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Securities Code: 4021

June 3, 2021

To Those Shareholders with Voting Rights

YAGI Shinsuke
Representative Director,
President & COO
Nissan Chemical Corporation
5-1, Nihonbashi 2-chome, Chuo-ku,
Tokyo, Japan

NOTICE OF THE CONVOCAION OF THE 151ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 151st Ordinary General Meeting of Shareholders of Nissan Chemical Corporation (the “Company”). The meeting will be held as described below.

Instead of attending the meeting in person, you can exercise your voting rights by either of the following means. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights.

Exercise of Voting Rights in Writing (or by Post)

Please indicate your votes for or against the proposals on the enclosed Voting Rights Exercise Form and return it to the Company, ensuring that the form reaches us by 5:40 p.m., Thursday, June 24, 2021 (Japan Time).

Exercise of Voting Rights via the Internet, etc.

Please access the website for exercising voting rights as indicated in the enclosed Voting Rights Exercise Form and exercise your voting rights by 5:40 p.m., Thursday, June 24, 2021 (Japan Time).

1. Date and Time: Friday, June 25, 2021 at 10:00 a.m. (Reception starts at 9:15 a.m.)

2. Place: Josui Kaikan, 2F, Star Hall
1-1, Hitotsubashi 2-chome, Chiyoda-ku, Tokyo, Japan

3. Agenda of the Meeting:

- Matters to be reported:**
1. The Business Report and the Consolidated Financial Statements for the 151st fiscal year (from April 1, 2020 to March 31, 2021) and results of audits by the Accounting Auditors and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. The Non-Consolidated Financial Statements for the 151st fiscal year (from April 1, 2020 to March 31, 2021)

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Election of Ten (10) Directors
Proposal No. 3: Election of One (1) Audit & Supervisory Board Member
Proposal No. 4: Reestablishment of Maximum Amount of Compensation in the Performance-Linked Stock Compensation Plan for Directors, etc. due to Companies Act Revisions

- * For those attending the meeting, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival.
- * When it is necessary to modify the matters stated in the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-Consolidated Financial Statements and the Consolidated Financial Statements, please understand that any matters if modified will be shown on the Company's website.
- * The Company participates in the Electronic Voting Rights Exercise Platform for institutional investors operated by ICJ Inc.

The Company's website (<https://www.nissanchem.co.jp/>)

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Appropriation of Surplus

The Company upholds the basic policy of working to improve corporate value from a medium- to long-term viewpoint and providing return of its profits to the shareholders.

After taking into consideration such factors as operating performance, business environment and preparation for future business development, the Company proposes the year-end dividend for the 151st fiscal year as follows.

(1) Type of dividend property

Cash

(2) Matters related to distribution of dividend property and the total amount

The Company proposes to pay ¥58 per common share of the Company.

Under this proposal, the total amount of dividends paid is ¥8,341,206,896.

As the Company paid an interim dividend of ¥46, the annual dividend for the 151st fiscal year is ¥104 per share.

(3) Effective date of the distribution of surplus

June 28, 2021

Proposal No. 2: Election of Ten (10) Directors

The terms of office of all nine (9) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, we would like to increase one (1) Director to further strengthen the management structure, and the election of ten (10) Directors, including four (4) Outside Directors, is proposed.

The selection of Director candidates is made based on the report of the Nomination and Remuneration Advisory Committee, a majority of whose members are independent Outside Directors. The candidates for Directors are as follows:

Candidate No.	Name	Position/responsibilities in the Company	Attribute		
1	KINOSHITA Kojiro	Representative Director, Chairman & CEO Nomination and Remuneration Advisory Committee chair	Reelection		
2	YAGI Shinsuke	Representative Director, President & COO Production Technology Chemicals Division, Production Technology Department Nomination and Remuneration Advisory Committee member	Reelection		
3	MIYAZAKI Junichi	Director, Senior Executive Vice President, CFO Corporate Strategy & Coordination Internal Audit Department, Finance & Accounting Department, and Environment, Safety & Quality Assurance Department	Reelection		
4	HONDA Takashi	Director, Senior Managing Executive Officer Head of Agricultural Chemicals Division Purchasing Department	Reelection		
5	SUZUKI Hitoshi	Director, Managing Executive Officer Research & Development Head of Planning and Development Division Pharmaceuticals Division, Intellectual Property Department	Reelection		
6	YOSHIDA Hironori	Managing Executive Officer, CRO Head of Corporate Planning Department Personnel Department	New Candidate		
7	OHE Tadashi	Outside Director Nomination and Remuneration Advisory Committee member	Reelection	Outside Director	Independent Officer
8	OBAYASHI Hidehito	Outside Director Nomination and Remuneration Advisory Committee member	Reelection	Outside Director	Independent Officer

9	KATAOKA Kazunori	Outside Director Nomination and Remuneration Advisory Committee member	<div style="border: 1px solid black; padding: 2px; text-align: center;">Reelection</div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">Outside Director</div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">Independent Officer</div>
10	NAKAGAWA Miyuki		<div style="border: 1px solid black; padding: 2px; text-align: center;">New Candidate</div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">Outside Director</div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">Independent Officer</div>

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
1	 <p data-bbox="240 562 437 663">KINOSHITA Kojiro (April 19, 1948)</p> <p data-bbox="280 701 389 734"><u>Reelection</u></p> <p data-bbox="233 779 437 898">Attendance at meetings of the Board of Directors 9/11</p>	<p data-bbox="475 293 868 327">Apr. 1977 Joined the Company</p> <p data-bbox="475 333 1235 394">Jun. 2002 Director, Head of Corporate Planning Department of the Company</p> <p data-bbox="475 405 1182 465">Jun. 2006 Managing Director, Head of Corporate Planning Department of the Company</p> <p data-bbox="475 477 1187 537">Jun. 2008 Representative Director, President & CEO of the Company</p> <p data-bbox="475 548 1193 609">Apr. 2021 Representative Director, Chairman & CEO of the Company (to the present)</p> <p data-bbox="475 620 999 654">(Position and responsibilities in the Company)</p> <p data-bbox="475 660 963 694">Representative Director, Chairman & CEO</p> <p data-bbox="475 701 1134 734">Nomination and Remuneration Advisory Committee chair</p>	96,500
<p data-bbox="220 920 847 954">Reason for the nomination of the candidate for Director</p> <p data-bbox="220 960 1445 1171">Mr. KINOSHITA Kojiro served as General Manager of the Business Strategy Department, Chemicals General Headquarters and also as Head of the Corporate Planning Department. In addition, as President & CEO of the Company since June 2008, and as Chairman & CEO since April 2021, he has been promoting strategies to enhance the corporate value of the Company Group. Considering his wide-ranging experience, achievements, and insights, the Company judges that Mr. KINOSHITA remains qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
2	 <p data-bbox="244 600 427 674">YAGI Shinsuke (June 13, 1962)</p> <p data-bbox="280 712 387 741">Reelection</p> <p data-bbox="233 786 437 913">Attendance at meetings of the Board of Directors 10/10</p>	<p data-bbox="475 293 868 322">Apr. 1985 Joined the Company</p> <p data-bbox="475 331 1257 360">Apr. 2013 Deputy Plant Manager of Onoda Plant of the Company</p> <p data-bbox="475 369 1273 443">Apr. 2016 Executive Officer, Plant Manager of Sodegaura Plant of the Company</p> <p data-bbox="475 452 1193 526">Apr. 2018 Managing Executive Officer, Head of Production Technology Department of the Company</p> <p data-bbox="475 535 1230 609">Apr. 2020 Senior Managing Executive Officer, Head of Production Technology Department of the Company</p> <p data-bbox="475 618 1257 692">Jun. 2020 Director, Senior Managing Executive Officer, Head of Production Technology Department of the Company</p> <p data-bbox="475 701 1198 775">Apr. 2021 Representative Director, President & COO (to the present)</p> <p data-bbox="475 784 1002 813">(Position and responsibilities in the Company)</p> <p data-bbox="475 822 959 851">Representative Director, President & COO</p> <p data-bbox="475 860 743 889">Production Technology</p> <p data-bbox="475 898 1118 927">Chemicals Division, Production Technology Department</p> <p data-bbox="475 936 1171 965">Nomination and Remuneration Advisory Committee member</p>	9,200
<p data-bbox="220 929 847 958">Reason for the nomination of the candidate for Director</p> <p data-bbox="220 967 1430 1216">Mr. YAGI Shinsuke has been engaged in production technology for many years, and served as the Deputy Plant Manager of the Onoda Plant and the Plant Manager of the Sodegaura Plant. He has been contributing to the improvement of production systems for the Company Group's products and to their stable supply. In addition, as President & COO of the Company since April 2021, he has been promoting strategies to enhance the corporate value of the Company Group. Considering his wide-ranging experience, achievements, and insights, the Company judges that Mr. YAGI remains qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
3	 <p data-bbox="231 730 437 831">MIYAZAKI Junichi (October 9, 1951)</p> <p data-bbox="280 871 387 902">Reelection</p> <p data-bbox="231 947 437 1070">Attendance at meetings of the Board of Directors 9/11</p>	<p data-bbox="475 293 1270 353">Apr. 1974 Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.)</p> <p data-bbox="475 365 1214 425">Jun. 2000 General Manager, International Department of The Industrial Bank of Japan, Limited</p> <p data-bbox="475 436 1214 497">Jun. 2003 Corporate Auditor of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p data-bbox="475 508 1254 609">Apr. 2005 Managing Executive Officer of Kowa Real Estate Co., Ltd. (currently Nippon Steel Kowa Real Estate Co., Ltd.)</p> <p data-bbox="475 620 1198 651">Jul. 2005 Managing Director of Kowa Real Estate Co., Ltd.</p> <p data-bbox="475 663 916 694">Apr. 2006 Advisor of the Company</p> <p data-bbox="475 705 916 736">Jun. 2006 Director of the Company</p> <p data-bbox="475 748 1134 808">Apr. 2007 Director, Head of Corporate Administration Department of the Company</p> <p data-bbox="475 819 1254 880">Jun. 2008 Managing Director, Head of Corporate Administration Department of the Company</p> <p data-bbox="475 891 1161 952">Jun. 2011 Senior Managing Director, Head of Finance & Accounting Department of the Company</p> <p data-bbox="475 963 1182 1023">Apr. 2013 Director, Senior Executive Vice President of the Company (to the present)</p> <p data-bbox="475 1034 1246 1205">(Position and responsibilities in the Company) Director, Senior Executive Vice President, CFO Corporate Strategy & Coordination Internal Audit Department, Finance & Accounting Department, and Environment, Safety & Quality Assurance Department</p>	33,500
<p data-bbox="220 1216 847 1247">Reason for the nomination of the candidate for Director</p> <p data-bbox="220 1258 1422 1469">Mr. MIYAZAKI Junichi has strived to improve the financial structure of the Company and contributed to the Company Group's growth from a variety of perspectives as the person in charge of Corporate Strategy & Coordination since his assumption of office as Director in June 2006, utilizing his wide-ranging knowledge cultivated through his experience in financial institutions. Considering his wide-ranging operational experience, overseas experience, achievements, and insights, the Company judges that Mr. MIYAZAKI remains qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
4	 <p>HONDA Takashi (March 8, 1959)</p> <p><u>Reelection</u></p> <p>Attendance at meetings of the Board of Directors 11/11</p>	<p>Apr. 1981 Joined the Company</p> <p>Feb. 1997 Vice President of Nissan Chemical Europe GmbH (currently Nissan Chemical Europe S.A.S.)</p> <p>Jun. 2012 General Manager of Planning & Development Department, Agricultural Chemicals Division of the Company</p> <p>Apr. 2014 Executive Officer, Deputy Head of Agricultural Chemicals Division, General Manager of Planning & Development Department, Agricultural Chemicals Division of the Company</p> <p>Apr. 2017 Managing Executive Officer, Head of Agricultural Chemicals Division of the Company</p> <p>Jun. 2017 Director, Managing Executive Officer, Head of Agricultural Chemicals Division of the Company</p> <p>Apr. 2021 Director, Senior Managing Executive Officer, Head of Agricultural Chemicals Division of the Company (to the present)</p> <p>(Position and responsibilities in the Company) Director, Senior Managing Executive Officer Head of Agricultural Chemicals Division Purchasing Department</p> <p>(Significant position concurrently held) President of NC Agro Hakodate Corporation Representative Director of Nissan Chemical Europe S.A.S. Representative Director of Nissan Chemical Agro Korea Ltd. Chairman of Nissan Agro Tech India Private Limited Chairman of Nissan Bharat Rasayan Private Limited</p>	6,300
<p>Reason for the nomination of the candidate for Director</p> <p>Mr. HONDA Takashi has been engaged in the agricultural chemicals business focused on development of agricultural chemicals and licensing for many years. As the General Manager of the Planning & Development Department since June 2012, and as Head of the Agricultural Chemicals Division since April 2017, he has been managing the agricultural chemicals business. The Company judges that Mr. HONDA remains qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
5	 <p data-bbox="236 846 432 943">SUZUKI Hitoshi (December 11, 1961)</p> <p data-bbox="280 983 387 1014">Reelection</p> <p data-bbox="233 1059 435 1189">Attendance at meetings of the Board of Directors 11/11</p>	<p data-bbox="475 293 871 324">Apr. 1985 Joined the Company</p> <p data-bbox="475 333 1190 427">Apr. 2007 General Manager of Semiconductor Materials Department, Electronic Materials Division of the Company</p> <p data-bbox="475 436 1267 530">Jun. 2010 General Manager of Semiconductor Materials Research Department, Electronic Materials Research Laboratories of the Company</p> <p data-bbox="475 539 1219 633">Jun. 2012 General Manager of Semiconductor Materials Department, Performance Materials Division of the Company</p> <p data-bbox="475 642 1259 710">Apr. 2013 Deputy Head of Performance Materials Division of the Company</p> <p data-bbox="475 719 1190 786">Jun. 2013 Director, Deputy Head of Performance Materials Division of the Company</p> <p data-bbox="475 795 1187 862">Apr. 2014 Director, Executive Officer, Deputy Head of Performance Materials Division of the Company</p> <p data-bbox="475 871 1187 938">Jun. 2014 Executive Officer, Deputy Head of Performance Materials Division of the Company</p> <p data-bbox="475 947 1166 1014">Apr. 2016 Executive Officer, Head of Materials Research Laboratories of the Company</p> <p data-bbox="475 1023 1214 1090">Apr. 2018 Managing Executive Officer, Head of Performance Materials Division of the Company</p> <p data-bbox="475 1099 1187 1167">Jun. 2018 Director, Managing Executive Officer, Head of Performance Materials Division of the Company</p> <p data-bbox="475 1176 1238 1270">Apr. 2020 Director, Managing Executive Officer, Head of Planning and Development Division of the Company (to the present)</p> <p data-bbox="475 1279 1002 1442">(Position and responsibilities in the Company) Director, Managing Executive Officer Research & Development Head of Planning and Development Division Pharmaceuticals Division, Intellectual Property Department</p>	9,000
<p data-bbox="220 1451 847 1482">Reason for the nomination of the candidate for Director</p> <p data-bbox="220 1491 1437 1706">Mr. SUZUKI Hitoshi has been engaged in research of electronic materials centering on semiconductor materials for many years. He served as the Head of the Materials Research Laboratories and Head of the Performance Materials Division, and he has undertaken tasks related to the creation of new products, which is the driving force for the Company Group's growth as Head of Planning and Development Division since April 2020. The Company judges that Mr. SUZUKI remains qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and again nominated him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
6	 <p data-bbox="245 629 411 725">YOSHIDA Hironori (May 9, 1962)</p> <p data-bbox="252 763 405 792">New Candidate</p>	<p data-bbox="475 293 1257 757"> Apr. 1985 Joined the Company Jun. 2011 Deputy Head of Finance & Accounting Department of the Company Apr. 2013 Head of Finance & Accounting Department of the Company Apr. 2015 Executive Officer, Head of Finance & Accounting Department of the Company Apr. 2019 Executive Officer, Head of Personnel Department of the Company Apr. 2020 Managing Executive Officer, Head of Personnel Department of the Company Apr. 2021 Managing Executive Officer, Head of Corporate Planning Department of the Company (to the present) </p> <p data-bbox="475 770 1002 904"> (Position and responsibilities in the Company) Managing Executive Officer, CRO Head of Corporate Planning Department Personnel Department </p>	6,200
<p data-bbox="220 913 944 943">Reason for the nomination of the candidate for Outside Director</p> <p data-bbox="220 949 1433 1169"> Mr. YOSHIDA Hironori has extensive expertise in the Company's operations based on many years of experience in the Corporate Strategy & Coordination. After serving as Head of Finance & Accounting Department and Head of Personnel Department, he has been focusing on understanding the status of the business operations of the entire Company and achieving the goals of the Company Group as a whole as Head of Corporate Planning Department since April 2021. The Company judges that Mr. YOSHIDA is qualified to be a Director that performs decision-making on business operations and oversees the execution of duties by Directors, and nominated him as a candidate for Director. </p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
7	 <p>OHE Tadashi (May 20, 1944)</p> <p>Reelection Outside Director Independent Officer</p> <p>Attendance at meetings of the Board of Directors 11/11</p>	<p>Apr. 1969 Qualified for attorney-at-law</p> <p>Apr. 1989 Instructor for the Legal Training and Research Institute of Japan (court representation in civil proceedings)</p> <p>Mar. 1994 Outside Corporate Auditor of Canon Inc.</p> <p>Jun. 2004 Outside Corporate Auditor of Marui Group Co., Ltd.</p> <p>Jun. 2006 Outside Corporate Auditor of Kao Corporation</p> <p>Jun. 2011 Outside Director of JECO Co., Ltd. (to the present)</p> <p>Jun. 2015 Outside Director of the Company (to the present)</p> <p>(Position and responsibilities in the Company)</p> <p>Outside Director Nomination and Remuneration Advisory Committee member (Significant position concurrently held)</p> <p>Attorney-at-law at Ohe, Tanaka & Oya Law Office</p> <p>Outside Director of JECO Co., Ltd.</p>	3,000
<p>Reason for the nomination of the candidate for Outside Director and expected role</p> <p>Mr. OHE Tadashi currently serves as Outside Director of the Company, and the Company proposes his reelection so that his abundant experience and specialist knowledge as an attorney-at-law will continue to be reflected in the management of the Company from an outside perspective and from an objective and neutral standpoint. Though Mr. OHE does not have a past experience being involved in corporate management other than becoming an Outside Officer, up until the present, he has experience being involved in the corporate management of multiple companies as Outside Officer. Therefore, the Company judges that Mr. OHE will continue to appropriately perform his duties as Outside Director. In addition, if his election is approved, the Company intends him to continue contributing to the selection of candidates for the Company's directors and the determination of director compensation, etc., from an independent standpoint as a member of the Nomination and Remuneration Advisory Committee.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
8	 <p data-bbox="236 613 424 707">OBAYASHI Hidehito (April 22, 1944)</p> <p data-bbox="236 745 432 842"> Reelection Outside Director Independent Officer </p> <p data-bbox="236 891 437 1014">Attendance at meetings of the Board of Directors 11/11</p>	<p data-bbox="475 293 1273 1032"> Apr. 1969 Joined Hitachi, Ltd. Oct. 2001 Director of Hitachi High-Technologies Corporation (currently Hitachi High-Tech Corporation) Jun. 2003 Vice President and Executive Officer of Hitachi High- Technologies Corporation Apr. 2006 Representative Executive Officer, Senior Vice President and Executive Officer of Hitachi High-Technologies Corporation Apr. 2007 Director, Representative Executive Officer, President and Chief Executive Officer of Hitachi High- Technologies Corporation Jun. 2011 Chairman of the Board of Hitachi High-Technologies Corporation Jun. 2013 Chairman Emeritus of Hitachi High-Technologies Corporation (to the present) Jun. 2019 Outside Director of the Company (to the present) (Position and responsibilities in the Company) Outside Director Nomination and Remuneration Advisory Committee member (Significant positions concurrently held) Chairman Emeritus of Hitachi High-Tech Corporation </p>	0
<p data-bbox="220 1048 1150 1077">Reason for the nomination of the candidate for Outside Director and expected role</p> <p data-bbox="220 1086 1437 1337">Mr. OBAYASHI Hidehito served as Chairman of the Board of Hitachi High-Tech Corporation and after that he has been serving as Chairman Emeritus of the company. Accordingly, he has abundant experience and wide-ranging insight as an experienced manager of a corporate group active in diverse sectors of global business. In order to reflect these in the Company's management from an outside perspective and from an objective and neutral standpoint, the Company again nominated him as a candidate for Outside Director. In addition, if his election is approved, the Company intends him to continue contributing to the selection of candidates for the Company's directors and the determination of director compensation, etc., from an independent standpoint as a member of the Nomination and Remuneration Advisory Committee.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
9	 <p data-bbox="240 757 416 887">KATAOKA Kazunori (November 27, 1950)</p> <p data-bbox="236 920 432 1021"> Reelection Outside Director Independent Officer </p> <p data-bbox="233 1066 435 1189">Attendance at meetings of the Board of Directors 10/10</p>	<p data-bbox="475 293 1225 353">Apr. 1979 Assistant Professor of Institute of Biomedical Engineering at Tokyo Women's Medical University</p> <p data-bbox="475 365 1225 425">Aug. 1988 Associate Professor of Institute of Biomedical Engineering at Tokyo Women's Medical University</p> <p data-bbox="475 436 1157 497">Oct. 1994 Professor of Faculty of Industrial Science and Technology at Tokyo University of Science</p> <p data-bbox="475 508 1225 568">Apr. 1998 Professor of Graduate School of Engineering at The University of Tokyo</p> <p data-bbox="475 580 1193 640">Jul. 2004 Professor of Graduate School of Medicine at The University of Tokyo</p> <p data-bbox="475 651 1177 745">Jul. 2015 Director General of Innovation Center of NanoMedicine, Kawasaki Institute of Industrial Promotion (to the present)</p> <p data-bbox="475 757 1145 786">Apr. 2016 Project Professor at The University of Tokyo</p> <p data-bbox="475 797 1246 857">Jun. 2016 Professor Emeritus at The University of Tokyo (to the present)</p> <p data-bbox="475 869 1233 929">Jul. 2016 Deputy Chairman of Kawasaki Institute of Industrial Promotion (to the present)</p> <p data-bbox="475 940 1193 969">Jun. 2020 Outside Director of the Company (to the present)</p> <p data-bbox="475 981 1193 1041">Jun. 2020 Outside Director of NanoCarrier Co., Ltd. (to the present)</p> <p data-bbox="475 1052 1002 1081">(Position and responsibilities in the Company)</p> <p data-bbox="475 1093 667 1122">Outside Director</p> <p data-bbox="475 1133 1173 1162">Nomination and Remuneration Advisory Committee member</p> <p data-bbox="475 1173 933 1202">(Significant positions concurrently held)</p> <p data-bbox="475 1214 1198 1243">Deputy Chairman of Kawasaki Institute of Industrial Promotion</p> <p data-bbox="475 1254 1241 1283">Director General of Innovation Center of NanoMedicine, Kawasaki Institute of Industrial Promotion</p> <p data-bbox="475 1294 1010 1323">Professor Emeritus at The University of Tokyo</p> <p data-bbox="475 1335 954 1364">Outside Director of NanoCarrier Co., Ltd.</p>	0
<p data-bbox="220 1373 1150 1402">Reason for the nomination of the candidate for Outside Director and expected role</p> <p data-bbox="220 1413 1444 1785">Mr. KATAOKA Kazunori has been engaged in research involving the application of nanotechnologies in the fields of biomedical engineering and biomaterial engineering for many years and is currently serving as the Director General of Innovation Center of NanoMedicine, Kawasaki Institute of Industrial Promotion. The Company again nominated him as a candidate for Outside Director so that his expertise as doctor of engineering, abundant experience, and wide-ranging knowledge will be reflected in the management of the Company from an outside perspective and from an objective and neutral standpoint. Though Mr. KATAOKA does not have a past experience being involved in corporate management other than becoming an Outside Officer, for the above-mentioned reasons, the Company judges that Mr. KATAOKA will appropriately perform his duties as Outside Director. In addition, if his election is approved, the Company intends him to continue contributing to the selection of candidates for the Company's directors and the determination of director compensation, etc., from an independent standpoint as a member of the Nomination and Remuneration Advisory Committee.</p>			

No.	Name (Date of birth)	Career summary	Number of the Company's shares held
10	 <p>NAKAGAWA Miyuki (November 22, 1964)</p> <p><u>New Candidate</u> <u>Outside Director</u> <u>Independent Officer</u></p>	<p>Apr. 1990 Prosecutor, Tokyo District Public Prosecutors Office</p> <p>Apr. 2008 Counsellor, Judicial System Department, Minister's Secretariat, Ministry of Justice</p> <p>Jan. 2011 Counsellor, Cabinet Secretariat, Assistant Chief Cabinet Secretary Office</p> <p>Apr. 2013 Prosecutor, Tokyo High Public Prosecutors Office</p> <p>Aug. 2013 General Manager of General Administration Department, Saitama District Public Prosecutors Office</p> <p>Apr. 2015 Specially Appointed Professor and Public Prosecutor, Chuo Law School</p> <p>Mar. 2019 Retired as Prosecutor</p> <p>Apr. 2019 Qualified for attorney-at-law</p> <p>Apr. 2019 Professor, Chuo Law School (to the present)</p> <p>Jun. 2019 Outside Director of NITTO KOGYO CORPORATION (to the present)</p> <p>(Significant positions concurrently held) Attorney-at-law, Kousui Law Office Professor, Chuo Law School Outside Director of NITTO KOGYO CORPORATION</p>	0
<p>Reason for the nomination of the candidate for Outside Director and expected role</p> <p>Ms. NAKAGAWA Miyuki worked for many years as a prosecutor in the Tokyo District Public Prosecutors Office and the Tokyo High Public Prosecutors Office and she has abundant practical experience in legal circles. The Company has nominated her as a candidate for Outside Director so that her expertise as legal profession, abundant experience, and wide-ranging knowledge will be reflected in the management of the Company from an outside perspective and from an objective and neutral standpoint. Though Ms. NAKAGAWA does not have a past experience being involved in corporate management other than becoming an Outside Officer, for the above-mentioned reasons, the Company judges that Ms. NAKAGAWA will appropriately perform her duties as Outside Director. In addition, if her election is approved, the Company intends her to contribute to the selection of candidates for the Company's directors and the determination of director compensation, etc., from an independent standpoint as a member of the Nomination and Remuneration Advisory Committee.</p>			

- Notes: 1. No conflicts of interest exist between any of the candidates and the Company.
2. Messrs. OHE Tadashi, OBAYASHI Hidehito, KATAOKA Kazunori and NAKAGAWA Miyuki are candidates for Outside Director.
3. Mr. OHE Tadashi's term of office as Outside Director of the Company will aggregate to 6 years as of the conclusion of this Ordinary General Meeting of Shareholders. Mr. OBAYASHI Hidehito's term of office as Outside Director of the Company will aggregate to 2 years as of the conclusion of this Ordinary General Meeting of Shareholders. Mr. KATAOKA Kazunori's term of office as Outside Director of the Company will aggregate to 1 year as of the conclusion of this Ordinary General Meeting of Shareholders.
4. The Company entered into agreements with Messrs. OHE Tadashi, OBAYASHI Hidehito and KATAOKA Kazunori respectively that limit their liability when they perform their duties concerning the responsibilities under Paragraph 1, Article 423 of the Companies Act in good faith with no serious negligence to the minimum liability provided for by the relevant laws and regulations. If their reelection is approved, the Company plans to renew the same limited liability agreement with them respectively. Likewise, if Ms. NAKAGAWA Miyuki's election is approved, the Company plans to enter into the same limited liability agreement with her.
5. The Company has entered into a directors and officers liability insurance agreement with an insurance company pursuant to Paragraph 1, Article 430-3 of the Companies Act, and the contract is designed to cover damages that may arise from the insureds, including the Directors, who are held liable for the

- execution of their duties or receive claims filed against them in relation to the pursuit of such liabilities. If each candidate is elected a Director, such Directors will be included in the insureds of the said insurance agreement. The Company plans to renew the said insurance agreement or enter into similar directors and officers liability insurance agreement during the term of office of Directors.
6. Mr. OBAYASHI Hidehito serves as the Chairman Emeritus of Hitachi High-Tech Corporation. The Company has transactions with Hitachi High-Tech Corporation that includes purchase of analytical instruments. However, the amount paid by the Company as consideration for those transactions with Hitachi High-Tech Corporation is deemed insignificant given that when averaged over the past three fiscal years, the payments amounted to less than 0.1% of annual consolidated revenues of Hitachi High-Tech Corporation.
 7. Mr. KATAOKA Kazunori serves as the Professor Emeritus at The University of Tokyo. The Company has transactions with The University of Tokyo, such as contracted testing. However, the amount paid by the Company as consideration for those transactions with The University of Tokyo is deemed insignificant given that when averaged over the past three fiscal years, the payments amounted to less than 0.1% of annual ordinary revenue of The University of Tokyo.
 8. Mr. OHE Tadashi is scheduled to retire as an Outside Director of JECO Co., Ltd. at the end of its 89th Ordinary General Meeting of Shareholders, which is scheduled to be held in June 2021.
 9. Ms. NAKAGAWA Miyuki is scheduled to be appointed as an Outside Audit & Supervisory Board Member of FANCL CORPORATION at its 41st Ordinary General Meeting of Shareholders, which is scheduled to be held in June 2021.
 10. The Company has notified the Tokyo Stock Exchange of status of Messrs. OHE Tadashi, OBAYASHI Hidehito and KATAOKA Kazunori as independent officers. If their reelection is approved, the Company plans to notify the stock exchange of status of Messrs. OHE, OBAYASHI and KATAOKA as independent officers again. Likewise, if Ms. NAKAGAWA Miyuki's election is approved, the Company plans to notify the stock exchange of Ms. NAKAGAWA's status as an independent officer.

Proposal No. 3: Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member, Mr. TAKEMOTO Shuichi will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, election of one (1) Audit & Supervisory Board Member is proposed.

The selection of Audit & Supervisory Board Member candidate is made based on the report of the Nomination and Remuneration Advisory Committee, a majority of whose members are independent Outside Directors. The Audit & Supervisory Board has already given its approval to this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary	Number of the Company's shares held
 <p>TAKEMOTO Shuichi (January 5, 1960)</p> <p><u>Reelection</u></p> <p><u>Outside Audit & Supervisory Board Member</u></p> <p><u>Independent Officer</u></p> <p>Attendance at meetings of the Board of Directors 11/11</p> <p>Attendance at meetings of the Audit & Supervisory Board 11/11</p>	<p>Apr. 1982 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>Apr. 2002 Deputy General Manager, IT & Systems Control Department of Mizuho Bank, Ltd.</p> <p>Oct. 2004 General Manager, Human Resources Division of Mizuho Information & Research Institute, Inc. (currently Mizuho Research & Technologies, Ltd.)</p> <p>Apr. 2008 General Manager, Fukuoka Branch of Mizuho Bank, Ltd.</p> <p>Oct. 2009 General Manager, IT & Systems Planning Department of Mizuho Trust & Banking Co., Ltd.</p> <p>Apr. 2010 Executive Officer, IT & Systems Planning Department of Mizuho Trust & Banking Co., Ltd.</p> <p>Apr. 2011 Managing Executive Officer of Mizuho Trust & Banking Co., Ltd.</p> <p>Apr. 2013 Managing Executive Officer of Mizuho Trust & Banking Co., Ltd., and Managing Executive Officer of Mizuho Financial Group, Inc.</p> <p>Apr. 2014 Deputy President of Mizuho Private Wealth Management Co., Ltd.</p> <p>Apr. 2017 Advisor of Mizuho Trust & Banking Co., Ltd.</p> <p>Jun. 2017 Audit & Supervisory Board Member of the Company (to the present)</p> <p>(Position in the Company) Outside Audit & Supervisory Board Member</p>	<p>4,000</p>
<p>Reason for the nomination of the candidate for Outside Audit & Supervisory Board Member</p> <p>Mr. TAKEMOTO Shuichi possesses abundant experience and extensive knowledge including advanced expertise in finance developed through his long-time career in financial institutions. The Company judges that Mr. TAKEMOTO can appropriately perform his duties as Outside Audit & Supervisory Board Member by reflecting such experience and knowledge in the Company's audits from an outside perspective and from an objective and neutral standpoint, and again nominated him as a candidate for Outside Audit & Supervisory Board Member.</p>		

- Notes: 1. No special conflicts of interest exist between Mr. TAKEMOTO Shuichi and the Company.
2. Mr. TAKEMOTO Shuichi is a candidate for Outside Audit & Supervisory Board Member.
3. Mr. TAKEMOTO Shuichi's term of office as Audit & Supervisory Board Member of the Company will aggregate to 4 years as of the conclusion of this Ordinary General Meeting of Shareholders.
4. The Company has entered into a directors and officers liability insurance agreement with an insurance

company pursuant to Paragraph 1, Article 430-3 of the Companies Act, and the contract is designed to cover damages that may arise from the insureds, including the Audit & Supervisory Board Members, who are held liable for the execution of their duties or receive claims filed against them in relation to the pursuit of such liabilities. If Mr. TAKEMOTO Shuichi is elected as the Audit & Supervisory Board Member, he will be included in the insureds of the said insurance agreement. The Company plans to renew the said insurance agreement or enter into similar directors and officers liability insurance agreement during the term of office of the Audit & Supervisory Board Member.

5. Although Mr. TAKEMOTO Shuichi once worked for a major financial institution with which the Company has borrowings, he is not and has not recently been a business executive at the institution and many years have passed since he left the institution in June 2017 (4 years have passed as of the date of the current Ordinary General Meeting of Shareholders). For this reason, the Company deems that he fulfills its independence standards for Outside Officers and that there is no possibility of a conflict of interest arising with general shareholders.
6. The Company has notified the Tokyo Stock Exchange of status of Mr. TAKEMOTO Shuichi as an independent officer. If his reelection is approved, the Company plans to notify the stock exchange of status of Mr. TAKEMOTO as an independent officer again.

(Reference) The Company's stance towards independency for Outside Directors and Outside Audit & Supervisory Board Members

The Company's independence standards for Outside Officers are as follows.

The Company's independent Outside Officers (Directors and Audit & Supervisory Board Members) and independent Outside Officer candidates fulfill the Companies Act's requirements for Outside Officers, as well as the following independence standards.

- (1) Not being an executive (a person who executes business; hereinafter, the same) of the Company or its subsidiaries, nor having been an executive of the Company or its subsidiaries for the past 10 years (if however, a non-executive director or audit & supervisory board member of the Company or its subsidiaries at some point in the past 10 years, the 10 years prior to being appointed to that role).
- (2) Not being one of the Company's major shareholders (a shareholder with 10% or more of voting rights) or an executive thereof.
- (3) Not being an executive of a corporation of which the Company is a major shareholder (a shareholder with 10% or more of voting rights).
- (4) Not being a major client or supplier (a client or supplier from whom the value of average payments for transactions to the Company or its subsidiaries over the past 3 fiscal years exceeds 2% of the average annual consolidated net sales of the Company over the past 3 fiscal years) of the Company or its subsidiaries or an executive thereof.
- (5) Not being a party whose major client or supplier is the Company or its subsidiaries (a party to whom the value of average payments for transactions by the Company or its subsidiaries over the past 3 fiscal years exceeds 2% of the average annual consolidated net sales of that party over the past 3 fiscal years), or an executive thereof.
- (6) Not being an executive of a major financial institution with which the Company has borrowings (a financial institution from whom the average amount of the Company's consolidated fiscal-year-end balance of borrowings over the past 3 fiscal years exceeds 2% of the Company's average annual consolidated fiscal-year-end total assets over the past 3 fiscal years) nor having been an executive thereof for the past 3 years.
- (7) Not being an attorney, certified public accountant, certified public tax accountant, other consultant, researcher or educator in receipt from the Company of a large amount of monetary consideration or other property (an average annual amount over the past 3 fiscal years of over ¥10 million for individuals or, in the event the recipient is a corporation or other organization that said individual is affiliated with or retained by, of an amount in excess of 2% of that organization's average annual total revenues over the past 3 fiscal years) other than Director or Audit & Supervisory Board Member remuneration.
- (8) Not being a close relative (spouse, person within the second degree of kinship or relative living together) of an executive (limited to key personnel) of the Company or its subsidiaries.
- (9) In addition to items (1) through (8) above, being such person as the Board of Directors determines to be a person whose independence as an independent Outside Officer is unquestionable and for whom there is no rationally determined risk of a conflict of interest with the general shareholders of the Company.

(Reference) Nomination and Remuneration Advisory Committee

On April 1, 2019, the Company established its Nomination and Remuneration Advisory Committee, which acts as an advisory body under the Board of Directors with the aims of strengthening the Board of Directors' independence, objectivity and accountability in relation to matters such as the nomination and remuneration of the Directors, and further enhancing corporate governance. In response to consultation by the Board of Directors, the committee deliberates on matters that include nomination of Director and Audit & Supervisory Board Member candidates, appointment of senior management, senior management succession planning, and remuneration of Directors. The committee then reports details of such deliberations to the Board of Directors.

A majority of the committee's members are independent Outside Directors, with no fewer than three of its members selected by resolution of the Board of Directors. The following individuals shall be named committee chair and committee members in the event that Proposal 2 "Election of Ten (10) Directors" is approved without change.

Committee chair: KINOSHITA Kojiro (Chairman & CEO)

Committee member: OHE Tadashi (independent Outside Director)

Committee member: OBAYASHI Hidehito (independent Outside Director)

Committee member: KATAOKA Kazunori (independent Outside Director)

Committee member: NAKAGAWA Miyuki (independent Outside Director)

Committee member: YAGI Shinsuke (President & COO)

Proposal No. 4: Reestablishment of Maximum Amount of Compensation in the Performance-Linked Stock Compensation Plan for Directors, etc. due to Companies Act Revisions

1. Reasons for the proposal and reasons for justification

The Company received approval at the 149th Ordinary General Meeting of Shareholders held on June 26, 2019, to introduce a Board Benefit Trust (BBT) as a performance-linked stock compensation plan (hereinafter, the “Plan”) for Directors (excluding Outside Directors), Executive Officers and Associate Executive Officers, (hereinafter, collectively the “Directors, etc.”), which remains in effect to this day (hereinafter, the resolution at the aforementioned Ordinary General Meeting of Shareholders is referred to as the “Original Resolution”). In accordance with Act Partially Amending the Companies Act (Act No. 70, 2019), which came into effect on March 1, 2021, the Company seeks approval once again to set the maximum amount of performance-linked stock compensation for Directors, etc. in lieu of the current maximum amount of compensation for Directors, etc. under the Plan.

This proposal is procedural due to the legal amendment and does not intend to increase the substantive maximum amount of compensation in comparison with the Original Resolution. Rather, this proposal conveys the purposes of aligning the compensation of Directors, etc., with the performance and stock value of the Company with higher transparency as was the case in the Original Resolution, having the Directors, etc. share with our shareholders not only the benefits of increases in stock price but also the risk of decrease in the stock price, thereby raising awareness of contributing to the improvement in the business performance and the enhancement of corporate value over the medium- to long-term. In addition, the outline of the details of the decision policy concerning the contents of the compensation, etc. for individual Directors of the Company is as described in the Business Report “3. Matters concerning corporate officers (3) Compensation, etc. of Directors and Audit & Supervisory Board Members.” Such details are considered to remain as the appropriate decision policy should this proposal be approved and adopted. Accordingly, the Company does not plan to make a substantive revision to the details of such a decision policy. However, subject to the approval and adoption of this proposal, the Company plans to prescribe, as part of the policy to determine the amount of the performance-linked stock compensation and the calculation method of the number of stocks, that the number of points to be granted to Directors (the number of the common stocks of the Company after conversion) shall be limited to the maximum number determined by the resolution of the General Meeting of Shareholders. The Company considers the details of this Proposal are appropriate thereby sets a necessary and reasonable maximum amount of compensation that fulfills the above purposes in light of matters such as the level of the performance-linked stock compensation in proportion to the total compensation for Directors, etc. and the details of the decision policy concerning the contents of the compensation, etc. for individual Directors of the Company.

The Company submits this proposal to seek the approval of the compensation amount and the specific details of the compensation payments to the Company’s Directors (excluding Outside Directors) under the Plan, apart from the compensation amount for Directors (monthly amount of ¥45 million or less, excluding the Directors’ employee salary payment portion) approved and adopted at the 139th Ordinary General Meeting of Shareholders held on June 25, 2009. The Company intends to leave the decision on the details of the system to the Board of Directors, within the framework given in 2. below.

Currently, 6 Directors fall under the scope of this Plan. If Proposal No. 2 (Election of Ten (10) Directors) is approved and adopted as originally proposed, the number of Directors who fall under the scope of the Plan will be 6.

This resolution shall become effective retrospectively from March 1, 2021.

The submission of this proposal is made based on the report of the Nomination and Remuneration Advisory Committee, a majority of whose members are independent Outside Directors.

2. Amount and details of remuneration under the Plan, etc.

(1) Outline of the Plan

The Plan is a performance-linked stock compensation plan under which money contributed by the Company is used as funds to acquire the Company’s shares through a trust (hereinafter, the trust set up under the Plan is referred to as the “Trust”) and the Company’s shares and the cash equivalent to the market price of the Company’s shares (hereinafter, the “Company’s Shares, etc.”) are provided through the Trust to Directors, etc. in accordance with director stock benefit rules established by the Company. The Directors, etc. will receive benefit of the Company’s Shares etc. as of the date of their retirement from office, as a rule.

(2) Individuals subject to the Plan

Directors (Outside Directors are not subject to the Plan), Executive Officers and Associate Executive Officers

(3) Period of trust

From August 2019 until the Trust ends. (With respect to the period of the Trust, the Trust shall continue without a specific ending period, continuing for as long as the Plan continues. The Plan shall end if the Company's shares are delisted, the director stock benefit rules are discontinued, or similar grounds arise.)

(4) Money left in the Trust

The Company has introduced the Plan for three business years starting from the business year ending March 31, 2020 through the business year ending March 31, 2022 (hereinafter, such three business years is referred to as the "Initial Covered Period" and the Initial Covered Period and each three business year period that begins after the Initial Covered Period has elapsed shall be referred to as the "Covered Period.") and each subsequent Covered Period. The Company has established the Trust, under which the Directors, etc. who meet the beneficiary requirements are beneficiaries, by contributing ¥800 million (¥300 million for Directors) to the Trust as a fund to acquire the shares with the aim of providing the Directors, etc. with the Company's Shares, etc., in accordance with the Plan during the initial Covered Period.

Furthermore, even after the Initial Covered Period has elapsed, until such time as the Plan ends, the Company shall for each Covered Period additionally contribute to the Trust funds up to an upper limit of ¥800 million (of which ¥300 million is for Directors), as a rule. However, in the case where such an additional contribution is made, if the Company's shares (excluding the Company's shares equivalent to the number of points that have been granted to Directors, etc. in relation to any preceding Covered Period and that have yet to be distributed to the Directors, etc.) and money (hereinafter, collectively the "Remaining Shares, etc.") remain in the Trust assets, the sum total of the value of the Remaining Shares, etc. (the book value of the Company's shares on the last day of the previous Covered Period) and the additionally contributed money shall not exceed ¥800 million (of which ¥300 million is for Directors).

Throughout the Covered Period, including the Initial Covered Period, the Company may make multiple contributions of funds to the Trust until such time as the aggregate amount of contributions during the Covered Period concerned reaches the upper limits set out above. The Company will disclose its decision to make additional contributions in a timely and appropriate manner.

(5) Acquisition method of the Company's shares and number of shares to be acquired

The Trust shall acquire the Company's shares through the stock market or by underwriting the disposition of the Company's treasury stock, using the funds contributed in accordance with (4) above to finance the acquisitions and no new shares shall be issued. The maximum number of points granted to Directors, etc. shall be 96,000 points (of which 36,000 points are for Directors) per business year as described in (6) below, and the maximum number of the Company's shares to be acquired by the Trust in relation to any Covered Period shall be 288,000 shares (of which 108,000 shares are for Directors).

(6) Calculation method for the number, and the maximum total number, of the Company's Shares, etc. to be distributed to Directors, etc.

For each business year, the Company shall provide Directors, etc. with points, the number of which is determined in light of factors such as their rank and level of performance in accordance with the director stock benefit rules. The maximum total number of points (the number of the Company's common stocks after conversion) to be granted to Directors, etc., per business year shall be 96,000 points (96,000 shares) (of which 36,000 points (36,000 shares) are for Directors). The Company deems this limit appropriate as the Company has made its decision by taking into consideration factors comprehensively, such as compensation payment levels of current Directors, etc., a trend in the number of Directors, and the future outlook.

Points granted to Directors, etc. shall be converted at a ratio of one share of common stock per point when providing the Company's Shares, etc. as described in (7) below. (However, in the event of a stock split, an allotment of shares without consideration, a stock consolidation and the like, following the approval of this proposal, the maximum number of points (the number of the Company's common stocks after conversion) and the number of points already granted or the conversion ratio will be rationally adjusted,

according to the ratio of the stock split, allotment of shares without consideration, stock consolidation and the like.)

Accordingly, the ratio of the number of shares corresponding to the maximum number of points granted to Directors, etc., per business year (96,000) relative to the total number of issued shares (as of March 31, 2021. Net of treasury shares) is approximately 0.07%.

The number of points that will serve as the basis for distribution of the Company's Shares, etc. described in (7) below shall, as a rule, be the number of points distributed to the Directors, etc. by the time of their retirement (hereinafter, the number of points calculated in this manner is referred to as the "Definitive Number of Points").

(7) Distribution of the Company's Shares, etc.

In the case where Directors, etc. have retired from office and have not conducted certain illegal acts and satisfy the beneficiary requirements set out in the director stock benefit rules and the trust agreement of the Trust, the Directors, etc. concerned will, after retiring from office, receive distribution of the Company's Shares, etc. from the Trust in a number according to the Definitive Number of Points as determined in accordance with (6) above, as a rule, after taking prescribed procedures for determining beneficiaries. However, in the case where Directors, etc. meet the requirements stipulated in the director stock benefit rules, they shall receive in respect of a certain percentage of the points granted to them an amount of cash equivalent to the market price of the Company's shares in place of distribution of the Company's shares. The Trust may sell the Company's shares in order to provide the cash. In addition, in the case where Directors, etc. die during their term of office, and the family of such Directors, etc. meet the requirements set out in the director stock benefit rules, such a family obtains the right to receive a monetary benefit in the amount obtained by multiplying the number of points held by the deceased Directors, etc., by the market value of the Company's common stock at the time of the death.

(8) Exercise of voting rights

In accordance with instructions from the trust administrator, the voting rights represented by the Company's shares held in the Trust's account shall not be exercised without any exception. Adoption of this approach is intended to ensure neutrality in the management of the Company with respect to the exercise of voting rights represented by the Company's shares held in the Trust's account.

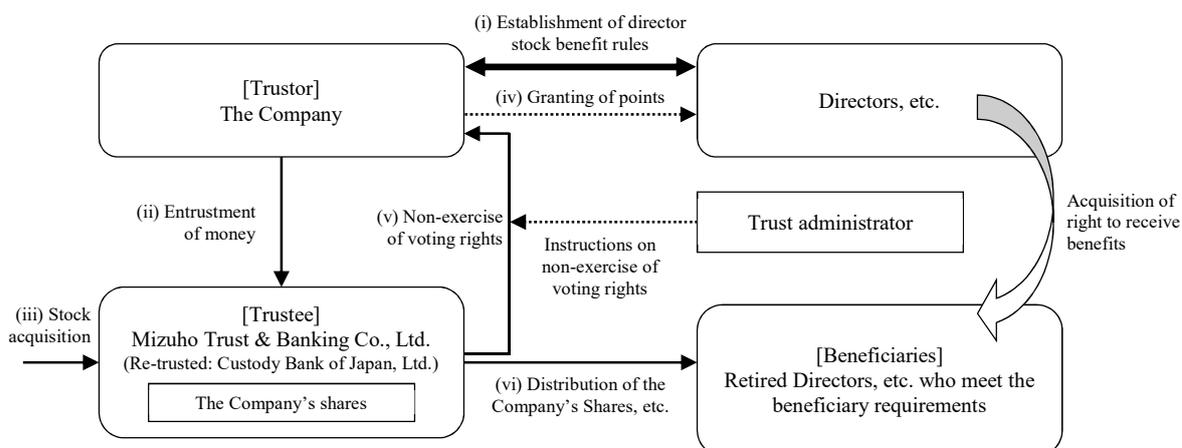
(9) Treatment of dividends

The Trust shall receive dividends from the Company's shares held in the Trust's account and shall use them for payment to acquire the Company's shares and for trust fees, etc. for the trustee of the Trust. In addition, in the case where the Trust is terminated, dividends remaining in the Trust shall be distributed to Directors, etc. in office at that time, according to the number of points held by each on a pro rata basis, in accordance with the provisions of the director stock benefit rules.

(10) Treatment upon termination of the Trust

The Trust shall terminate in the case where grounds such as a delisting of the Company's shares or the termination of the director stock benefit rules have arisen. The Company plans to acquire without consideration all the Company's shares included in the remaining assets of the Trust upon termination of the Trust and to then cancel them by a resolution of the Board of Directors. As for the cash included in the remaining assets of the Trust upon termination of the Trust, the balance after deduction of the cash distributed to Directors, etc. in accordance with (9) above shall be distributed to the Company.

(Reference) Framework of the Plan



- (i) The Company establishes director stock benefit rules within the framework of approval of this proposal.
- (ii) The Company entrusts the money within the amount approved at this proposal.
- (iii) The Trust acquires the Company's shares through the stock market or by underwriting the disposition of the Company's treasury stock using the money entrusted in (ii) as funds.
- (iv) The Company grants points to the Directors, etc. based on the director stock benefit rules.
- (v) In accordance with instructions from the trust administrator, who is independent from the Company, the Trust shall not exercise voting rights concerning the Company's shares in the Trust account.
- (vi) The Trust distributes to those among the retired Directors, etc. who meet the beneficiary requirements stipulated in the director stock benefit rules and the trust agreement of the Trust (hereinafter, the "Beneficiaries") the Company's shares based on the number of points granted to the Beneficiaries. However, in the case where Directors, etc. meet the requirements stipulated in the director stock benefit rules, they shall receive in respect of a certain percentage of the points granted to them an amount of cash equivalent to the market price of the Company's shares.

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