basic Policy

The Plan is a mechanism to maintain the corporate value of the Company and, in turn, the common interests of its shareholders by ensuring the necessary time and information is made available for the shareholders to decide whether or not to accept the Acquisition of share certificates, etc. of the Company and for the Board of Directors to present an alternative proposal to the shareholders, and by enabling the Board of Directors to have discussions, negotiations, or the like with the Acquirer for the benefit of the shareholders when the Acquisition is to be effected. As above, the Plan is in compliance with the Basic Policy.

(b) The Measures are not Detrimental to Common Interests of Shareholders and do not Aim to Maintain Positions of Corporate Officers of the Company

For the following reasons, the Company believes that the measures to prevent control by a person viewed as inappropriate under the Basic Policy would not be detrimental to the common interests of the Company's shareholders, and that the measures have not been implemented for the purpose of maintaining the positions of corporate officers of the Company.

(i) Satisfying Requirements of the Guidelines for Takeover Defense Measures

The Plan satisfies all of the three principles set out in "Guidelines for Corporate Takeovers -Enhancing Corporate Value and Securing Shareholders' Interests-" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on August 31, 2023. The Plan is designed based on "Takeover Defense Measures in Light of Recent Environmental Changes" published on June 30, 2008 by the Corporate Value Study Group of the Ministry of Economy, Trade and Industry, the content of "Principle 1.5 Anti-Takeover Measures" in "Japan's Corporate Governance Code" revised by the Tokyo Stock Exchange on June 11, 2021, and other practice and discussion related to the takeover defense measures.

(ii) Placing High Value on Shareholders' Intent (Resolution at General Meeting of Shareholders and Sunset Clause)

As set out in III.2.(5) 'Procedures for the renewal of the Plan' above, the renewal by adopting the Plan will be effected when the resolution for delegation regarding the Plan is made at this Annual General Meeting of Shareholders.

As set out in III.2.(2)(e) 'Convocation of General Meeting of Shareholders' above, the Board of Directors may, in principle, confirm the intent of the shareholders regarding implementation of the gratis allotment of Share Options at a general meeting of shareholders.

Further, as set out in III.2.(7) 'Effective Period and Abolition of and Amendment to the Plan' above, the Plan is subject to a so-called sunset clause setting the Effective Period of approximately three years and if, even before the expiration of the Effective Period of the Plan, the Board of Directors composed of Directors elected at a general meeting of shareholders of the Company resolves to abolish the Plan, the Plan will be abolished at that time. In this regard, whether it is appropriate to continue to adopt the Plan depends on the intent of the Company's shareholders.

(iii) Disclosure of Information and Emphasis on Decisions by Highly Independent Outside Parties

Upon the renewal by adopting the Plan, the Company will continue to have the Independent Committee make substantive decisions on the operation of the implementation of the gratis allotment of Share Options or other matters in order to eliminate arbitrary decisions by the Board of Directors for shareholders.

If an Acquisition of shares in the Company were to be actually conducted, the Independent Committee would, as set out in III.2.(2) 'Procedures for the Plan' above, and in accordance with the Rules of the Independent Committee, make a substantive decision on whether or not the Acquisition would have a detrimental effect on the corporate value of the Company and, in turn, the common interests of its shareholders. Then, the Board of Directors would, by taking into consideration the decision to the maximum extent, pass a resolution as an organization under the Companies Act.

In this way, the Independent Committee will strictly monitor the Board of Directors so that the Board of Directors will not arbitrarily implement a gratis allotment of Share Options, and outlines of its decisions will be disclosed to the shareholders, thereby ensuring a structure under which the Plan is operated so that it contributes to the corporate value of the Company and, in turn, the common interests of its shareholders.

If the renewal by adopting the Plan is approved by the Meeting, the Independent Committee after the renewal will be composed of members who are highly independent from the Company's management team: three Outside Directors of the Company (the Company has notified the Tokyo Stock Exchange that all of those Outside Directors are independent directors) and two outside experts. Standards for the election of the members of the Independent Committee, requirements for resolutions and matters to be resolved at the meetings of the Independent Committee, and other related matters are described in Attachment 2 'Outline of the Rules of the Independent Committee,' and the profiles of the persons who are scheduled to assume office as the members of the Independent Committee after the renewal by adopting the Plan are described in Attachment 3 'Names and Profiles of the Members of the Independent Committee.'

(iv) Establishment of Reasonable and Objective Requirements

As set out in (d) of III.2.(2) 'Judgment of the Independent Committee' and III.2.(3) 'Requirements for Gratis Allotment of Share Options' above, the Company believes that

the Plan is established so that any gratis allotment of Share Options will not be implemented unless the prescribed reasonable and specific objective requirements have been satisfied, and ensures a structure to eliminate arbitrary implementation by the Board of Directors.

(v) Obtaining Advice of Outside Experts

As set out in (c) of III.2.(2) 'Consideration of Acquisition Terms, Negotiation with the Acquirer, and Consideration of an Alternative Proposal' above, if an Acquirer emerges, the Independent Committee may obtain the advice of independent third parties (including financial advisors, certified public accountants, attorneys, consultants, or other experts) at the cost of the Company. This is a mechanism to even more securely enhance the objectivity and fairness of the decisions made by the Independent Committee.

(vi) No Dead-Hand or Slow-Hand Response Policy

As set out in III.2.(7) 'Effective Period and Abolition of and Amendment to the Plan' above, the Plan is designed with a framework under which it may be abolished by a person who purchases a large number of share certificates, etc. in the Company through the election at a general meeting of shareholders of Directors nominated by that person and through a resolution of the Board of Directors attended by the so-elected Directors. Therefore, the Plan is not a dead-hand response policy (a response policy in which even if a majority of the members of the Board of Directors are replaced, the triggering of the response policy cannot be stopped). Also, as the Company has not adopted a system of staggered terms of office, the Plan is not a slow-hand response policy either (a response policy in which triggering takes more time to stop due to the fact that all members of the Board of Directors cannot be replaced at once).

---End---

Attachment 1

Terms and Conditions for Gratis Allotment of Share Options

I. Decisions on Matters Relating to Gratis Allotment of Share Options

(1) Details and Number of Share Options

The details of share options to be allotted to each shareholder (individually and collectively, "**Share Options**") are based on the matters stated in II. below, and the number of Share Options to be allotted will be a number to be separately determined in a resolution by the Board of Directors or a resolution at a general meeting of shareholders regarding the gratis allotment of Share Options (the "**Gratis Allotment Resolution**"), which must not exceed a number equivalent to twice as many as the most recent total number of issued shares in the Company (excluding the number of shares in the Company held by the Company at that time) on an allotment date (the "**Allotment Date**") that is separately determined in the Gratis Allotment Resolution.

(2) Shareholders Eligible for Allotment

The Company will allot Share Options for no consideration to each shareholder, other than the Company, who is stated or recorded in the Company's latest register of shareholders on the Allotment Date, at the ratio of up to two Share Options, as separately determined in the Gratis Allotment Resolution, per share in the Company held by the shareholder.

(3) Effective Date of Gratis Allotment of Share Options

The effective date of the gratis allotment of Share Options will be separately determined in the Gratis Allotment Resolution.

II. Details of Share Options

(1) Number of Shares to be Acquired upon Exercise of Share Options

1) The number of shares to be acquired upon exercise of each Share Option (the "**Applicable Number of Shares**") shall be one share. However, if the Company implements a share split or share consolidation, the Applicable Number of Shares will be adjusted in accordance with the following formula and any fraction less than one share resulting from the adjustment will be rounded down, and no adjustment by money shall be made.

   Applicable Number of Shares after adjustment = Applicable Number of Shares before adjustment × ratio of share split or consolidation

2) The Applicable Number of Shares after the adjustment will apply: (i) in the event of a share split, from and after the day immediately following the record date for the share split; and (ii) in the event of a share consolidation, from and after the effective date of the share consolidation.

3) In addition to the provisions set out in 1) above, if the Company effects an act that causes or may cause a change in the total number of issued shares (excluding the number of shares in the Company held by the Company) such as a gratis allotment of shares, merger, or company split, and an adjustment of the Applicable Number of Shares is necessary, the Company will make a reasonable adjustment of the Applicable Number of Shares

after taking into consideration the conditions for and other matters relating to the gratis allotment of shares, merger, company split, or other acts.

(2) Amount of Contributions upon Exercise of Share Options

1) Contributions upon exercise of the Share Options are to be in cash, and the amount is the Exercise Price (defined in 2) below) multiplied by the Applicable Number of Shares.

2) The amount per share in the Company to be contributed upon exercise of the Share Options (the "**Exercise Price**") will be an amount separately determined in the Gratis Allotment Resolution, which must be within the range of no less than one yen and no more than an amount equivalent to half the market value per share in the Company. "**Market value**" means the average closing price (including quotations) of the Company's shares in regular trading on the Tokyo Stock Exchange over a 90-day period (excluding dates on which no closing price exists) until the day immediately prior to the Gratis Allotment Resolution, and any fraction less than one yen will be rounded up to the nearest whole yen.

(3) Exercise Period of Share Options

The commencement date of the exercise period will be a date separately determined in the Gratis Allotment Resolution, and the period will be a period from one month to three months long as separately determined in the Gratis Allotment Resolution. However, if the Company acquires Share Options in accordance with the provisions of section (7)2) below, the exercise period of the Share Options so acquired will be until the business day immediately prior to the acquisition date. In addition, if the last day of the exercise period is a non-business day of the institution that handles payment of money to be paid upon the exercise of the Share Options, the previous business day will be the last day of the exercise period.

(4) Conditions for Exercise of Share Options

1) The following parties may not exercise the Share Options (the parties falling under (i) through (vi) below are collectively referred to as "**Non-Qualified Parties**"):

(i) Specified Large Holders;

(ii) Joint holders of Specified Large Holders;

(iii) Specified Large Purchasers;

(iv) Specially related parties of Specified Large Purchasers;

(v) Any transferee of, or successor to, the Share Options of any party falling under (i) through (iv) without the approval of the Board of Directors; or

(vi) Any Affiliated Party of any party listed in (i) through (v).

The terms used above are defined as follows:

(i) "**Specified Large Holder**" means, in principle, a party who is a holder (including a party who is included in holders under Article 27-23.3 of the Financial Instruments and Exchange Act) of share certificates, etc. (as defined in Article 27-23.1 of the Financial Instruments and Exchange Act; the same applies hereinafter unless otherwise prescribed), issued by the Company and whose holding ratio of share certificates, etc. in respect of such share certificates, etc. is considered to be at least 20% by the Board of Directors; provided, however, that a party that the Board of Directors recognizes as a party whose acquisition or holding of share certificates, etc., of the Company is not contrary to the corporate value of the Company or, in turn, the common interests of its shareholders or a certain other party that the Board

of Directors separately determines in the Gratis Allotment Resolution is not a Specified Large Holder.

(ii) "**Joint holder**" means, in principle, a joint holder as defined in Article 27-23.5 of the Financial Instruments and Exchange Act, including a party deemed by the Board of Directors to be a joint holder under Article 27-23.6 of the Financial Instruments and Exchange Act.

(iii) "**Specified Large Purchaser**" means, in principle, a person who makes a public announcement of purchase, etc. (as defined in Article 27-2.1 of the Financial Instruments and Exchange Act; the same applies in this (iii)) of share certificates, etc. (as defined in Article 27-2.1 of the Financial Instruments and Exchange Act; the same applies in this (iii)) issued by the Company through a tender offer (as defined in Article 27-2.6 of the Financial Instruments and Exchange Act) and whose ownership ratio of share certificates, etc. (as defined in Article 27-2.8 of the Financial Instruments and Exchange Act; the same applies hereinafter), in respect of such share certificates, etc., owned by such person after such purchase, etc., (including similar ownership as prescribed in Article 7.1 of the Order for Enforcement of the Financial Instruments and Exchange Act) is considered by the Board of Directors to be at least 20% when combined with the ownership ratio of share certificates, etc., of a specially related party.

(iv) "**Specially related party**" means, in principle, a specially related party as defined in Article 27-2.7 of the Financial Instruments and Exchange Act (including a party who is considered to fall under the above by the Board of Directors). However, parties provided for in Article 3.2 of the Cabinet Office Order on Disclosure Required for Tender Offer for Share Certificates, etc. by Person other than Issuer are excluded from the parties described in Article 27-2.7, Item (1) of the Financial Instruments and Exchange Act.

(v) An "**Affiliated Party**" of a given party means a person who is considered by the Board of Directors to substantially control, be controlled by, or be under common control with such given party, or a party deemed by the Board of Directors to act in concert with such given party. "**Control**" means to "control the determination of the financial and business policies" (as defined in Article 3.3 of the Ordinance for Enforcement of the Companies Act) of other corporations or entities.

2) Notwithstanding 1) above, the parties listed in (i) through (iv) below are not Specified Large Holder or Specified Large Purchaser:

(i) the Company, its subsidiaries (as defined in Article 8.3 of the Regulations concerning Terminology, Forms and Method of Preparation of Financial Statements, etc.) or its affiliates (as defined in Article 8.5 of the Regulations concerning Terminology, Forms and Method of Preparation of Financial Statements, etc.);

(ii) a party that the Board of Directors recognizes as a party that became a Specified Large Holder as set forth in 1)(i) above with no intention to control the Company and that ceased to be a Specified Large Holder as set forth in 1)(i) above due to a disposal of the share certificates, etc. of the Company held within ten (10) days after becoming a Specified Large Holder as set forth in 1)(i) above (provided, however, that the ten (10) day period may be extended by the Board of Directors);

(iii) a party that the Board of Directors recognizes as a party that involuntarily became a Specified Large Holder as set forth in 1)(i) above by the Company acquiring treasury

stock or for any other reason (excluding cases where the party thereafter newly acquires the Company's share certificates, etc. at its own discretion); or

(iv) a party that the Board of Directors recognizes as a party whose acquisition or holding of share certificates, etc. of the Company is not contrary to the corporate value of the Company or, in turn, the common interests of its shareholders (the Board of Directors may separately recognize that a party that it has recognized as a Non-Qualified Party is not contrary to the corporate value of the Company or, in turn, the common interests of its shareholders. If the Board of Directors determines that an acquisition or holding is not contrary to the corporate value of the Company or, in turn, common interests of its shareholders under certain conditions, such recognition will be effective to the extent that these conditions are satisfied).

3) Under the applicable foreign laws and ordinances, if a party located within a jurisdiction of such laws and ordinances is required for the purposes of exercising the Share Options to (i) perform certain procedures, (ii) satisfy certain conditions (including prohibition of exercise for a certain period of time or submission of specified documents), or (iii) both perform such procedures and satisfy such conditions (collectively, the "**Governing Law Exercise Procedures and Conditions**"), such party may exercise the Share Options only if the Board of Directors recognizes that it has fully performed or satisfied the Governing Law Exercise Procedures and Conditions, and such party may not exercise the Share Options if the Board of Directors does not recognize that it has satisfied the Governing Law Exercise Procedures and Conditions. The Company shall bear no obligation to implement or satisfy any Governing Law Exercise Procedures and Conditions which are required in order for the party located in such jurisdiction to exercise the Share Options. In addition, if a party located in such jurisdiction is not permitted to exercise the Share Options under such laws and ordinances, the party located in such jurisdiction may not exercise the Share Options.

4) Notwithstanding 3) above, a party located in the United States may exercise the Share Options, only if (i) such party represents and warrants that it is an accredited investor as defined in Rule 501(a) of the U.S. Securities Act of 1933, and (ii) such party covenants to resell the shares of the Company to be acquired upon exercise of the Share Options held by such party only through a regular transaction at the Tokyo Stock Exchange (not on the basis of any previous arrangements and without previous solicitation). In such case only, the Company shall perform or satisfy the Regulation D of the U.S. Securities Act of 1933 and the Governing Law Exercise Procedures and Conditions under applicable U.S. state laws that are required to be performed or satisfied by the Company for exercise of the Share Options by a party located in the United States. A party located in the United States shall not exercise the Share Options if the Board of Directors determines that such party is not permitted to legally exercise the Share Options under the U.S. Securities Act due to a change in the law of the United States or some other reason, even though such party satisfies the conditions as described in (i) and (ii) above.

5) A holder of the Share Options may exercise the Share Options only if the holder submits to the Company a written statement in which the holder undertakes representations and warranties, including, but not limited to, the fact that the holder is not a Non-Qualified Party, nor a party that has any intention to exercise the Share Options on behalf of a Non-Qualified Party and that the holder has satisfied the conditions for the exercise of the Share Options, provisions for indemnification and other matters prescribed by the Company and any written statement required under the laws and ordinances.

6) Even if a holder of the Share Options is unable to exercise the Share Options in accordance with the provisions of this section (4), the Company shall not be liable to such holder of the Share Options for damages or any other obligations.

(5) Capital and Capital Reserve to Be Increased Upon Issuance of Shares by Exercise of Share Options

The capital and capital reserve to be increased upon issuance of shares by exercise of the Share Options shall be the amount separately determined in the Gratis Allotment Resolution.

(6) Restriction on Assignment of Share Options

1) Any acquisition of the Share Options by assignment requires the approval of the Board of Directors.

2) If a party who intends to assign the Share Options is located outside Japan and is unable to exercise the Share Options in accordance with the provisions of sections (4)3) and (4)4) (excluding a Non-Qualified Party), then the Board of Directors shall determine if it gives such approval as described in section 1) above considering the following matters:

(i) whether or not a written undertaking prepared and signed or sealed by the transferor and transferee (including provisions for representations and warranties with respect to the matters described in (ii), (iii) and (iv), provisions for indemnification, and provisions for penalties) is submitted with respect to the acquisition by assignment of all or part of the Share Options by a person located in such jurisdiction;

(ii) whether or not it is clear that the transferor and transferee are not Non-Qualified Parties;

(iii) whether or not it is clear that the transferee is not located in such jurisdiction and does not intend to accept the Share Options for a party located in such jurisdiction;

(iv) whether or not it is clear that the transferee does not intend to accept the Share Options for a Non-Qualified Party.

(7) Acquisition of Share Options by the Company

1) At any time on or before the date immediately prior to the first date of the exercise period of Share Options, if the Board of Directors deems that it is appropriate for the Company to acquire the Share Options, the Company may, on a date separately determined by the Board of Directors, acquire all of the Share Options for no consideration.

2) On a date separately determined by the Board of Directors, the Company may acquire all of the Share Options that are held by parties other than Non-Qualified Parties that have not been exercised by the business day immediately prior to that date determined by the Board of Directors and, in exchange, deliver shares in the Company in the number equivalent to the Applicable Number of Shares for each Share Option. The Company may conduct such acquisition of the Share Options on several occasions.

3) On a date separately determined by the Board of Directors, the Company may acquire all of the Share Options held by Non-Qualified Parties and, in exchange, deliver share options that may not, in principle, be exercised by Non-Qualified Parties as consideration[24] in the number equal to the Share Options to be acquired. In addition,

[24] However, the Company may set a condition that Non-Qualified Parties may exercise such share options in certain cases. For example, the Company intends to set out matters such as that when (x) an Acquirer cancels or revokes an Acquisition, or promises that it will not conduct any subsequent Acquisition, after the Gratis Allotment Resolution and the Acquirer or other Non-Qualified Parties

with respect to such share options, acquisition provisions such as a provision stipulating that in certain cases the Company may acquire such share options by delivering reasonable consideration may be provided. The details of such share options will be separately determined in the Gratis Allotment Resolution.

(8) Delivery of the Share Options and the Conditions Thereof in the Case of Merger (Only in the Case Where the Company is Extinguished by the Merger), Absorption-Type Company Split, Incorporation-Type Company Split, Share Exchange, or Share Transfer

The delivery of the Share Options and the conditions thereof in the case of merger (only in the case where the Company is extinguished by the merger), absorption-type company split, incorporation-type company split, share exchange, or share transfer will be separately determined in the Gratis Allotment Resolution.

(9) Issuance of Certificates of Share Options

No certificates of Share Options will be issued.

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entrust a securities firm permitted by the Company with the disposal of their shares in the Company, and (y) the Acquirer's holding ratio of share certificates, etc. determined by the Board of Directors (when calculating the holding ratio of share certificates, etc., Non-Qualified Parties other than the Acquirer and its joint holders are deemed to be the Acquirer's joint holders, and share options held by Non-Qualified Parties, the conditions of which have not been satisfied, are excluded) falls below 20%, the Acquirer or other Non-Qualified Parties may exercise share options held by them to the extent of the said ratio being under the said 20%.

Attachment 2

Outline of the Rules of the Independent Committee

- The Independent Committee shall be established by resolution of the Board of Directors.
- The Independent Committee shall comprise of no less than three members elected by the Board of Directors and independent from the management that executes the business of the Company and fall into any of the three categories, namely, (i) Outside Directors of the Company, (ii) Outside Audit & Supervisory Board Member of the Company, or (iii) other outside experts. However, such experts must be experienced corporate managers, persons with knowledge of the investment banking industry or the business areas engaged in by the Company, lawyers, certified public accountants, researchers whose research focuses on the Companies Act or the like, or persons of similar qualifications, and must have executed with the Company an agreement separately specified by the Board of Directors that contains a provision obligating them to exercise the duty of care of a good manager or similar provision.
- Unless otherwise determined by a resolution of the Board of Directors, the term of office of members of the Independent Committee will be until the conclusion of the annual general meeting of shareholders relating to the final fiscal year ending within three years after the conclusion of the Meeting. If a member of the Independent Committee who is an Outside Director or Outside Audit & Supervisory Board Member ceases to be a Director or an Audit & Supervisory Board Member (excluding the case where such member is reappointed as a Director or an Audit & Supervisory Board Member), his or her term of office as a member of the Independent Committee will expire at the same time.
- The Independent Committee shall make decisions on the matters listed below and make recommendations to the Board of Directors containing the details of and reasons for the recommendation. Respecting such recommendations of the Independent Committee to the maximum extent, the Board of Directors shall make resolutions on the implementation or non-implementation of the gratis allotment of Share Options as an organization under the Companies Act (however, if the proposal regarding the implementation of the gratis allotment of Share Options is submitted to the Company's general meeting of shareholders, the Board of Directors shall be subject to the resolution of such general meeting of shareholders). Each member of the Independent Committee and each Director of the Company must make such decisions solely with a view to whether or not the corporate value of the Company and, in turn, the common interests of its shareholders will be enhanced, and they must not serve the purpose of their own interests or those of the management of the Company.

  (i) The implementation or non-implementation of the gratis allotment of Share Options (including convocation of a general meeting of shareholders for the submission of a proposal regarding the implementation of the gratis allotment of Share Options to the general meeting of shareholders of the Company).

  (ii) The cancellation of the gratis allotment of Share Options or the gratis acquisition of Share Options.

  (iii) Any other matters that are for determination by the Board of Directors in respect to which it has consulted the Independent Committee.

- In addition to the matters prescribed above, the Independent Committee shall conduct the matters listed below.
  - (i) Determination of whether the Acquisition is a case where the Plan applies to or not.
  - (ii) Decisions on information to be provided to the Independent Committee from the Acquirer as well as the Board of Directors, and the time limit of such provision.
  - (iii) Examination and consideration of the terms of the Acquirer's Acquisitions.
  - (iv) Negotiations and discussions with the Acquirer.
  - (v) Request for submission of an alternative proposal from the Board of Directors, review of the alternative proposal and its presentation.
  - (vi) Decision on extension of the Independent Committee Consideration Period.
  - (vii) Approval of revision or amendment of the Plan.
  - (viii) Determination of whether a person falls under a Non-Qualified Party or not.
  - (ix) Any other matters that the Plan prescribes that the Independent Committee may conduct.
  - (x) Any matters that the Board of Directors separately determines that the Independent Committee may conduct.
- If the content of the Acquisition Document or information provided has been found insufficient as Essential Information, the Independent Committee shall request the Acquirer to additionally provide such information. Upon submission from the Acquirer of the Acquisition Document and the information additionally requested by the Committee, the Independent Committee may also request the Board of Directors to provide its opinion over the details of the Acquisition proposed by the Acquirer, evidence that supports such opinion, alternative proposals (if any,) and other information, materials, and the like considered necessary by the Committee as appropriate, within a certain period of time.
- The Independent Committee shall also discuss and negotiate with the Acquirer, directly or indirectly via the Board of Directors or the like, or present shareholders with the alternative proposals submitted by the Board of Directors if necessary, for altering the details of the Acquisition proposed by the Acquirer with a view to ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders.
- The Independent Committee may, in order to collect necessary information, request the Company's Directors, Audit & Supervisory Board Members, employees or other persons whom the Independent Committee considers necessary, to attend a meeting of the Independent Committee, and to explain the matters requested by the Independent Committee.
- The Independent Committee may, at the Company's expense, obtain the advice of independent third parties (including financial advisers, certified public accountants, lawyers, consultants and other experts) and conduct similar actions.
- Each member of the Independent Committee may convene a meeting of the Independent Committee at the time of the Acquisition or at any other times.
- In principle, a resolution may pass with a majority of the members present provided that all members of the Independent Committee are in attendance (including attendance via video conference or online conference; hereinafter the same). However, if any member of the Independent Committee is unable to attend due to an accident or other unavoidable

circumstance, a resolution may be made with the attendance of a majority of the members, and by a majority of the voting rights thereof.

---End---

Attachment 3

Names and Profiles of the Members of the Independent Committee

The following five persons are scheduled to be the members of the Independent Committee after the renewal by adopting the Plan.

Kuniharu Takemata

Career summary:

1954	Born
Apr. 1978	Joined Electric Power Development Co., Ltd. ("J-Power")
June 2006	Executive Officer, and Department Director of Business Planning Department of J-Power
June 2007	Executive Managing Officer, and Department Director of Corporate Planning Department of J-Power
June 2009	Director of J-Power
June 2012	Director, and Executive Managing Officer of J-Power
Oct. 2016	Outside Director of the Company (current position)
June 2017	Outside Director of erex Co., Ltd.
June 2018	Managing Director of erex Co., Ltd.
June 2021	Advisor of erex Co., Ltd. (current position)
Jan. 2025	Director of MobiSavi Co., Ltd. (current position)

Mr. Kuniharu Takemata is an Outside Director of the Company. Mr. Takemata does not have any business relationship with, or special interest in, the Company. The Company has notified the Tokyo Stock Exchange that Mr. Takemata is an independent officer of the Company.

Keiji Imajo

Career summary:

1961	Born
Apr. 1985	Joined Kanegafuchi Chemical Industry Co., Ltd. (currently KANEKA CORPORATION)
Jan. 2001	Joined Future Venture Capital Co., Ltd.
June 2011	Representative Director and President of Future Venture Capital Co., Ltd.

Jan. 2016	Representative Director and Chairman of the Board of Future Venture Capital Co., Ltd.
June 2016	Director and Chairman of the Board of Future Venture Capital Co., Ltd.
July 2017	Outside Director of JOHNAN Corporation (current position)
Dec. 2018	Outside Director of OSAKA YUKA INDUSTRY LTD. (current position)
Oct. 2019	Outside Director of the Company (current position)
Sep. 2023	Outside Director of ENVIPRO HOLDINGS Inc. (current position)

Mr. Keiji Imajo is an Outside Director of the Company. Mr. Imajo does not have any business relationship with, or special interest in, the Company. The Company has notified the Tokyo Stock Exchange that Mr. Imajo is an independent officer of the Company.

Masako Tanaka

Career summary:

1958	Born
Apr. 1981	Joined Furukawa Electric Co., Ltd.
Jan. 2004	General Manager of Secretary Office of Furukawa Electric Co., Ltd.
June 2008	Administration Manager of the CSR Promotion Division of Furukawa Electric Co., Ltd.
Apr. 2014	General Manager of the Legal Department, Administration & CSR Division of Furukawa Electric Co., Ltd.
Apr. 2015	Executive Officer, General Manager of the Legal Department, Administration & CSR Division, General Manager of the Work Style Reformation Project Team of Furukawa Electric Co., Ltd.
Oct. 2017	Executive Officer, Deputy General Manager, Strategy Division and General Manager of Human Resources Department of Furukawa Electric Co., Ltd.
Apr. 2021	Executive Officer, Deputy General Manager of Business Basis Transformation Division, CHRO of Furukawa Electric Co., Ltd.
June 2021	Outside Director (Audit & Supervisory Committee Member) of Howa Machinery, Ltd. (current position)
June 2022	Outside Director of FUTABA CORPORATION (current position)
Oct. 2023	Outside Director of the Company (current position)

Ms. Masako Tanaka is an Outside Director of the Company. Ms. Tanaka does not have any business relationship with, or special interest in, the Company. The

Company has notified the Tokyo Stock Exchange that Ms. Tanaka is an independent officer of the Company.

Toshikuni Hirai

Career summary:

1942	Born
Apr. 1965	Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd)
June 1992	Director of The Mitsubishi Bank., Ltd. (currently MUFG Bank, Ltd)
June 1996	Full-time Audit & Supervisory Board Member of The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd)
June 1998	Representative Director, Executive Vice President of Chiyoda Corporation
June 2001	Vice President of INTEC Inc.
Oct. 2006	Director, Vice President and joint Chief Executive Officer of INTEC Holdings, Ltd.
June 2007	Audit & Supervisory Board Member of GUNZE LIMITED
July 2007	Executive Director of incorporated foundation Japan Philharmonic Orchestra (currently public interest incorporated foundation Japan Philharmonic Orchestra)
July 2014	President & CEO of public interest incorporated foundation Japan Philharmonic Orchestra
June 2025	Chairman of public interest incorporated foundation Japan Philharmonic Orchestra (current position)

Although the Company has made donations to the public interest incorporated foundation Japan Philharmonic Orchestra, where Mr. Toshikuni Hirai serves as Chairman, the Company determined that it is unlikely that such donations will affect his independence as an independent member in light of the size, nature, and the like of the donations. Mr. Hirai does not have any other business relationship with, or special interest in, the Company.

Naoto Nakamura

Career summary:

1960	Born
Oct. 1982	Passed Bar Exam
Mar. 1983	Graduated from Hitotsubashi University Faculty of Law

Apr. 1985	Graduated from The Legal Training and Research Institute of the Supreme Court of Japan Registered as Attorney at Dai-Ni Tokyo Bar Association, Joined Mori Sogo (currently Mori Hamada & Matsumoto)
Apr. 1998	Established Hibiya Park, Partner of the law firm
Feb. 2003	Established Nakamura Law Firm (currently Nakamura Tsunoda & Matsumoto) and became partner
Apr. 2023	Established Nakamura Law Firm (current position)
June 2025	Outside Director (Audit & Supervisory Committee Member) of JFE Holdings, Inc. (current position)

Mr. Naoto Nakamura does not have any business relationship with, or special interest in, the Company.

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Schedule

Shareholders of the Company (as of July 20, 2025)

1. Total number of authorized shares: 36,000,000 shares
2. Total number of issued shares: 10,419,371 shares
3. Major shareholders

Name of Shareholders	Number of Shares Held (shares)	Percentage of Shares Held Relative to the Total Number of Issued Shares (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	1,125,100	11.41
Tokio Marine & Nichido Fire Insurance Co., Ltd.	436,185	4.42
Sumitomo Mitsui Trust Bank, Limited	414,300	4.20
Uchida Yoko Group Employee Shareholders Association	335,130	3.40
The Dai-ichi Life Insurance Company, Limited	315,400	3.20
Custody Bank of Japan, Ltd. (Trust Account)	310,700	3.15
Resona Bank, Limited	277,200	2.81
Mizuho Trust & Banking Co., Ltd. Retirement Trust, Mizuho Bank Account, Re-trustee, Custody Bank of Japan, Ltd.	274,800	2.79
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE－AC)	208,759	2.12
Yoko Shareholders Association	196,460	1.99

*The Company holds 560,046 treasury shares, which are excluded from the table above. In addition, the “Percentage of Shares Held Relative to the Total Number of Issued Shares” is calculated after deducting the number of treasury shares held by the Company.

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