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Securities Code: 2222

June 4, 2024

Start date of measures for electronic provision: June 1, 2024

**To our shareholders,**

Seigo Kawagoe, President & CEO

**Kotobuki Spirits Co., Ltd.**

2028 Hatagasaki, Yonago City, Tottori

## **Notice of the 72nd Ordinary General Meeting of Shareholders**

We are pleased to announce the 72nd Ordinary General Meeting of Shareholders of Kotobuki Spirits Co., Ltd. (the “Company”), which will be held as outlined below.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on each of the websites shown below. Please access either of the websites by using the internet address shown below to review the information.

The Company’s website:

<https://www.kotobukispirits.co.jp/ir/meeting.html> (in Japanese)

Website for posted informational materials for the general meeting of shareholders:

<https://d.sokai.jp/2222/teiji/> (in Japanese)

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Access the TSE website by using the internet address shown above, enter “Kotobuki Spirits” in “Issue name (company name)” or the Company’s securities code “2222” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend the meeting in person, you may exercise your voting rights via the internet or in writing. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:00 p.m. on Monday, June 24, 2024.

**1. Date and time:** **Tuesday, June 25, 2024, at 10:00 a.m.**

[Reception will be open at 9:00 a.m.]

**2. Venue:** **International Conference Hall on the 2nd floor of YONAGO CONVENTION CENTER  
“BIG SHIP”**

294 Suehiro-cho, Yonago City, Tottori

\*Please see the “Guide to the Venue for the General Meeting of Shareholders” at the end (in Japanese).

**3. Purpose of the Meeting**

**Matters to be reported:**

1. Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the 72nd fiscal year (from April 1, 2023 to March 31, 2024)
2. Results of audits of Consolidated Financial Statements for the 72nd fiscal year by the Financial Auditor and Audit and Supervisory Committee

**Matters to be resolved:**

**Proposal No. 1**      **Appropriation of Surplus**

**Proposal No. 2**      **Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

**Proposal No. 3**      **Election of Three Directors Who Are Audit and Supervisory Committee Members**

**Proposal No. 4**      **Determination of Remuneration Due to Granting of Restricted Shares to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

##### Year-end dividends

The Company recognizes return of profit to shareholders as a management priority and has a basic policy to strive to return profit in comprehensive consideration of internal reserves, business performance trends, and the dividend payout ratio among others to ensure stable return of profit to shareholders over a long term.

In line with this policy, the Company proposes to appropriate surplus for the fiscal year as follows:

**1. Type of dividend property**

To be paid in cash.

**2. Allotment of dividend property to shareholders and their aggregate amount**

The Company proposes to pay a dividend of ¥28 per common share of the Company.

In this event, the total dividends will be ¥4,356,674,840.

**3. Effective date of dividends of surplus**

June 26, 2024

**Proposal No. 2 Election of Six Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

The terms of office of all six currently serving Directors (excluding Directors who are Audit and Supervisory Committee members; the same applies hereinafter to this proposal) will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company proposes the election of six Directors.

This proposal has been decided by the Board of Directors in comprehensive consideration of the details of career profiles of candidates, etc., based on the report from the Nominating and Remuneration Advisory Committee, which is chaired by an Outside Director and the majority of whose members are Outside Directors. In addition, the Audit and Supervisory Committee has expressed its opinion that all candidates for Director are suitable for the position. The candidates for Director are as follows:

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Seigo Kawagoe (November 21, 1960)  Reelection	Apr. 1987      Joined the Company, Senior Managing Director Mar. 1989      Representative Director and Vice President June 1994      President & CEO (current position) <u>Significant concurrent positions outside the Company</u> Representative Director and Chairman of Sucrey Co., Ltd. Representative Director and Chairman of KCC Co., Ltd. Representative Director and President of Junai Inc.	–
		<u>Reasons for nomination as candidate for Director</u> With the career profile above, he has led the management of the Company as President & CEO for many years since June 1994. His strong leadership based on his extensive experience and broad knowledge will continue to be essential in the Group management of the Company. Therefore, the Company proposes his election.	
2	Shinji Matsumoto (March 25, 1967)  Reelection	Mar. 1990      Joined the Company July 2004      Manager of Accounting Department Oct. 2006      Manager in charge of Corporate Planning June 2010      General Manager of Corporate Planning Division June 2012      Director and General Manager of Corporate Planning Division June 2022      Managing Director and Executive General Manager of Group Corporate Management Division (current position) <u>Significant concurrent positions outside the Company</u> Representative Director and President of KSK Co., Ltd.	83,000 shares
		<u>Reasons for nomination as candidate for Director</u> With the career profile above, he has extensive operational experience since joining the Company, including involvement in accounting and finance and serving as General Manager of the Corporate Planning Division. After assuming the position of Director in June 2012, he has fulfilled his duties as a Director, including working to strengthen the Group corporate management. The Company has determined that his extensive experience and broad knowledge gained throughout his career are indispensable to the Group management of the Company, and therefore proposes his election.	

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Masayuki Shirouchi (December 9, 1965)  Reelection	<p>Mar. 1991      Joined the Company</p> <p>Feb. 2005      General Manager of Sales Division of Kujukushima Group Co., Ltd.</p> <p>Sept. 2006      Managing Director of Tsukiji Chitose Co., Ltd.</p> <p>Sept. 2012      General Manager of Sales Department of Kotobuki Seika Co., Ltd.</p> <p>Apr. 2014      Director and General Manager of Sales Department</p> <p>May 2015      Representative Director and President (current position)</p> <p>June 2020      Director of the Company (current position)</p> <p><u>Significant concurrent positions outside the Company</u></p> <p>Representative Director and President of Kotobuki Seika Co., Ltd.</p> <p>Representative Director and President of Tajima Kotobuki Co., Ltd.</p>	100,000 shares
<p><u>Reasons for nomination as candidate for Director</u></p> <p>With the career profile above, he has served as Director or other position of Group companies since September 2006, and as Representative Director and President of a major Group company, Kotobuki Seika Co., Ltd. since 2015. The Company has determined that his extensive experience and broad knowledge gained throughout his career are indispensable to the Group management of the Company, and therefore proposes his election.</p>			
4	Ryoichi Sakamoto (January 4, 1969)  Reelection	<p>Nov. 1987      Joined Tajima Kotobuki Co., Ltd.</p> <p>May 2007      Managing Director</p> <p>May 2009      Managing Director of KCC Co., Ltd.</p> <p>July 2014      Director and General Manager of Sales Department of Sucrey Co., Ltd.</p> <p>Apr. 2017      Senior Managing Director</p> <p>May 2019      Representative Director and President (current position)</p> <p>June 2020      Director of the Company (current position)</p> <p><u>Significant concurrent positions outside the Company</u></p> <p>Representative Director and President of Sucrey Co., Ltd.</p> <p>Representative Director and President of Kujukushima Group Co., Ltd.</p>	76,500 shares
<p><u>Reasons for nomination as candidate for Director</u></p> <p>With the career profile above, he has served as Director of Group companies since May 2007, and as Representative Director and President of a major Group company, Sucrey Co., Ltd. since May 2019. The Company has determined that his extensive experience and broad knowledge gained throughout his career are indispensable to the Group management of the Company, and therefore proposes his election.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
5	<p>Matsuo Iwata (June 2, 1958)</p> <p>Reelection Outside</p>	<p>Apr. 1982      Joined Nissan Motor Co., Ltd.</p> <p>Feb. 1995      Joined Gemini Consulting Japan Co., Ltd.</p> <p>Oct. 1996      Joined Coca-Cola (Japan) Company, Limited</p> <p>July 1999      Managing Executive Officer of Coca Cola Beverage Service Co., Ltd.</p> <p>Apr. 2001      Representative Director and President of Atlus Co., Ltd.</p> <p>June 2003      Managing Executive Officer of Takara Co., Ltd. (currently TOMY Company, Ltd.)</p> <p>Apr. 2005      Representative Director and President of Inforest Co., Ltd.</p> <p>June 2009      Representative Director and Chief Executive Officer (CEO) of Starbucks Coffee Japan Co., Ltd.</p> <p>June 2012      Outside Director of OOTOYA Holdings Co., Ltd.</p> <p>Oct. 2013      Representative Director and President of Leadership Consulting Inc. (current position)</p> <p>May 2014      Outside Director of Tokyo Individualized Educational Institute, Inc.</p> <p>June 2015      Director of the Company (current position)</p> <p><u>Significant concurrent positions outside the Company</u></p> <p>Representative Director and President of Leadership Consulting Inc.</p>	-
<p><u>Reasons for nomination as candidate for Outside Director and expected roles</u></p> <p>With the career profile above, he has been involved in corporate management for many years. The Company has determined that he can bring his extensive experience and broad knowledge as a manager, gained throughout his career, to the Company's management from a neutral and objective standpoint. He has also fulfilled his duties appropriately as an Outside Director. Therefore, the Company proposes his election as an Outside Director. He is currently an Outside Director of the Company and will have held this position for nine years at the conclusion of this Ordinary General Meeting of Shareholders.</p>			

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Megumi Yoshimoto (January 5, 1954)  Reelection Outside	<p>Apr. 1976      Joined Japan Broadcasting Corporation (NHK)</p> <p>June 1981      Freelance announcer (current position)</p> <p>Apr. 2000      Lecturer of NHK Culture Center (current position)</p> <p>Apr. 2002      Part-time lecturer of School of Education of Waseda University, Part-time lecturer of Jumonji University</p> <p>Apr. 2007      Part-time lecturer of Rissho University for "Special Lectures on the Teaching Profession" (current position)</p> <p>Apr. 2008      Member of the Steering Committee of the Center for Accreditation of Laboratory Animal Care and Use of the Japan Health Sciences Foundation (currently Japan Pharmaceutical Information Center) (current position)</p> <p>Apr. 2015      Professor of Department of Literature and Culture, Faculty of Human Life, Jumonji University</p> <p>Apr. 2020      Professor of Department of Literature and Culture, Faculty of Education and Humanities</p> <p>June 2021      Director of the Company (current position)</p> <p>Apr. 2024      Professor Emeritus of Jumonji University (current position)</p> <p><u>Significant concurrent positions outside the Company</u> Professor Emeritus of Jumonji University</p>	–
<p><u>Reasons for nomination as candidate for Outside Director and expected roles</u></p> <p>With the career profile above, she has many years of experience as a broadcaster and as a lecturer or professor at several universities. The Company has determined that she can bring her extensive experience and broad knowledge as well as her unique perspective as a woman, to the Company's management from a neutral and objective standpoint. Therefore, the Company proposes her election as an Outside Director. Although she has not been directly involved in corporate management in the past, for the reasons stated above, the Company has determined that she will be able to appropriately perform her duties as an Outside Director. She is currently an Outside Director of the Company and will have held this position for three years at the conclusion of this Ordinary General Meeting of Shareholders.</p>			

- Notes:
1. There are no special interests between each candidate and the Company.
  2. Matsuo Iwata and Megumi Yoshimoto are candidates for Outside Director. The Company has registered Mr. Iwata and Ms. Yoshimoto as Independent Officers who meet the requirements of the Tokyo Stock Exchange. If they are reelected, the Company will continue to register them as Independent Officers.
  3. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Mr. Iwata and Ms. Yoshimoto to limit their liability for damages to the amount stipulated by laws and regulations. If the reelection of Mr. Iwata and Ms. Yoshimoto is approved, the Company plans to continue such agreements with them.
  4. The Company has entered into a directors and officers liability insurance policy as provided for Article 430-3, paragraph (1) of the Companies Act with an insurance company. The outline of the contents of such insurance policy is described in "3 Matters Concerning Company Officers (4) Outline of Contents of Directors and Officers Liability Insurance Policy, etc." in the Business Report. If the election of candidates for Director is approved, they will continue to be included as insureds under the insurance policy. In addition, the Company plans to renew the insurance policy with the same terms and conditions at the next renewal.

### Proposal No. 3 Election of Three Directors Who Are Audit and Supervisory Committee Members

The terms of office of all three currently serving Directors who are Audit and Supervisory Committee members will expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, the Company proposes the election of three Directors who are Audit and Supervisory Committee members.

This proposal has been decided by the Board of Directors in comprehensive consideration of the details of career profiles of candidates, etc., based on the report from the Nominating and Remuneration Advisory Committee, which is chaired by an Outside Director and the majority of whose members are Outside Directors.

In addition, the Audit and Supervisory Committee has given its consent to this proposal.

The candidates for Director who is an Audit and Supervisory Committee member are as follows:

Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Masamichi Yamane (November 25, 1956)  Reelection	Sept. 1990      Joined the Company	92,100 shares
		June 2002      Manager of General Affairs Department	
Oct. 2006      General Manager of General Affairs Division of Kotobuki Seika Co., Ltd.			
Apr. 2010      Manager in charge of General Affairs of the Company			
June 2010      Director and Executive General Manager of Group Corporate Management Division			
June 2012      Director and General Manager of Administrative Division			
June 2022      Director (Full-time Audit and Supervisory Committee member) (current position)			
<u>Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee member</u> With the career profile above, he has extensive operational experience since joining the Company, including involvement in labor and personnel affairs and serving as General Manager of General Affairs Division. After assuming the position of Director in June 2010, he has fulfilled his duties as a Director, including working to strengthen the compliance and Group management departments. The Company has determined that he can conduct highly effective audits by utilizing his extensive experience and broad knowledge gained throughout his career, and therefore proposes his election as a Director who is an Audit and Supervisory Committee member.			
2	Yasuhiro Tanaka (August 8, 1963)  Reelection Outside	Apr. 1990      Joined Yasuharu Tanaka Tax Accountant Office (currently Tanaka Tax Accountant Office)	-
		June 2003      Senior Partner of Tanaka Tax Accountant Office (current position)	
June 2016      Director of the Company (Audit and Supervisory Committee member) (current position)			
<u>Significant concurrent positions outside the Company</u> Senior Partner of Tanaka Tax Accountant Office			
<u>Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee member and expected roles</u> He has expert knowledge and extensive experience in finance and accounting as a certified tax accountant. The Company has determined that he can bring such knowledge and experience to the Company's management from a neutral and objective standpoint. He has also fulfilled his duties appropriately as an Outside Director who is an Audit and Supervisory Committee member. Therefore, the Company proposes his election as an Outside Director who is an Audit and Supervisory Committee member. Although he has not been directly involved in corporate management in the past, for the reasons stated above, the Company has determined that he will be able to appropriately perform his duties as an Outside Director who is an Audit and Supervisory Committee member. He is currently an Outside Director who is an Audit and Supervisory Committee member of the Company and will have held this position for eight years at the conclusion of this Ordinary General Meeting of Shareholders.			



Candidate no.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Keiko Ueda (January 21, 1976)  New election Outside	<p>Apr. 1999      Joined Dai-ichi Mutual Life Insurance Company (currently The Dai-ichi Life Insurance Company, Limited)</p> <p>Nov. 2008      Legal apprentice at The Legal Training and Research Institute of Japan</p> <p>Jan. 2010      Registered as attorney at law (Tokyo Bar Association) Joined Nakamura Sogo Law Firm</p> <p>Jan. 2013      Partner of Umemoto, Kurihara, and Ueda Partners (currently Kyobashi-Takaracho Partners) (current position)</p> <p>Aug. 2016      Director of Habilis Japan (current position)</p> <p>Mar. 2024      Outside Audit &amp; Supervisory Board Member of NIHON TECHNO CO., LTD. (current position)</p> <p><u>Significant concurrent positions outside the Company</u> Partner of Kyobashi-Takaracho Partners Director of Habilis Japan Outside Audit &amp; Supervisory Board Member of NIHON TECHNO CO., LTD.</p>	–
<p><u>Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee member and expected roles</u></p> <p>She has expert knowledge and extensive experience in legal affairs as an attorney at law. The Company has determined that she can bring such knowledge and experience as well as her unique perspective as a woman to the Company's management from a neutral and objective standpoint. Therefore, the Company proposes her election as an Outside Director who is an Audit and Supervisory Committee member. Although she has not been directly involved in corporate management in the past, for the reasons stated above, the Company has determined that she will be able to appropriately perform her duties as an Outside Director who is an Audit and Supervisory Committee member.</p>			

- Notes:
1. There are no special interests between each candidate and the Company.
  2. The legal name of Keiko Ueda in her family register is Keiko Kawasaki.
  3. Yasuhiro Tanaka and Keiko Ueda are candidates for Outside Director. The Company has registered Mr. Tanaka as an Independent Officer who meets the requirements of the Tokyo Stock Exchange. The Company will continue to register him as an Independent Officer if he is reelected. Moreover, the Company plans to register Ms. Ueda as an Independent Officer who meets the requirements of the Tokyo Stock Exchange if she is elected.
  4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Mr. Tanaka to limit his liability for damages to the amount stipulated by laws and regulations. The Company plans to continue such agreements with Mr. Tanaka if his reelection is approved. The Company plans to enter into a limited liability agreement of the similar content with Ms. Ueda if she is elected.
  5. The Company has entered into a directors and officers liability insurance policy as provided for Article 430-3, paragraph (1) of the Companies Act with an insurance company. The outline of the contents of such insurance policy is described in "3 Matters Concerning Company Officers (4) Outline of Contents of Directors and Officers Liability Insurance Policy, etc." in the Business Report. If the election of candidates for Director who is an Audit and Supervisory Committee member is approved, they will be included as insureds under the insurance policy. In addition, the Company plans to renew the insurance policy with the same terms and conditions at the next renewal.

**Proposal No. 4      Determination of Remuneration Due to Granting of Restricted Shares to Directors  
(Excluding Directors Who Are Audit and Supervisory Committee Members)**

With regard to the amount of remuneration, etc., for Directors (excluding Directors who are Audit and Supervisory Committee members) of the Company, it was approved at the 64th Ordinary General Meeting of Shareholders held on June 28, 2016, in which the annual remuneration, etc., shall be not more than 300 million yen (or 25 million yen for Outside Directors; excluding employee salaries of Directors who concurrently serve as employees).

The Company hereby proposes the delivery of additional remuneration to grant restricted shares, which is a separate remuneration from the one previously mentioned, to Directors (excluding Directors who are Audit and Supervisory Committee members and Outside Directors) of the Company (“Eligible Directors”) to provide them an incentive to sustainably increase the Company’s corporate value and further promote shared value between shareholders and them as part of the revision to its remuneration package for Directors.

The remuneration to be delivered to Eligible Directors to grant restricted shares based on this proposal shall be monetary claims, and the total amount of such claims shall be within the annual amount of 60 million yen (excluding employee salaries of Directors who concurrently serve as employees). The Board of Directors shall determine the specific time of delivery and allocation of such remuneration to each Eligible Director.

The current number of Eligible Directors is four. Even if Proposal Nos. 2 and 3 are approved as originally proposed, this number shall remain the same.

Furthermore, based on a resolution of the Board of Directors of the Company, Eligible Directors shall pay in all monetary claims provided to them under this proposal, as property contributed in kind, and in return, shall receive the issuance or disposal of common shares of the Company. The total number of common shares of the Company to be issued or disposed of through this process shall be at most 40,000 shares per year (however, if, on or after the date of approval and resolution of this proposal, the Company conducts share splits of common shares of the Company (including allotment of common shares of the Company without contribution), consolidation of such shares, or in any other event in which the total number of common shares of the Company to be issued or disposed of as restricted shares requires adjustment, said total number shall be adjusted within a reasonable range).

The amount to be paid per allotted share shall be determined by the Board of Directors based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day immediately before each date of resolution by the Board of Directors (if there is no closing price on such date, the closing price on the closest preceding trading day) within the extent that the amount will not be particularly advantageous to Eligible Directors who subscribe the Company’s common shares. For the issuance or disposal of the common shares of the Company and the delivery of monetary claims paid in the form of property contributed in kind, an agreement on allotment of shares with transfer restrictions that includes the provisions summarized as follows (the “Allotment Agreement”) shall be entered into between the Company and each Eligible Director. The maximum amount of remuneration under this proposal, the total number of common shares of the Company to be issued or disposed of, and other conditions for granting restricted shares to Eligible Directors based on this proposal have been determined considering the aforementioned purposes, the business conditions at the Company, the policy for determining the content of remuneration, etc., for each individual Director (if this proposal is approved and adopted, the policy will be revised to reflect the information specified in the [Reference 2] section as follows to align with the approved details) and other various circumstances, and are considered appropriate.

Moreover, if this proposal is approved and adopted as originally proposed at this Ordinary General Meeting of Shareholders, the Company plans to introduce a similar restricted shares remuneration system for Directors of the Company’s subsidiaries.

[Outline of Details of the Allotment Agreement]

(1) Restriction period

The Eligible Director shall not transfer, create a security interest on, or otherwise dispose of the common shares of the Company allotted under the Allotment Agreement (the “Allotted Shares”) for a period of a minimum of three years and a maximum of 60 years from the day when the Director received the allotment under the Allotment Agreement as predetermined by the Board of Directors of the Company (the “Restriction Period”). The restrictions described in the preceding sentence will hereinafter be collectively referred to as the “Transfer Restrictions.”

(2) Treatment at resignation or retirement

If an Eligible Director resigns or retires before the Restriction Period expires from the position of officer or employee of the Company or any of its subsidiaries that was previously determined by the Company’s Board of Directors, the Company shall automatically acquire such Allotted Shares without contribution unless there are justifiable grounds for the resignation or retirement from office such as the expiration of the term of his/her office and death.

(3) Lifting of Transfer Restrictions

Notwithstanding the provisions of (1) above, the Company shall lift the Transfer Restrictions on all of the Allotted Shares upon expiration of the Restriction Period, on the condition that the Eligible Director has remained in the position of director or employee of the Company or any of its subsidiaries that was previously determined by the Company's Board of Directors throughout the Restriction Period. However, if the Eligible Director resigns or retires from the position designated in (2) above before the expiration of the Restriction Period due to justifiable grounds as set forth in (2) above such as the expiration of the term of his/her office and death, the Company shall rationally adjust the number of the Allotted Shares on which the Transfer Restrictions are to be lifted and the timing of lifting as needed. In accordance with the provision specified above, the Company shall acquire without contribution the Allotted Shares on which the Transfer Restrictions have not been lifted yet as of the time immediately after the Transfer Restrictions were lifted.

(4) Treatment during reorganization, etc.

Notwithstanding the provisions of (1) above, if, during the Restriction Period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Meeting of Shareholders is not required in relation to the reorganization, etc.), the Company shall lift the Transfer Restrictions on the Allotted Shares with the number of shares that is reasonably determined considering the period from the start date of the Restriction Period to the date of approval of the reorganization, etc. prior to the date on which the reorganization, etc. becomes effective, by resolution of the Board of Directors of the Company. In the aforementioned cases, the Company shall acquire without contribution the Allotted Shares on which the Transfer Restrictions have not been lifted yet as of the time immediately after the Transfer Restrictions were lifted.

(5) Other matters

The Board of Directors of the Company shall determine other matters concerning the Allotment Agreement.

**[Reference 1]**

Experience and expertise possessed by the candidates under Proposal Nos. 2 and 3 (skill matrix)

**(Directors excluding Audit and Supervisory Committee members)**

Name	Gender	Attributes	Experience and expertise possessed by the Director						
			Corporate management/ Management strategy	Finance/Accounting	Legal affairs/ Risk management	Personnel affairs/Labor management/ Human resource development	Consumer lives	ESG	
Seigo Kawagoe	Male	Inside Director (full-time) President & CEO	○					○	○
Shinji Matsumoto	Male	Inside Director (full-time) Nominating and Remuneration Advisory Committee member	○	○	○	○			○
Masayuki Shirouchi	Male	Inside Director (full-time)	○					○	
Ryoichi Sakamoto	Male	Inside Director (full-time)	○					○	
Matsuo Iwata (Outside)	Male	Outside (part-time) Chairperson of Nominating and Remuneration Advisory Committee	○				○	○	
Megumi Yoshimoto (Outside)	Female	Outside (part-time) Nominating and Remuneration Advisory Committee member					○	○	○

**(Directors who are Audit and Supervisory Committee members)**

Name	Gender	Attributes	Experience and expertise possessed by the Director					
			Corporate management/ Management strategy	Finance/Accounting	Legal affairs/ Risk management	Personnel affairs/Labor management/ Human resource development	Consumer lives	ESG
Masamichi Yamane	Male	Inside Director (full-time) Nominating and Remuneration Advisory Committee member	○		○	○		○
Yasuhiro Tanaka (Outside)	Male	Outside (part-time) Nominating and Remuneration Advisory Committee member		○				
Keiko Ueda (Outside)	Female	Outside (part-time) Nominating and Remuneration Advisory Committee member			○			

## [Reference 2]

### **Policy for determining individual remuneration, etc., of the Company's Directors**

#### 1. Basic policy

The remuneration system for the Directors (excluding Directors who are Audit and Supervisory Committee members; the same applies hereinafter) of the Company places maximum emphasis on sustainably increasing corporate value over the medium to long term, and the Company's policy when determining the remuneration of individual Directors is to set it at an appropriate level based on the duties and so forth of each Director. The remuneration system for Directors consists of the basic fixed remuneration (monetary remuneration) and the restricted shares remuneration as medium- to long-term incentives. Outside Directors receive the basic remuneration only in consideration of the independence of their duties.

#### 2. Policy for determining individual amounts of remuneration, etc., for basic remuneration (monetary remuneration) (including a policy for determining the time of payment and terms and conditions)

- (1) The basic remuneration for the Directors of the Company (excluding Outside Directors) is a fixed monthly remuneration determined through comprehensive consideration, giving weight to positions and contribution to the Company's performance based on duties, levels at other companies comparable to the number of years worked, the Company's performance, and levels of employee salaries.
- (2) The basic remuneration for Outside Directors is a monthly fixed remuneration determined by considering duties and responsibilities, levels at other companies, etc.

#### 3. Policy for determining details of non-monetary remuneration, etc., and calculation methods of amounts or numbers thereof (including a policy for determining the time of payment and terms and conditions)

- (1) As non-monetary remuneration, the Company shall provide the restricted shares remuneration to Directors to provide them an incentive to sustainably increase the Company's corporate value and further promote shared value between shareholders and them.
- (2) The specific number of restricted shares remuneration provided shall be determined by considering each Director's position and responsibilities. The Board of Directors shall resolve the number of individually allotted shares, and the remuneration shall be provided at a certain time every year.

#### 4. Method of determining details of individual remuneration, etc., of Directors

To determine the amount of individual remuneration of Directors, the Representative Director creates a proposal in comprehensive consideration of the amounts of the basic and non-monetary remuneration for each Director and their percentages based on the aforementioned policy within the remuneration limit for Directors resolved at the General Meeting of Shareholders. Then, the Board of Directors receives a report on the deliberation of the proposal by the Nominating and Remuneration Advisory Committee, having heard the opinion of the Audit and Supervisory Committee in advance, and deliberates on the proposal to make a decision.