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(Stock Exchange Code 1969)

May 31, 2021

To Shareholders with Voting Rights:

Kazuhito Kojima
President and Representative Director,
COO
Takasago Thermal Engineering Co., Ltd.
6-27-30, Shinjuku, Shinjuku-ku, Tokyo

**NOTICE OF
THE 141ST ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

Takasago Thermal Engineering Co., Ltd. (the “Company”) hereby notifies you as follows that the 141st Ordinary General Meeting of Shareholders of the Company will be held as described below.

- 1. Date and Time:** Tuesday, June 22, 2021 at 10:00 a.m. Japan time (reception will open at 9:00 a.m.)
- 2. Place:** Conference room at Takasago Thermal Engineering Co, Ltd. located at 6-27-30, Shinjuku, Shinjuku-ku, Tokyo, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:** The Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements for the Company’s 141st Fiscal Year (April 1, 2020 - March 31, 2021) and results of audits by the Accounting Auditor and the Board of Company Auditors of the Consolidated Financial Statements
 - Proposals to be resolved:**
 - Proposal 1:** Distribution of Surplus
 - Proposal 2:** Election of Ten (10) Directors
 - Proposal 3:** Election of Two (2) Company Auditors
 - Proposal 4:** Partial Revision of Stock Compensation Program for Directors, etc.

~~~~~ Notice ~~~~~

You can refer to this convocation notice and the appendix, as well as their English translations (partial), on the Company’s website (<https://www.tte-net.com>).

Of the documents to be submitted along with this convocation notice, the Company has published the “Consolidated Notes” and the “Consolidated Statements of Changes in Net Assets” for the Consolidated Financial Statements, the “Individual Notes” and the “Statements of Changes in Net Assets” for the Non-consolidated Financial Statements, and the “Outline of Content of Resolution for Development of Systems for Ensuring Properness of Business Activities and Operation of Such System” and the “Basic Policy Regarding Control of Stock Company” for the Business Report, on the Company’s website stated above

pursuant to laws, regulations, and Article 18 of the Company's Articles of Incorporation; accordingly, those matters are not included in this convocation notice. The documents attached to this convocation notice are part of the Consolidated Financial Statements, Non-consolidated Financial Statements, and Business Report audited by the Accounting Auditor and the Company Auditors when preparing the audit reports.

Should the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or the Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website stated above.

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Distribution of Surplus

The Company positions the return of profits to its shareholders as one of the most important management issues. Our basic policy is to strive for a stable dividend payout while enhancing profitability and capital efficiency.

Based on this basic policy, the year-end dividend for the 141st fiscal year is proposed as below.

As a result, the annual dividend will be ¥56, including the interim dividend of ¥28 per share.

#### Matters related to year-end dividend

##### 1. Type of dividend assets

Cash

##### 2. Items relating to the allocation of dividend assets to shareholders and its total amount

¥28 per share of common stock of the Company

Total amount: ¥1,966,447,812

##### 3. Effective date of payment of dividend from surplus

June 23, 2021

**Proposal 2: Election of Ten (10) Directors**

The terms of office of all eleven (11) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders.

Accordingly, in order to enhance the efficiency of the management team, the election of ten (10) Directors is proposed.

The candidates are as follows.

The Company determines the candidates for nomination at the Board of Directors' meeting after deliberation at the Nomination and Compensation Committee, a majority of whose members are Outside Directors, by thoroughly taking into account such factors as a wealth of experiences and knowledge in the candidate's specialty fields, potential contribution to the Company's sustainable growth and enhancement of its mid- to long-term corporate value, as well as the optimal composition and size of the Board at this point.

| No. | Name                                                                                             | Current positions in the Company                    | Attendance at Board of Directors' meetings |
|-----|--------------------------------------------------------------------------------------------------|-----------------------------------------------------|--------------------------------------------|
| 1   | <u>Reelection</u><br>Atsushi Ouchi                                                               | Chairman and Representative Director, CEO           | 13/13 meetings (100%)                      |
| 2   | <u>Reelection</u><br>Kazuhito Kojima                                                             | President and Representative Director, COO          | 13/13 meetings (100%)                      |
| 3   | <u>Reelection</u><br>Yoshiyuki Hara                                                              | Director and Senior Managing Executive Officer, CFO | 13/13 meetings (100%)                      |
| 4   | <u>Reelection</u><br>Tadashi Kamiya                                                              | Director and Managing Executive Officer             | 13/13 meetings (100%)                      |
| 5   | <u>Reelection</u><br>Toshikazu Yokote                                                            | Director and Managing Executive Officer, CDXO       | 13/13 meetings (100%)                      |
| 6   | <u>Reelection</u><br><u>Outside Director</u><br><u>Independent Director</u><br>Kazuo Matsunaga   | Outside Director                                    | 13/13 meetings (100%)                      |
| 7   | <u>Reelection</u><br><u>Outside Director</u><br><u>Independent Director</u><br>Kiyoshi Fujimura  | Outside Director                                    | 13/13 meetings (100%)                      |
| 8   | <u>Reelection</u><br><u>Outside Director</u><br><u>Independent Director</u><br>Yoko Seki         | Outside Director                                    | 13/13 meetings (100%)                      |
| 9   | <u>New Election</u><br><u>Outside Director</u><br><u>Independent Director</u><br>Makio Fujiwara  | Outside Company Auditor                             | 13/13 meetings (100%)                      |
| 10  | <u>New Election</u><br><u>Outside Director</u><br><u>Independent Director</u><br>Hideka Morimoto | Advisor                                             | — (—)                                      |

Notes:

1. The positions of the above candidates for Directors are those at the time of this General Meeting.
2. The information regarding the attendance of Mr. Makio Fujiwara at Board of Directors' meetings pertains to his attendance as an Outside Company Auditor.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                     |                              |            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------------|------------|
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Atsushi Ouchi                                                                       | Date of birth: July 29, 1949 | Reelection |
| Term of office as Director (at the conclusion of this Meeting): 13 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                     |                              |            |
| Number of shares of the Company held: 167,324<br>(of the shares above, number of shares to be delivered pursuant to stock compensation program: 63,701)                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                     |                              |            |
| Attendance at Board of Directors' meetings: 13/13 meetings (100.0%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                     |                              |            |
| Past experience, positions, and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                     |                              |            |
| April 1975                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Joined the Company                                                                  |                              |            |
| April 2006                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Executive Officer                                                                   |                              |            |
| April 2008                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Managing Executive Officer<br>Branch General Manager, Osaka Branch                  |                              |            |
| June 2008                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Director and Managing Executive Officer                                             |                              |            |
| April 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | President and Representative Director, CEO                                          |                              |            |
| January 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | President and Representative Director, CEO<br>In charge of Engineering Headquarters |                              |            |
| April 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | President and Representative Director, CEO                                          |                              |            |
| April 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Chairman, President and Representative Director, CEO                                |                              |            |
| April 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Chairman and Representative Director, CEO<br>To the present                         |                              |            |
| Material concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                     |                              |            |
| Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                     |                              |            |
| Reason for nomination as a candidate for Director<br>Mr. Atsushi Ouchi has served as President and Director from April 2010 and as Chairman, President and Director from April 2016 and has demonstrated leadership as the chief executive of the Company group's management, and has been responsible for the management. The Company again nominates him as a candidate for Director, expecting that he would continue to enhance the Company group's sustainable growth and its mid- to long-term corporate value, and revitalize, and strengthen the function of, the Board of Directors as Chairman (CEO). |                                                                                     |                              |            |

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| 2                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Kazuhito Kojima                                                                              | Date of birth: September 6, 1961 | Reelection |
| Term of office as Director (at the conclusion of this Meeting): 2 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                              |                                  |            |
| Number of shares of the Company held: 27,164<br>(of the shares above, number of shares to be delivered pursuant to stock compensation program: 14,542)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                              |                                  |            |
| Attendance at Board of Directors' meetings: 13/13 meetings (100.0%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                              |                                  |            |
| Past experience, positions, and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                              |                                  |            |
| April 1984                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Joined the Company                                                                           |                                  |            |
| April 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Administration Officer; Branch General Manager, Yokohama Branch, East Japan Headquarters     |                                  |            |
| April 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Executive Officer                                                                            |                                  |            |
| April 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Branch General Manager, Osaka Branch                                                         |                                  |            |
| April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Group General Manager, Management Strategy Headquarters                                      |                                  |            |
| June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Director and Executive Officer                                                               |                                  |            |
| April 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | President and Representative Director, COO                                                   |                                  |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | To the present                                                                               |                                  |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | In charge of work style reform, and Global Business Planning Headquarters                    |                                  |            |
| April 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | In charge of Global Business Planning Headquarters and Research and Development Headquarters |                                  |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | To the present                                                                               |                                  |            |
| Material concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                              |                                  |            |
| Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                              |                                  |            |
| Reason for nomination as a candidate for Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                              |                                  |            |
| Mr. Kazuhito Kojima has accumulated a wealth of experience and deep insight into design and installation of building facilities with regard to the Company group's business through executing its air conditioning equipment business. Also, he has fulfilled his executive responsibilities through formulation of medium-term business plans and annual business plans, organizational reform and corporate planning with ESG and the SDGs in mind. The Company again nominates him as a candidate for Director, expecting that he would enhance the Company's sustainable growth and its mid- to long-term corporate value, and revitalize, and strengthen the function of, the Board of Directors as President (COO). |                                                                                              |                                  |            |

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| 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Yoshiyuki Hara                                                                                                                                                    | Date of birth: August 12, 1957 | Reelection |
| Term of office as Director (at the conclusion of this Meeting): 6 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                   |                                |            |
| Number of shares of the Company held: 37,033<br>(of the shares above, number of shares to be delivered pursuant to stock compensation program: 17,323)                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                   |                                |            |
| Attendance at Board of Directors' meetings: 13/13 meetings (100.0%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                   |                                |            |
| Past experience, positions, and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                   |                                |            |
| April 1981                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Joined NIPPON LIFE INSURANCE COMPANY                                                                                                                              |                                |            |
| April 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Joined the Company                                                                                                                                                |                                |            |
| April 2013                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Administration Officer; Deputy Group General Manager, Corporate Planning Group                                                                                    |                                |            |
| April 2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Executive Officer                                                                                                                                                 |                                |            |
| April 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Executive Officer                                                                                                                                                 |                                |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Deputy Group General Manager, Corporate Administration Group                                                                                                      |                                |            |
| June 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Director and Executive Officer                                                                                                                                    |                                |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Deputy Group General Manager, Corporate Administration Group                                                                                                      |                                |            |
| April 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Director and Managing Executive Officer                                                                                                                           |                                |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Group General Manager, Corporate Administration Group                                                                                                             |                                |            |
| April 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Group General Manager, Corporate Operations Headquarters; General Manager, Corporate Planning Division; in charge of Management Strategy; in charge of Compliance |                                |            |
| April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | In charge of Management Strategy Headquarters, Corporate Operations Headquarters and Japanese Group Companies                                                     |                                |            |
| July 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | In charge of Financial Strategy                                                                                                                                   |                                |            |
| April 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Director and Senior Managing Executive Officer, CFO                                                                                                               |                                |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | To the present                                                                                                                                                    |                                |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | In charge of Property Development Management Department                                                                                                           |                                |            |
| April 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | In charge of Risk Management Office and Property Development Management Department                                                                                |                                |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | To the present                                                                                                                                                    |                                |            |
| Material concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                   |                                |            |
| Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                   |                                |            |
| Reason for nomination as a candidate for Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                   |                                |            |
| Mr. Yoshiyuki Hara has deep insight into the finance and banking field gained through his experience working at financial institutions. Also, he has fulfilled his executive responsibilities for accounting, financial affairs and planning-related work with the purpose of strengthening the management base and corporate governance of the Company group. The Company again nominates him as a candidate for Director, expecting that he would continue to enhance the Company's sustainable growth and its mid- to long-term corporate value, and revitalize, and strengthen the function of, the Board of Directors as CFO. |                                                                                                                                                                   |                                |            |

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| 4                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Tadashi Kamiya                                                                                                            | Date of birth: October 19, 1963 | Reelection |
| Term of office as Director (at the conclusion of this Meeting): 2 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                           |                                 |            |
| Number of shares of the Company held: 14,061<br>(of the shares above, number of shares to be delivered pursuant to stock compensation program: 7,961)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                           |                                 |            |
| Attendance at Board of Directors' meetings: 13/13 meetings (100.0%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                           |                                 |            |
| Past experience, positions, and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                           |                                 |            |
| April 1986                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Joined the Company                                                                                                        |                                 |            |
| April 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Administration Officer; General Manager, Engineering Division, Engineering Headquarters                                   |                                 |            |
| April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Executive Officer                                                                                                         |                                 |            |
| April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Deputy Group General Manager, Business Management Headquarters; in charge of work style reform                            |                                 |            |
| June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Director and Executive Officer                                                                                            |                                 |            |
| April 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Director and Managing Executive Officer                                                                                   |                                 |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | To the present                                                                                                            |                                 |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | In charge of Quality Environment & Safety Control; Japanese Group Companies, and Business Management Headquarters         |                                 |            |
| April 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Group General Manager of Business Management Headquarters                                                                 |                                 |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | In charge of Quality Environment & Safety Control, Total Engineering, Group Companies, and Sales & Marketing Headquarters |                                 |            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | To the present                                                                                                            |                                 |            |
| Material concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                           |                                 |            |
| Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                           |                                 |            |
| Reason for nomination as a candidate for Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                           |                                 |            |
| Mr. Tadashi Kamiya has accumulated a wealth of experience and deep insight into design and installation of building facilities with regard to the Company group's business through executing its air conditioning equipment business. Also, he has fulfilled his executive responsibilities through managing its air conditioning business and increasing productivity. The Company again nominates him as a candidate for Director, expecting that he would enhance the Company's sustainable growth and its mid- to long-term corporate value, and revitalize, and strengthen the function of, the Board of Directors as the person in charge of quality, environment, and safety, including core business management. |                                                                                                                           |                                 |            |



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| 5                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Toshikazu Yokote                                                                                                                            | Date of birth: March 29, 1961 | Reelection |
| Term of office as Director (at the conclusion of this Meeting): 2 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                             |                               |            |
| Number of shares of the Company held: 22,847<br>(of the shares above, number of shares to be delivered pursuant to stock compensation program: 7,961)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                             |                               |            |
| Attendance at Board of Directors' meetings: 13/13 meetings (100.0%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                             |                               |            |
| Past experience, positions, and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                             |                               |            |
| April 1985                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Joined the Company                                                                                                                          |                               |            |
| April 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Administration Officer; Branch General Manager, Hiroshima Branch                                                                            |                               |            |
| April 2018                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Executive Officer                                                                                                                           |                               |            |
| April 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Group General Manager; Corporate Operations Headquarters; in charge of Compliance                                                           |                               |            |
| June 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Director and Executive Officer                                                                                                              |                               |            |
| April 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Director and Managing Executive Officer<br>In charge of Compliance, Corporate Operations Headquarters, and Business Innovation Headquarters |                               |            |
| December 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Director and Managing Executive Officer, CDXO<br>To the present                                                                             |                               |            |
| April 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | In charge of Compliance, Corporate Operations Headquarters, and DX Management Headquarters<br>To the present                                |                               |            |
| Material concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                             |                               |            |
| Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                             |                               |            |
| Reason for nomination as a candidate for Director<br>Mr. Toshikazu Yokote has accumulated a wealth of experience and deep insight into design and installation of building facilities with regard to the Company group's business through executing its air conditioning equipment business. Also, as Director in charge of human resources, general affairs, accounting and finance, legal-related work, and DX management, he has fulfilled his executive responsibilities through strengthening the management base. The Company again nominates him as a candidate, expecting that he would enhance the Company's sustainable growth and its mid- to long-term corporate value, and revitalize, and strengthen the function of, the Board of Directors as the person in charge of compliance including overall corporate administration. |                                                                                                                                             |                               |            |

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| 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Kazuo Matsunaga                                                                                         | Date of birth: February 28, 1952 | Reelection | Outside Director | Independent Director |
| Term of office as Director (at the conclusion of this Meeting): 8 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                         |                                  |            |                  |                      |
| Number of shares of the Company held: 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                         |                                  |            |                  |                      |
| Attendance at Board of Directors' meetings: 13/13meetings (100.0%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                         |                                  |            |                  |                      |
| Past experience, positions, and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                         |                                  |            |                  |                      |
| April 1974                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Joined Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry) |                                  |            |                  |                      |
| June 2004                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Director, Nuclear and Industrial Safety Agency                                                          |                                  |            |                  |                      |
| September 2005                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Director-General for Policy Planning and Coordination, Minister's Secretariat                           |                                  |            |                  |                      |
| July 2006                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Deputy Vice-Minister of Economy, Trade and Industry, Minister's Secretariat                             |                                  |            |                  |                      |
| July 2008                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Director-General, Economic and Industrial Policy Bureau                                                 |                                  |            |                  |                      |
| July 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Vice-Minister of Economy, Trade and Industry                                                            |                                  |            |                  |                      |
| August 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Advisor to Ministry of Economy, Trade and Industry                                                      |                                  |            |                  |                      |
| June 2013                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Outside Director, the Company                                                                           |                                  |            |                  |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | To the present                                                                                          |                                  |            |                  |                      |
| Material concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                         |                                  |            |                  |                      |
| Outside Director, SONY GROUP CORPORATION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                         |                                  |            |                  |                      |
| Outside Director, HASHIMOTO SOGYO HOLDINGS CO., LTD.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                         |                                  |            |                  |                      |
| Representative Chairman of the Board, Mitsubishi Fuso Truck and Bus Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                         |                                  |            |                  |                      |
| Reason for nomination as a candidate for Outside Director and outline of expected role                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                         |                                  |            |                  |                      |
| <p>Mr. Kazuo Matsunaga has a wealth of experience and insight into the fields of public administration and economics. The Company nominates him as a candidate, expecting that he would supervise the management and execute the checking function from an objective perspective independent from management of business by drawing on his experience and insight. Although he has not participated in corporate management except as an outside director or outside company auditor, the Company has judged that he would appropriately perform his duties as Outside Director, including the provision of valuable suggestions and opinions to the Company's management, due to the above reasons.</p> <p>He served as a part-time advisor from July 2012 to June 2013, when he was elected as the Company's Outside Director at the Ordinary General Meeting of Shareholders, based on the premise that he would assume office as an Outside Director of the Company. As the advisory services he provided consisted of offering advice from the standpoint of an independent outsider, and as the advisory compensation paid to him was not a large amount (less than 10 million yen), the Company has judged that his independence as Outside Director is secured. The Company's criteria of independence for Outside Directors are as stated below in Note 2.</p> |                                                                                                         |                                  |            |                  |                      |

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| 7                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Kiyoshi Fujimura | Date of birth: November 3, 1949 | Reelection | Outside Director | Independent Director |
| Term of office as Director (at the conclusion of this Meeting): 3 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                  |                                 |            |                  |                      |
| Number of shares of the Company held: 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                  |                                 |            |                  |                      |
| Attendance at Board of Directors' meetings: 13/13 meetings (100.0%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                  |                                 |            |                  |                      |
| Past experience, positions, and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                  |                                 |            |                  |                      |
| April 1972      Joined Mitsubishi Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                  |                                 |            |                  |                      |
| February 2002      Director and President, Mitsubishi Corporation Financial & Management Services (Japan) Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                  |                                 |            |                  |                      |
| June 2003      Company Auditor (full-time), Mitsubishi Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                  |                                 |            |                  |                      |
| June 2007      Executive Officer, Corporate Functional Officer (CIO), Mitsubishi Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                  |                                 |            |                  |                      |
| April 2008      Executive Vice President, Corporate Functional Officer (CIO), Mitsubishi Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                  |                                 |            |                  |                      |
| April 2009      Director and Executive Vice President, Corporate Functional Officer (CIO), Mitsubishi Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                  |                                 |            |                  |                      |
| April 2010      Director and Executive Vice President, officer in charge of auditing and internal controls, Mitsubishi Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                  |                                 |            |                  |                      |
| June 2012      Resigned from Mitsubishi Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                  |                                 |            |                  |                      |
| June 2018      Outside Director, the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                  |                                 |            |                  |                      |
| To the present                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                  |                                 |            |                  |                      |
| Material concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                  |                                 |            |                  |                      |
| Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                  |                                 |            |                  |                      |
| Reason for nomination as a candidate for Outside Director and outline of expected role                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                  |                                 |            |                  |                      |
| <p>Mr. Kiyoshi Fujimura has a wealth of experience and insight as a director and CIO of a general trading company. The Company nominates him as a candidate, expecting that he would supervise the management and execute the checking function from an objective perspective independent from management of business by drawing on his experience and insight and that he would appropriately perform his duties as Outside Director, including the provision of valuable suggestions and opinions to the Company's management.</p> <p>Although the Company has a normal business relationship, including installation work orders and equipment procurement, etc. with Mitsubishi Corporation, the company to which Mr. Fujimura belonged, the Company has judged that his independence as Outside Director is secured as the amount of trading with that company is nominal, accounting for 0.00% (truncated to the second decimal place) of the net sales of the Company. The Company's criteria of independence for Outside Directors are as stated below in Note 2.</p> |                  |                                 |            |                  |                      |

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| 8                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Yoko Seki | Date of birth: August 30, 1970 | Reelection | Outside Director | Independent Director |
| Term of office as Director (at the conclusion of this Meeting): 2 years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |           |                                |            |                  |                      |
| Number of shares of the Company held: 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |           |                                |            |                  |                      |
| Attendance at Board of Directors' meetings: 13/13 meetings (100.0%)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |           |                                |            |                  |                      |
| Past experience, positions, and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |           |                                |            |                  |                      |
| October 2002 Registered as attorney                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |           |                                |            |                  |                      |
| December 2006 Joined Ginza Prime Law Office To the present                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |           |                                |            |                  |                      |
| April 2014 Professor at Kokushikan University To the present                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |           |                                |            |                  |                      |
| June 2019 Outside Director, the Company To the present                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |                                |            |                  |                      |
| Material concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |           |                                |            |                  |                      |
| Outside Company Auditor, TAIJU LIFE INSURANCE COMPANY LIMITED<br>Supervisory Director, AEON REIT Investment Corporation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |           |                                |            |                  |                      |
| Reason for nomination as a candidate for Outside Director and outline of expected role<br>Ms. Yoko Seki has a wealth of experience and insight as an attorney. The Company nominates her as a candidate, expecting that she would supervise the management and execute the checking function from an objective perspective independent from management of business by drawing on her experience and insight. Although she has not participated in corporate management except as an outside director or outside company auditor, the Company has judged that she would appropriately perform her duties as Outside Director, including the provision of valuable suggestions and opinions to the Company's management, due to the above reasons. The Company's criteria of independence for Outside Directors are as stated below in Note 2. |           |                                |            |                  |                      |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                               |                                |              |                  |                      |
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| 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Makio Fujiwara                                                                                                | Date of birth: August 14, 1950 | New election | Outside Director | Independent Director |
| Term of office as Outside Company Auditor (at the conclusion of this Meeting): 7 years<br>Number of shares of the Company held: 4,094<br>Attendance at Board of Directors' meetings: 13/13 meetings (100%)*<br>*Attendance as an Outside Company Auditor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                               |                                |              |                  |                      |
| Past experience, positions, and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                               |                                |              |                  |                      |
| April 1974                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Joined Tokyo Electric Power Company Co., Ltd. (currently Tokyo Electric Power Company Holdings, Incorporated) |                                |              |                  |                      |
| June 2007                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Senior Director, Group General Manager of New Business Promotion Group, Tokyo Electric Power Company Co. Ltd. |                                |              |                  |                      |
| June 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Senior Director, Deputy Group General Manager of Sales Group, Tokyo Electric Power Company Co., Ltd.          |                                |              |                  |                      |
| June 2010                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Director and Vice President, Group General Manager of Sales Group, Tokyo Electric Power Company Co., Ltd.     |                                |              |                  |                      |
| June 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Director and Vice President, Group General Manager of Customer Group, Tokyo Electric Power Company Co., Ltd.  |                                |              |                  |                      |
| June 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Senior Company Auditor, Chairman of Board of Company Auditors, Tokyo Electric Power Company Co., Ltd.         |                                |              |                  |                      |
| June 2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Company Auditor, the Company                                                                                  |                                |              |                  |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | To the present                                                                                                |                                |              |                  |                      |
| Material concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                               |                                |              |                  |                      |
| Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                               |                                |              |                  |                      |
| Reason for nomination as a candidate for Outside Director and outline of expected role                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                               |                                |              |                  |                      |
| <p>Mr. Makio Fujiwara has a wealth of experience and insight as a director and a company auditor, in each case, of Tokyo Electric Power Company Co., Ltd. (currently Tokyo Electric Power Company Holdings, Incorporated). Also, he has given valuable suggestions and opinions to the Company management as an Outside Company Auditor of the Company from June 2014. The Company nominates him as a candidate, expecting that he would supervise the management and execute the checking function from an objective perspective independent from management of business by drawing on his experience and insight.</p> <p>Although the Company has a normal business relationship, including installation work orders and equipment procurement, etc. with Tokyo Electric Power Corporation (currently Tokyo Electric Power Company Holdings, Incorporated), the company to which Mr. Fujiwara belonged, the Company has judged that his independence as Outside Director is secured as the amount of trading with that company is nominal, accounting for 0.10% (truncated to the second decimal place) of the net sales of the Company. The Company's criteria of independence for Outside Directors are as stated below in Note 2.</p> <p>Mr. Fujiwara is currently an Outside Company Auditor of the Company, but he is scheduled to resign from such position at the conclusion of this Ordinary Meeting of Shareholders.</p> |                                                                                                               |                                |              |                  |                      |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                |                                |              |                  |                      |
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| 10                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Hideka Morimoto                                                                                                                                                | Date of birth: January 4, 1957 | New election | Outside Director | Independent Director |
| Number of shares of the Company held: 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                |                                |              |                  |                      |
| Past experience, positions, and responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                |                                |              |                  |                      |
| April 1981                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Joined the Environment Agency (currently Ministry of Environment)                                                                                              |                                |              |                  |                      |
| August 2011                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Councillor, Cabinet Secretariat and Director-General of the Task Force for the Reform of Nuclear Safety Regulations and Organizations, the Cabinet Secretariat |                                |              |                  |                      |
| September 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Deputy Secretary General, the Nuclear Regulation Agency                                                                                                        |                                |              |                  |                      |
| July 2014                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Director General, Ministry of Environment                                                                                                                      |                                |              |                  |                      |
| July 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Administrative Vice-Minister, Ministry of Environment                                                                                                          |                                |              |                  |                      |
| July 2019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Advisor, Ministry of Environment                                                                                                                               |                                |              |                  |                      |
| April 2020                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Professor at Waseda University, School of Law                                                                                                                  |                                |              |                  |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Advisor, the Company                                                                                                                                           |                                |              |                  |                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | To the Present                                                                                                                                                 |                                |              |                  |                      |
| Material concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                |                                |              |                  |                      |
| Professor at Waseda University, School of Law                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                |                                |              |                  |                      |
| Reason for nomination as a candidate for Outside Director and outline of expected role                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                |                                |              |                  |                      |
| <p>Mr. Hideka Morimoto has a wealth of experience and insight into the fields of public administration and environment. The Company nominates him as a candidate, expecting that he would supervise the management and execute the checking function from an objective perspective independent from management of business by drawing on his experience and insight. Although he has not participated in corporate management except as an outside director or outside company auditor, the Company has judged that he would appropriately perform his duties as Outside Director, including the provision of valuable suggestions and opinions to the Company's management, due to the above reasons.</p> <p>He serves as a part-time advisor during the period from April 2020 to this General Meeting, based on the premise that he would assume office as an Outside Director of the Company. As the advisory services he provided consisted of offering advice from the standpoint of an independent outsider, and as the advisory compensation paid to him was not a large amount (less than 10 million yen), the Company has judged that his independence as Outside Director is secured. The Company's criteria of independence for Outside Directors are as stated below in Note 2.</p> |                                                                                                                                                                |                                |              |                  |                      |

(Notes)

1. There are no special interests between each candidate for Director and the Company.
2. The Company's criteria of independence for Outside Directors are as follows.
  - (1) They are not a party that considers the Company a major business partner (Note) or an individual who executes business of such a party.

Note: "Major business partner" here is defined as a corporation that in the previous fiscal year and three past fiscal years (the "fiscal years of interest") has conducted transactions in any of the fiscal years of interest that total, as a rule, 2% or more of its net sales.
  - (2) They are not a party that the Company considers a major business partner (Note) or an individual who executes business of such a party.

Note: "Major business partner" here is defined as a corporation that in the previous fiscal year and three past fiscal years (the "fiscal years of interest") has conducted transactions in any of the fiscal years of interest that total, as a rule, 2% or more of the Company's net sales.
  - (3) They are not a consultant, accounting specialist, or legal specialist that receives large amounts of monetary or other assets (Note) from the Company aside from executive compensation (in the case that the party receiving the assets is a legal entity or association, this applies to individuals who belong thereto).

Note: "Large amounts of monetary or other assets" here is defined as assets valued in total, as a rule, at 10 million yen or greater over the course of a single fiscal year.
  - (4) They are not a party or an individual that recently would fall under the following 1) to 4).
    - 1) A party or an individual that would fall under (1), (2), or (3).
    - 2) An individual who executes business or non-executive director of the Company's parent company.
    - 3) A company auditor of the Company's parent company (applicable only when Outside Company Auditors are selected as independent officers).
    - 4) An individual who executes business of a fellow subsidiary company.
  - (5) They are not a close relative (Note) to an individual that would fall under the following 1) to 8) (however, not applicable when the individual is not a significant person (Note)).
    - 1) A party or an individual that would fall under (1) to (4).
    - 2) An accounting counselor of the Company. (In the case that the accounting counselor is a legal entity, this includes individuals who conduct that entity's duties. This clause also applies to the following items.) (Applicable only when Outside Company Auditors are selected as independent officers.)
    - 3) An individual who executes business of a subsidiary company of the Company.
    - 4) A director or accounting counselor of a subsidiary company of the Company who is not an individual who executes business (applicable only when Outside Company Auditors are selected as independent officers).
    - 5) An individual who executes business or non-executive director of the Company's parent company.
    - 6) A company auditor of the Company's parent company (applicable only when Outside Company Auditors are selected as independent officers).
    - 7) An individual who executes business of a fellow subsidiary company.
    - 8) A party who has recently fallen under 3) or 4) above, or who has recently been an individual who executes business of a listed company (including non-executive directors in the case that Outside Company Auditors are selected as independent officers).

Notes: "Significant person" here is defined in the case of an individual who executes business in (1) and (2) as an officer or division director of the company or business partner referred to, and in the case of parties in (3) as certified public accountants belonging to audit firms referred to and attorneys (including "associates") belonging to law offices referred to. "Close relative" here is defined as a relative within two degrees.
3. The Company has concluded liability limitation agreements with each of Mr. Kazuo Matsunaga, Mr. Kiyoshi Fujimura and Ms. Yoko Seki to limit their liabilities for damages to the aggregated amount set out in each item of Article 425, Paragraph 1 of the Companies Act, concerning the liabilities under Article 423, Paragraph 1 of the Companies Act, if gross negligence has not been committed and they perform their duties in good faith. If each of them is reelected as Director and assumes office, the Company plans to continue such agreements with each of them. Also, the Company has concluded a liability limitation agreement with Mr. Makio Fujiwara as an Outside Company Auditor to limit his liability for damages to the aggregated amount set out in each item of Article 425, Paragraph 1 of the Companies Act, concerning the liabilities under Article 423, Paragraph 1 of the Companies Act, if gross negligence has not been committed and he performs his duties in good faith. If Mr. Makio Fujiwara and Mr. Hideka Morimoto are newly elected as Directors and assume office, the Company plans to conclude similar agreements with each of them as Directors.
4. If the proposal of the election of Mr. Kazuo Matsunaga, Mr. Kiyoshi Fujimura, Ms. Yoko Seki, and Mr. Makio Fujiwara is approved, Mr. Kazuo Matsunaga, Mr. Kiyoshi Fujimura, Ms. Yoko Seki, and Mr. Makio Fujiwara will continue to be, and Mr. Hideka Morimoto will newly be, designated as independent officers stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange. The Company plans to report such designation to the Tokyo Stock Exchange.

5. In July 2016, when Mr. Kiyoshi Fujimura was an Outside Director for TDK Corporation, the company was subject to an on-site inspection under antitrust laws by the Fair Trade Commission with regard to its HDD suspension business, and in February 2018, the company was delivered a cease and desist order and a monetary penalty payment order pursuant to the provisions of antitrust laws. He has made specific comments and given opinions regarding compliance with laws and regulations and has also given advice regarding the prevention of a recurrence of such actions.
6. The number of shares of the Company held by each candidate includes the number of shares actually owned under the name of the officers' shareholding association and the number of shares to be delivered to officers (shown in parentheses in each Director's profile information) when they leave office pursuant to the stock compensation program.  
Details of shares of the Company to be delivered under stock compensation program  
The Company discontinued stock compensation type stock options and introduced a stock compensation program (the "Program") to its Directors, etc. (excluding Outside Directors and overseas residents; the same applies below) from fiscal year 2018. The number of shares to be delivered to candidates under the Program includes the number of shares of the Company equivalent to the number of points to be granted on June 1, 2021 as well as the number of shares of the Company equivalent to the number of points granted under the Program on October 1, 2018 in accordance with the number of shares that were subject to waived stock acquisition rights upon the commencement of the Program as a measure for transitioning from the stock compensation type stock options. The actual delivery of shares to Directors will be made when they leave office. Voting rights for shares to be delivered under the Program will not be exercised until the shares are actually delivered to each of the candidates in the future. The Company plans to sell the number of shares equivalent to 30% of the shares to be delivered on the market in order to secure funds for tax payments and plans to pay the candidates from the proceeds of the shares sold.
7. The Company has entered into a Director and Officers Liability Insurance (D&O Insurance) policy prescribed in Article 430-3, Paragraph 1, of the Companies Act with an insurance company under which all Directors (including Outside Directors) are insured. If this proposal is approved as proposed and each candidate assumes office as a Director, each candidate will become insured under such insurance policy. In such insurance policy, it is prescribed that the insured Directors will be compensated for any damages, dispute expenses, and the like that might arise due to being liable in respect of the performance of their duties or being subject to a claim for the enforcement of such liability. However, certain exemption clauses apply, such as that the insured will not be compensated for any damage that arises due to acts they conduct with the knowledge that such acts are in breach of laws or ordinances. The insurance premiums are fully paid by the Company including for special policy provisions, and the insureds do not make any substantive payment of the insurance premiums. It is scheduled that such insurance policy will be renewed in October 2021, which would be during the term of office of each candidate.



**Proposal 3:** Election of Two (2) Company Auditors

The term of office of Company Auditor Mr. Junichiro Kondo will expire at the conclusion of this Ordinary General Meeting of Shareholders. Company Auditor Makio Fujiwara will resign at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the election of two Company Auditors is proposed. The candidates are as follows, and the Board of Company Auditors has already given consent to this proposal.

The Company determines the candidates for nomination at the Board of Directors' meeting after deliberation at the Nomination and Compensation Committee by thoroughly taking into account such factors as the candidate possessing a considerable level of expertise regarding finance and accounting and the expectation that the candidate would supervise the management and execute the checking function.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                |                                 |            |  |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------------------|------------|--|--|
| 1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Kunihiro Kondo | Date of birth: January 28, 1957 | Reelection |  |  |
| Term of office as Company Auditor (at the conclusion of this Meeting): 4 years                                                                                                                                                                                                                                                                                                                                                                                                                |                |                                 |            |  |  |
| Number of shares of the Company held: 23,283                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                |                                 |            |  |  |
| Attendance at Board of Directors' meetings: 13/13 meetings (100%)                                                                                                                                                                                                                                                                                                                                                                                                                             |                |                                 |            |  |  |
| Attendance at Board of Company Auditors' meetings: 13/13 meetings (100%)                                                                                                                                                                                                                                                                                                                                                                                                                      |                |                                 |            |  |  |
| Past experience and positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                |                                 |            |  |  |
| April 1980 Joined Fuji Bank, Limited (currently Mizuho Bank, Ltd.)                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                                 |            |  |  |
| April 2004 Branch Manager of Kudan Branch, Mizuho Bank, Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                  |                |                                 |            |  |  |
| April 2007 Executive Officer; Branch Manager of Osaka Branch                                                                                                                                                                                                                                                                                                                                                                                                                                  |                |                                 |            |  |  |
| April 2010 Company Auditor of Mizuho Private Wealth Management Co., Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                      |                |                                 |            |  |  |
| April 2011 Joined the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                |                                 |            |  |  |
| Executive Officer                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                |                                 |            |  |  |
| Deputy General Manager, Tokyo Main Office, East Japan Headquarters                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                                 |            |  |  |
| April 2012 Executive Officer                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                |                                 |            |  |  |
| In charge of Sales and Marketing, East Japan Headquarters                                                                                                                                                                                                                                                                                                                                                                                                                                     |                |                                 |            |  |  |
| April 2014 Executive Officer                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                |                                 |            |  |  |
| Deputy Group General Manager, Sales and Marketing Headquarters                                                                                                                                                                                                                                                                                                                                                                                                                                |                |                                 |            |  |  |
| April 2017 Advisor                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                                 |            |  |  |
| June 2017 Full-time Company Auditor                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                |                                 |            |  |  |
| To the present                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                |                                 |            |  |  |
| Material concurrent positions                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                |                                 |            |  |  |
| Not applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                |                                 |            |  |  |
| Reason for nomination as a candidate for Company Auditor                                                                                                                                                                                                                                                                                                                                                                                                                                      |                |                                 |            |  |  |
| Mr. Kunihiro Kondo has a wealth of experience in and insight into finance, accounting, and related matters in financial institution work. Additionally, since joining the Company, he has served as Deputy General Manager of the Tokyo Main Office, the Deputy Group General Manager of the Sales and Marketing Headquarters, and in other roles. The Company nominates him as a candidate, expecting that he would continuously supervise the management and execute the checking function. |                |                                 |            |  |  |

|                                                                                 |                    |                                  |              |                         |                             |
|---------------------------------------------------------------------------------|--------------------|----------------------------------|--------------|-------------------------|-----------------------------|
| 2                                                                               | Shigeharu Kawahara | Date of birth: November 19, 1949 | New election | Outside Company Auditor | Independent Company Auditor |
| Number of shares of the Company held: 0                                         |                    |                                  |              |                         |                             |
| Past experience and positions                                                   |                    |                                  |              |                         |                             |
| April 1973 Joined Sony Corporation (currently SONY GROUP CORPORATION)           |                    |                                  |              |                         |                             |
| January 1983 Transferred to Sony Corporation of America                         |                    |                                  |              |                         |                             |
| April 1996 Joined KPMG Peat Marwick LLP                                         |                    |                                  |              |                         |                             |
| October 1996 Partner                                                            |                    |                                  |              |                         |                             |
| February 2003 Representative Partner, KPMG AZSA & Co. (currently KPMG AZSA LLC) |                    |                                  |              |                         |                             |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| July 2012                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Representative, Kawahara Shigeharu Certified Public Accountant Office<br>To the present                                                                        |
| June 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Independent Outside Director, Member of the Compensation Committee and the Audit Committee, Hitachi Capital Corporation (currently Mitsubishi HC Capital Inc.) |
| September 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Special Assistant to the Director, Hitotsubashi University CFO Research Center<br>To the present                                                               |
| Material concurrent positions<br>Representative of Kawahara Shigeharu Certified Public Accountant Office                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                |
| Reason for nomination as a candidate for Outside Company Auditor<br>Mr. Shigeharu Kawahara has a wealth of experience and insight as a certified public accountant. The Company nominates him as a candidate, expecting that he would supervise the management and execute the checking function from an independent perspective by drawing on his experience and insight and that he would appropriately perform his duties as Outside Auditor, including the provision of valuable suggestions and opinions to the Company's management. Although he used to hold a position at KPMG AZSA LLC, which is the Accounting Auditor of the Company, the Company has judged that his independence as Outside Auditor is secured as he does not currently have any relationship with KPMG AZSA LLC and eight years have passed since he left such position. |                                                                                                                                                                |

(Notes)

1. There are no special interests between each candidate for Company Auditor and the Company.
2. The number of shares of the Company held by each candidate includes the number of shares actually owned under the name of the officers' shareholding association.
3. If the proposal of the election of Mr. Shigeharu Kawahara is approved, the Company plans to conclude a liability limitation agreement with Mr. Shigeharu Kawahara to limit his liability for damages to the aggregated amount set out in each item of Article 425, Paragraph 1 of the Companies Act, concerning the liabilities under Article 423, Paragraph 1 of the Companies Act, if gross negligence has not been committed and he performs his duties in good faith.
4. If the proposal of the election of Mr. Shigeharu Kawahara is approved, Mr. Shigeharu Kawahara will newly be designated as an independent officer stipulated in Article 436-2 of the Securities Listing Regulations of the Tokyo Stock Exchange. The Company plans to report such designation to the Tokyo Stock Exchange.
5. The Company has entered into a Director and Officers Liability Insurance (D&O Insurance) policy prescribed in Article 430-3, Paragraph 1, of the Companies Act with an insurance company under which all Company Auditors (including Outside Company Auditors) are insured. If this proposal is approved as proposed and each candidate assumes office as a Company Auditor, each candidate will become insured under such insurance policy. In such insurance policy, it is prescribed that the insured Company Auditors will be compensated for any damages, dispute expenses, and the like that might arise due to being liable in respect of the performance of their duties or being subject to a claim for the enforcement of such liability. However, certain exemption clauses apply, such as that the insured will not be compensated for any damage that arises due to acts they conduct with the knowledge that such acts are in breach of laws or ordinances. The insurance premiums are fully paid by the Company including for special policy provisions, and the insureds do not make any substantive payment of the insurance premiums. It is scheduled that such insurance policy will be renewed in October 2021, which would be during the term of office of each candidate.

**Proposal 4:** Partial Revision of Stock Compensation Program for Directors, etc.

1. Reason for Proposal; Reason Proposed Compensation is Reasonable

The Company obtained at the 138th Ordinary General Meeting of Shareholders held on June 26, 2018 the shareholders’ approval of the introduction of a new stock compensation program (the “Program”) for Directors (excluding Outside Directors and overseas residents; the same applies below in this proposal), Executive Officers (excluding overseas residents) who have concluded service agreements, and Administration Officers (excluding overseas residents; Directors, Executive Officers, and Administration Officers collectively, “Directors, etc.”) who have concluded service agreements.

With a view to achieving closer links between a mid to long term management strategy and the compensation of Directors, etc., the Company will submit this proposal to this Ordinary General Meeting of Shareholders to revise the Program into a performance-based equity compensation program and make changes necessary to continue the Program.

Under the Program, executive compensation for the Directors, etc. of the Company and executive compensation for Directors of some of the consolidated subsidiaries of the Company (the “Subject Subsidiaries”: the Company and the Subject Subsidiaries together, the “Subject Companies”) (regarding the Directors of the Subject Subsidiaries, excluding Outside Directors and overseas residents; together with the Directors, etc. of the Company, the “Subject Directors, etc.”) will be managed together.

The purpose of the Program is to achieve closer links between the Company’s management strategy and the compensation of the Subject Directors, etc. and increase the motivation of the Subject Directors etc. even more, towards contributing to the improvement of performance and the increase of corporate value over the mid to long term, and as a performance-based equity compensation program is necessary and reasonable to achieve the purpose, the Company believes the revision of this Program to be reasonable.

The Company determined at the Board of Directors’ meeting held in May in 2021 the Company’s policy for determination of compensation, etc. of each of the Directors, etc., as the summary is stated on page 41 of the Business Report. The Company does not plan to change the policy as the Company thinks that it will continue to be reasonable in case where the policy has been approved.

As set out below, the limit on points granted to the Subject Directors, etc. per fiscal year will be 177,100 points (equivalent to 177,100 Company shares), and the number of shares corresponding to the limit on points per fiscal year granted to the Subject Directors, etc. is approximately 0.3% of the total number of issued shares of the Company (as of March 31, 2021; excluding treasury shares).

If Proposal 2, “Election of Ten (10) Directors” is approved and adopted as proposed, the number of Directors subject to the Program will be five (5). As set out above, Executive Officers will also be subject to the Program (there will be 23 Executive Officers who do not currently serve as Directors subject to the Program at the time of conclusion of this Ordinary General Meeting of Shareholders). Compensation based on the Program includes compensation for Executive Officers; however, in this proposal, the Company will suggest the amount and details of whole compensation based on the Program as compensation for Directors, etc. considering the possibility that those Executive Officers will newly assume the office of Director during the subject term.

2. Amount and Details, etc. of Compensation, etc. under the Program

(1) Summary of the Program

The Program is a stock compensation program wherein Company shares will be acquired through a trust using the money for the compensation of Subject Directors, etc. contributed by the Subject Companies, and Company shares and money equivalent to the conversion price of the Company shares (the “Company Shares, etc.”) will be delivered and paid (the “Delivery, etc.”) to the Subject Directors, etc. (details are as set out in and after (2)).

|                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(i) People to receive Delivery, etc. of Company Shares, etc. under the Program</p> | <ul style="list-style-type: none"> <li>• Directors (excluding Outside Directors and overseas residents) of the Company</li> <li>• Executive Officers and Administration Officers (both excluding overseas residents) of the Company who have concluded service agreements</li> <li>• Directors (excluding Outside Directors and overseas residents) of the three consolidated subsidiaries of the Company</li> </ul> |
|---------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                              |
|----------------------------------------------------------------------------------------------|
| <p>(ii) Effect of Company shares subject to the Program on total number of issued shares</p> |
|----------------------------------------------------------------------------------------------|

|                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Limit on money contributed by Subject Companies (as set out in (2) below)                                                                                              | <ul style="list-style-type: none"> <li>Over three fiscal years, a total of ¥859,000,000 (of which up to ¥769,000,000 may be contributed by the Company)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Method of acquiring Company shares (as set out in (2) below) and limit on number of Company Shares, etc. acquired by Subject Directors, etc. (as set out in (3) below) | <ul style="list-style-type: none"> <li>As the Company shares are planned to be acquired via the stock market, there will be no dilution.</li> <li>The limit on points granted to Subject Directors, etc. per fiscal year will be 177,100 points (of which the limit on points granted to Directors, etc. of the Company will be 158,200 points).</li> <li>The number of shares corresponding to the limit on points per fiscal year granted to the Subject Directors, etc. is approximately 0.3% of the total number of issued shares of the Company (as of March 31, 2021; excluding treasury shares).</li> </ul> |
| (iii) Details of Performance Indicators (as set out in (3) below)                                                                                                      | <ul style="list-style-type: none"> <li>Fluctuate in the range of 0% to 150% depending on the achievement level of targets for financial indicators (such as consolidated sales, consolidated recurring profit and consolidated ROE) and non-financial indicators (such as CO2 emissions) in each fiscal year.</li> </ul>                                                                                                                                                                                                                                                                                           |
| (iv) Timing of Delivery, etc. of Company Shares, etc. to Subject Directors, etc. (as set out in (4) below)                                                             | <ul style="list-style-type: none"> <li>In principle, when Subject Directors, etc. leave office</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

(2) Limit on Money Contributed by Subject Companies

The Program will apply to periods of three (3) consecutive fiscal years (if a trust period as set out below is extended, it will apply to each periods of three (3) fiscal years thereafter; each a “Subject Period”).

The Company will contribute money as compensation for the Directors, etc. of the Company up to the limit of ¥769,000,000 per Subject Period and, together with the money contributed by each Subject Subsidiary as compensation for its Directors (the limit on the total amount of money contributed by the Subject Companies will be ¥859,000,000), will establish a trust (the “Trust”) with a trust period of three years (including extensions of the trust period set out in the 4th paragraph of this (2); the same applies below) for which the beneficiaries will be Subject Directors, etc. who fulfill the beneficiary requirements (such as being the Subject Directors, etc. during the Subject Period, having left the office of Subject Director, etc., becoming an overseas resident during the term of office, and having not engaged in misconduct).

In accordance with the instructions of the trust administrator, the Trust will acquire Company shares from the stock market using the money in trust. The Subject Companies will grant points (as set out in (3) below) to the Subject Directors, etc. during the trust period, and the Trust will perform the Delivery, etc. of Company Shares, etc.

When the trust period of the Trust expires, instead of establishing the Trust anew, the Trust may be continued by amending the trust agreement and making an additional entrustment. In that case, the trust period of the Trust will be extended for a period of three (3) years, and the three (3) fiscal years from the extension of the trust period will be the Subject Period. For each extended trust period, each Subject Subsidiary will newly contribute money to the Company up to the limit approved by a resolution of the Subject Subsidiary’s general meeting of shareholders, and the Company will make an additional entrustment using the money contributed by the Subject Subsidiaries and money additionally contributed by the Company up to the limit of ¥769,000,000; during the extended trust period, the Subject Companies will continue to grant points to the Subject Directors, etc., and the Trust will continue to perform the Delivery, etc. of Company Shares, etc. However, when making an additional contribution, if Company shares (excluding Company shares corresponding to points granted to Subject Directors, etc. for which Delivery, etc. has not yet been made) or money remain among the trust assets (“Remaining Shares, etc.”) on the final day of the trust period before extension, the total of the amount of the Remaining Shares, etc. and the trust money additionally contributed by the Company will be within the limit of ¥859,000,000.

(3) Calculation method and limit of number of Company shares acquired by Subject Directors, etc.

The number of Company Shares, etc. granted to the Subject Directors, etc. will be calculated according to the number of points granted to the Subject Directors, etc. every year.

In June of each year during the trust period, each Subject Directors, etc. will be granted base points set in

advance based on their positions and multiplied by an achievement-linked coefficient that fluctuates depending on the achievement level of the performance indicator targets in the fiscal year ending March 31 of that year. The achievement-linked coefficient fluctuates in the range of 0% to 150% depending on the achievement level of targets of financial indicators (such as consolidated sales, consolidated recurring profit and consolidated ROE) and non-financial indicators (such as CO2 emissions) in each fiscal year.

The Delivery, etc. of Company Shares, etc. will be made to Subject Directors, etc. when they leave office (leaving office includes cases where they cease to be Subject Directors, etc. due to overseas transfer; the same applies below) in accordance with their accumulated number of points (the "Accumulated Points").

One point is equivalent to one Company share. However, if an event occurs due to which it is found fair to adjust the points such as a split or consolidation of the Company shares during the trust period, the number of Company shares per point will be adjusted based on the split ratio, consolidation ratio, or the like.

The limit on points granted to Directors, etc. of the Company will be 158,200 points total (and the limit on points granted to the Subject Directors, etc. per fiscal year will be 177,100 points total).

(4) Timing of Delivery, etc. of Company Shares, etc. to Subject Directors, etc.

A Subject Director, etc. who fulfills the beneficiary requirements will receive a Delivery, etc. of Company Shares, etc. in the number calculated under (3) above when he or she leaves office. If the Subject Director, etc. concurrently serves as a Subject Director, etc. of any other Subject Company in addition to the foregoing office of Subject Director, etc. (including the case where they will assume the office of Subject Director, etc. of another Subject Company at the same time as when they leave the foregoing office of Subject Director, etc.), they will receive a Delivery, etc., of Company Shares, etc. in a lump sum when they leave the office of Subject Director of all Subject Companies. At that time, the Subject Director, etc. will be delivered Company shares corresponding to 70% of their points (shares less than one unit will be rounded down) and, after the remainder in the Trust is converted, will be paid money equivalent to the conversion price.

If a Subject Director, etc. dies while in office, in principle, all of the Company shares corresponding to the Accumulated Points granted up to that time will be converted in the Trust, and the heir of the Subject Director, etc. will receive payment of the money equivalent to that conversion price.

Additionally, even when a Subject Director, etc. fulfills the beneficiary requirements, if it is confirmed at the Board of Directors' meeting that there has been misconduct or the like such as material breach of their duties or material violation of laws and regulations or internal regulations, the Company may elect to not make Delivery, etc. of all or part of the Company Shares, etc. or request the return of all or part of the Company Shares, etc. for which Delivery, etc. has been made or the amount equivalent thereto.

(5) Voting rights associated with Company shares

In order to ensure neutrality towards management, during the trust period, voting rights for Company shares in the Trust will not be exercised.

(6) Other details of the Program

Other details concerning the Program will be determined by the Board of Directors when establishing the Trust, amending the trust agreement, and making additional contributions to the Trust.

END